

Human Resource Department

SSM 262 3.0

Leadership and HRM in Sports Industry

Department of Sports Science
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Why a separate department for HRM?

It is not vital for an organisation to establish a separate department for HRM. Even Though there may be organisations without HR department it does not mean HRM does not exist. It exist even though there is no HR department or HR manager

Functions of HRM should be carried out irrespective of the size, type and scale of the organization. It is the owner or one of the managers who carries out HRM functions in small scale organizations

Separate HR department has to be established;

- when the manager finds that HRM function seriously disrupt his/ her other duties
- when the manager doesn't have the required competencies to manage people at work
- When HRM function become more complex and time consuming due to increasing number of employees
- Top management perceive that HRM can be done better if there is a separate department

If the expected benefits of establishing a separate department is greater than the maintenance cost it is worthy of establishing a separate department

Role of HR department

HR department performs a **service role** which is considered as intangible

Hence basically human resource manager is a **staff manager**, who provides human resource services to line managers and other staff managers, because all managers will have to manage their subordinates

Hr department of the organisation has to serve all the line managers and staff managers in managing their respective subordinates by providing HR programmes, instructions and suggestions



The head of HR does not have the **line authority** (the legitimate power to give orders to follow) over the managers. The head of HR has **staff authority** which refers to the legitimate power to give advice, to make recommendations and to give suggestions

As the HR manager has the staff authority he/she cannot direct other managers. No orders can be given to other managers to implement. Hence, there is a possibility of rejecting the advice given by the HR manager (it is not compulsory to accept the advice given by the HR manager)

Then what is the use of having a HR department? Is it not a waste of the expertise of the human resource manager?

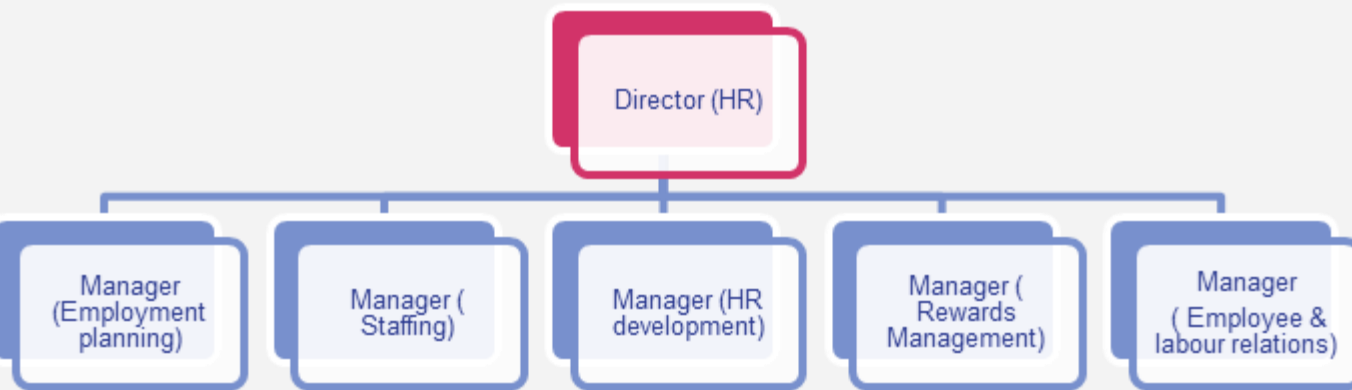
Bases for Departmentalization

There are several bases available for developing sub departments or units of the Department of HR

- Field base
- Functional Base
- Employee Base
- Business Base
- Factory Base
- Mixed Base

Field Base

Establishes sub departments or units within the HR department as per fields of HRM. Six field have been presenter under lesson one



