
UNIT-20**ASSESSING HUMAN RESOURCE
MANAGEMENT EFFECTIVENESS**

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20.0 LEARNING OUTCOME

After reading this Unit, you should be able to:

- Explain managerial effectiveness and suggest criteria for evaluating the effectiveness of management;
- Discuss the role of HR department and line and staff managers in enhancing management effectiveness;
- Discuss performance assessment purposes; and
- Explain four C's model for assessing human resources management.

20.1 INTRODUCTION

Human Resource Management (HRM) is an important and integral component of an organisation (public or private organisation) and of the organisation's administrative processes. HR management both shapes, and is shaped, by organisational processes. HRM addresses the concern of human resources through a set of functions or activities that are designed to influence the effectiveness of the organisation's employees. These include activities such as recruitment, staffing, training and development, and compensation. From a strategy viewpoint, the activities seek to match the ability and motivation of employees with the requirements and rewards at the job. A critical outcome of concern in HRM is the attraction of the necessary numbers and types of employees to the organisation. Without effective HRM, the organisation produces its goods and services inefficiently and may even place its very survival at risk.

The most significant HR outcome involves the contributions made by employees to the achievement of the organisation's goals. These contributions are called employee performance, meaning how effectively employees carry out their job responsibilities and thereby make a contribution to the organisation's goal attainment. Employee performance is significant and purposeful because it serves as a crucial outcome variable in assessing the effectiveness of HR management.

20.2 CLARIFYING CONCEPTS

Peter Drucker (1973), a founding father of management theory, distinguished efficiency and effectiveness as, "effectiveness is the foundation of success, efficiency is a minimum condition for survival after success has been achieved. Efficiency is concerned with doing things right. Effectiveness is doing the right things". Efficiency relates to the conversion of inputs into outputs, with special attention on how the inputs are used. Effectiveness relates to the production of outputs, which are intended to yield certain desired outcomes (Sapru, 2002). Efficiency (an input – output concept) is the ability to minimise the use of resources (labour, materials, and time) in achieving organisational objectives, that is, doing things right (Stoner, Freeman and Gilbert, 1996).

Management effectiveness depends upon managerial performance, which, in turn, is defined as "the measure of how efficient and effective a manager is, that is how well he or she determines and achieves appropriate objectives" (ibid. p.9). The manager must think in terms of performance, rather than personality. It is not so much what a manager does, but what he achieves that is significant. "Managerial effectiveness has to be defined in terms of output rather than input, by what a manager achieves rather than by what he does." (Reddin, 1970).

Focusing on assessing effectiveness suggests that its components and characteristics be systematically assessed (measured) by the organisation.

20.3 PURPOSES OF ASSESSING HRM EFFECTIVENESS

Human resource management is a staff function. Its managers advise the line managers throughout the organisation. The HRM process is an ongoing procedure that tries to keep the organisation supplied with the right people in the right positions when they are required.

Human resource activities are conducted both by individual (line) managers throughout the organisation and by specialised (staff) managers within the HR department. Since the HR department has the responsibility of administering the numerous activities (dealing with recruitment, training, career development, industrial relations, etc.), assessing the effectiveness of the human resource management is quite important and would seem to be the greatest aid to improving the HR management's functioning. Results of the assessment will indicate how effective HR management has been in the past. The results may serve as an input to guide employees and HR activities in the future. The assessment of HR management serves a wide variety of purposes as explained in the succeeding text.

(a) To Influence Employee Performance

One of the basic beliefs of HR managers is that the objectives of an organisation should be to produce a good or a service for its customers or clients at a price they are willing to pay and at a cost of production, which will permit the employers (government, stakeholders, owners) a reasonable profit. To this organisation's goal, the objective of HR

managers is to see that the resources available to their organisation are used efficiently and effectively. It follows that these managers should be concerned with improving the performance of their employees.

(b) To Meet Rapid Challenges

Because of rapid scientific and technological changes, the problem of human resource development has become particularly acute. Not only must new employees and managers be trained, but also, present ones must be retrained and their skills upgraded. The assessment of the performance of the HR managers requires them to pay attention towards enhancing the knowledge and skills of their employees required for meeting today's organisation's challenges and address the issue of employment. A steadily increasing level of educational achievement and the acceleration of technological changes are accompanied by an increased emphasis on training and education by the management. Consequently, there is a pressure to institute and upgrade formal organisational and developmental programmes.