Advantage -

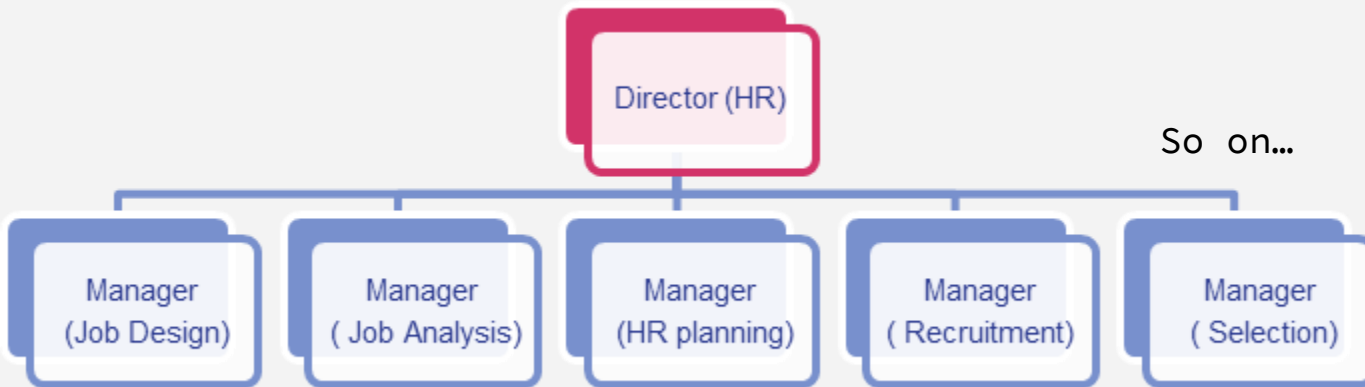
match with the major areas of HRM, specialized managers can be employed

Disadvantage-

Employment of specialized managers is costly

Functional Base

Establishes sub departments or units within the HR department as per functions of HRM. 18 functions have been present under lesson one



Advantage -

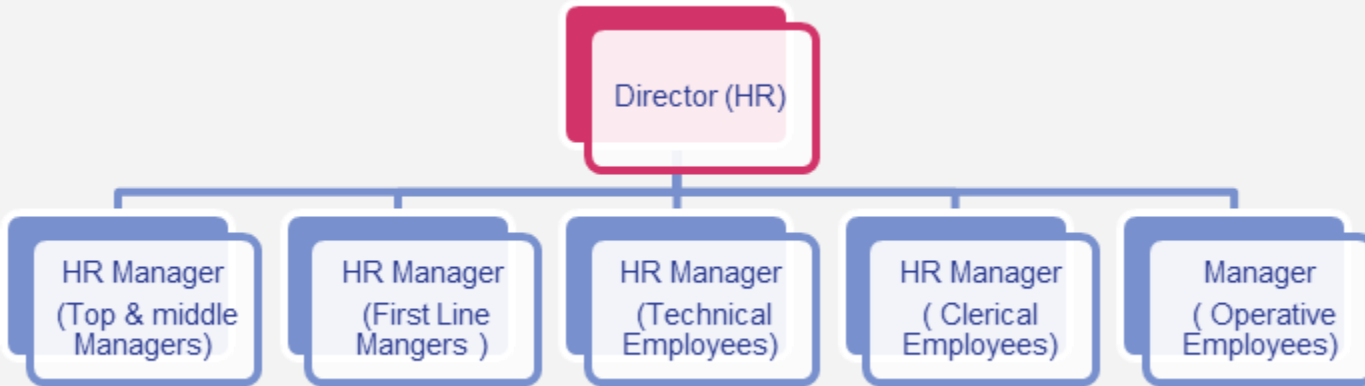
match with the functions of HRM, specialized managers can be employed

Disadvantage-

Employment of specialized managers is costly. Maintaining 18 units is costly. Except for very large organisations with base is not realistic

Employee Base

Establishes sub departments or units within the HR department according to types of employees who are in the organisation



Advantage -

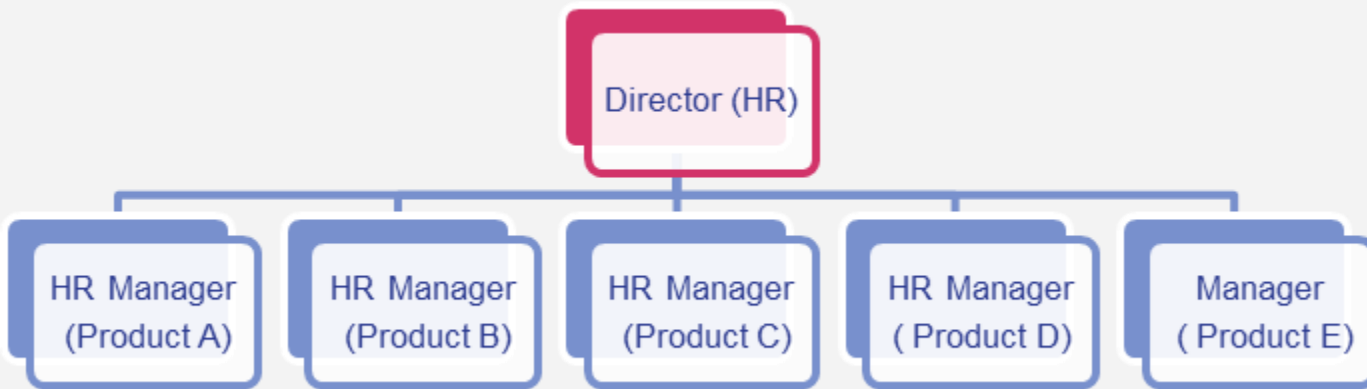
It is possible to give special considerations to special need of respective employees

Disadvantage-

Employees may misunderstand the practice of HRM is significant difference exist in treating different types

Business Base

Establishes sub departments or units within the HR department as per different types of businesses of the organisation



Advantage -

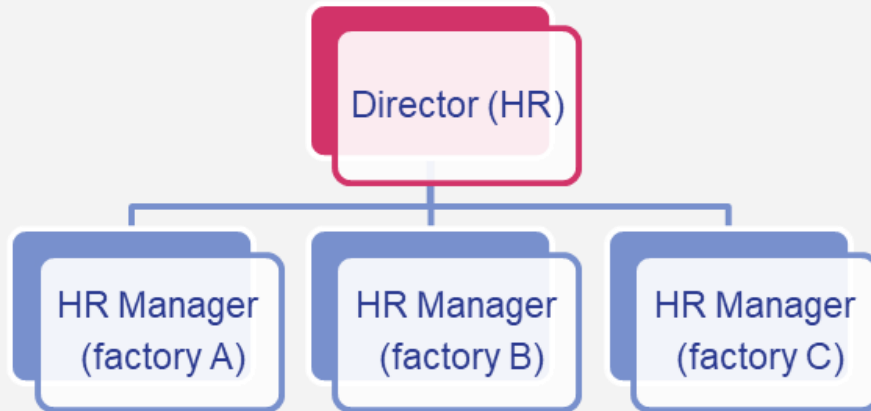
Allow creating and maintaining separate workforce for separate products

Disadvantage-

if there are many products it will be difficult to adopt this due to high cost

Factory Base

Establishes sub departments or units within the HR department as per factories of the organisation



Advantage -

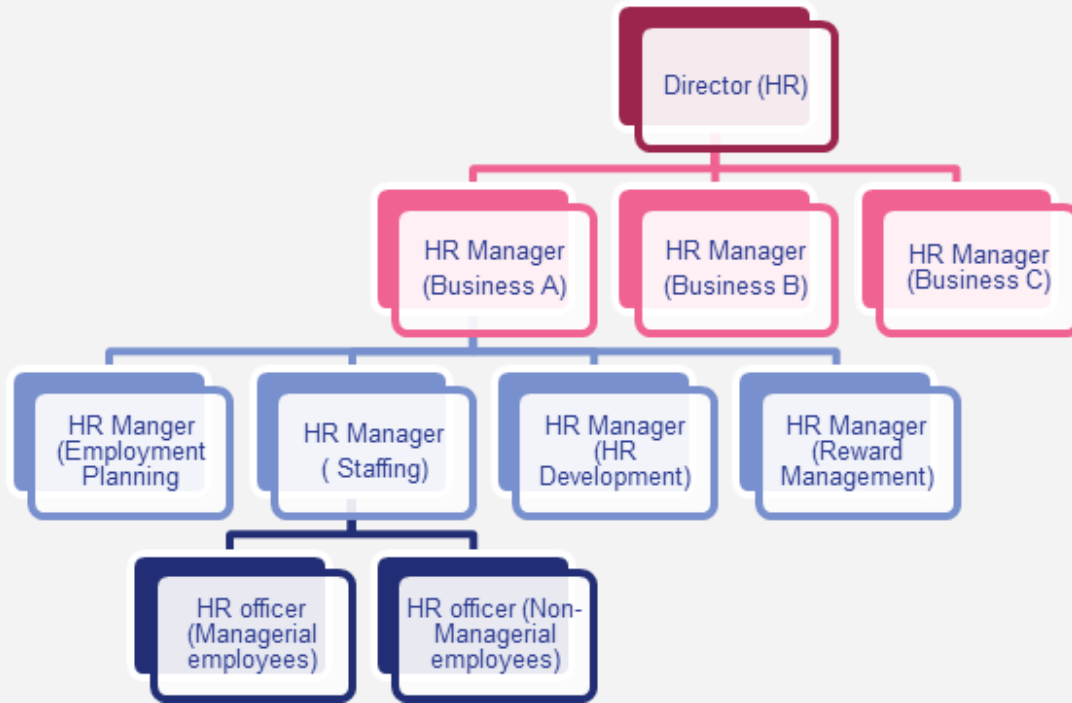
if having more than one factory located in different geographical areas, separate units can be established to perform Hr functions relating to factory employees

Disadvantage-

Can be costly and difficult to coordinate

Mixed Base

This approach uses two or three or four or all the five bases mentioned above for organising the work for the HR Department. Almost every large organisation will adopt this base as use of one base is not sufficient. This will allow to get the maximum advantage of all the bases



Staffing the Human Resources Department

It is crucial to employ people who possess right competencies to perform jobs of the HR Department. If the manager and subordinates are appropriately competent and motivated it is more likely the HRM functions are performed properly.

Several kinds of jobs can be seen in HR Department;

Types of HR jobs	Job Titles
Supportive Jobs	Receptionist, HR clerks, HR Assistants
Technical and Professional jobs	Recruitment manager, Training Manager, Remuneration Manager
Operating Managers (HR)	Human Resource Manager, manager Personnel, Senior Manager HR
Executive Positions (HR)	AGM (HR), DGM (HR), Group HR Director

Centralisation and Decentralization in the HR Department

Who has the authority with regards to HRM decisions? Should this authority be centralized or decentralized?

Centralization - Head of the Department makes all the decisions in terms of HR strategies, policies, procedures rules etc in respect of all functions and areas of HRM.

Decentralization -Involves delegation of authority and responsibility to lower level making them responsible for those duties

Factors affecting Decentralization of a HR Department

- Size (Large)
- Geographically Dispersed (Plant/divisions in different locations)
- International Business Activities
- Top Management philosophy (positive)
- Availability of Financial strength (Higher)

Benefits and drawbacks of Centralization

- **Benefits:**

- Assure uniformity of standards and policies among all organization units
- Ensure uniformity of decisions
- Helps eliminate duplication of effort and activity

- **Drawbacks**

- Makes greater demands on a few managers instead of spreading responsibility
- Forces top managers to possess a broader view, which may be beyond their ability
- Provide vast amount of power and authority to a few people

Benefits and drawbacks of Decentralization

- **Benefits:**

- Reduces the total responsibility to more manageable units
- Encourage more involvement of the personnel in the decision making process
- Brings decision making closer to those affected by the decisions

- **Drawbacks**

- Allows lack of uniformity of standards and policies among organizational units
- Can create coordination issues among the various organizational units
- In some instances, decisions can be taken by managers without proper capabilities