(c) Motivational Purposes

The mere process of assessing has a motivational effect on HR managers. It fosters initiative, develops a sense of devotion and intensifies the management's effort toward achievement of organisational goals (Winfield, Bishop and Porter, 2000). Assessment is also beneficial to the employees to the extent that it gives them better understanding of job responsibilities, of relationships with co-workers, of the work expected of them, and of their training needs. The process also aids the assessors by providing them with a greater understanding of their subordinate's job behaviour, the job itself, and each employee's strengths and limitations. Developing human resources is the responsibility of the organisation. It can be hypothesised that the economic returns from development justify the expenditure of scarce resources to develop HR managers and employees. Assessment has been used for making the HR managers responsible for the performance of assigned tasks. It also helps individual managers with self-development as the assessment of performance enables the individual managers to acquire a greater sense of worth, dignity and well being as they become more valuable to their organisation. It provides a sense of satisfaction in personal and social achievements. It follows that more highly developed and responsible managers will cause fewer problems and will have greater job satisfaction.

(d) Administrative Purposes

Assessment of the HR management also serves an administrative purpose. Traditionally, management has used performance assessments primarily to make administrative decisions relating to employees. Questions pertaining to promoting an employee, choosing employees for layoffs or transfers and making salary increase recommendations are examples of such administrative decisions. Managers responsible for such decisions need to obtain and use measures of employee performance.

Further, assessment for administrative reason helps the HR management to place employees in positions where their abilities can be best used and can be helpful in assigning employees to appropriate future positions. High performance is encouraged by rewarding the highest performers with incentives such as, salary increases and promotional opportunities, etc.

(e) Employee Feedback and Development

The assessment of the HR management can be used for employee development. It provides employees with information regarding the performance expectations of their

supervisors, feedback regarding subsequent performance, and advice or counseling to help employees meet expectations that have not been met. In part, the feedback helps employees realise their potential as high-performers (the self-developmental objective). Feedback encourages self-development through both instrumentality and expectancy perceptions (the link between effort and performance).

(f) Evaluation of Policies and Programmes

Assessment (measure) of performance can also be used to evaluate policies and programmes implemented to influence work behaviour. An evaluation of managerial programmes for redesigning jobs, for example, might involve a comparison of employee performance before jobs were changed with performance following the change, or, a comparison might be made between performance in the department where the change had been implemented and that of a similar department where the task redesign programme had not been introduced.

In addition, the purpose of performance assessment will determine the basis for comparison, the techniques to be used in assessment, the role of the supervisor, and the distribution to be made of the assessment (Klatt, Murdich and Shurter, 1978).

20.4 THE FOUR C's MODEL

To assess the effectiveness of the HRM process within an organisation, Michael Beer and associates (Beer, Spector, Lawrence, Mills, Walton, 1985), have proposed a four C's model: referring to competence, commitment, congruence and cost-effectiveness.

Competence

Questions to be addressed herein, are: how competent are personnel in the performance of their work? Do they need extra or specialised training? Performance assessment by managers can help a formal organisation determine what potential it has?; and To what extent do HRM policies attract and develop personnel with skills and knowledge needed now and in the future?

Commitment

How committed are personnel to their work and organisation? could it be ascertained through interviews and questionnaires?; More information can be gathered thorough personnel records on voluntary retirement, absenteeism, and grievances. To what extent do HRM policies increase the commitment of employees to their work and organisation?

Congruence

Is there congruence or contract between the basic philosophy and goals of the organisation and its personnel? and Is there trust and common purpose between managers and employees?. Incongruence can be found in the frequency of strikes, conflicts between superiors and subordinates, and employees grievances. Low level of congruence results in low levels of trust and common purpose, stress in the relationship between subordinates and superiors may resultantly increase. The important question is, what levels of congruence between management and employees do HRM policies and practices increase?

Cost-Effectiveness

Are HRM policies cost-effective in terms of pay, turnover, absenteeism, strikes and benefits? More than assessing the extent of the four C's model within an organisation is

the problem of assessing HRM outcomes. In other words, how does one make judgements about the long-term effects of HRM policies on personnel and societal well being and organisational effectiveness? In the ultimate analysis, managers need the participation of a broad range of shareholders, union leaders and managers to obtain the data needed to assess the impact of HRM policies and practices.

Through modified HRM policies to enhance commitment, competence, congruence and cost-effectiveness, an organisation enhances its capacity to adapt to changes in its environment. High commitment, for instance, has meant better communication between employees and the management. High competence has meant that employees are well trained in their skills and can take on new roles and jobs as needed. They can respond to changes in environmental demands. Cost-effectiveness has meant that human resource costs, such as pay, benefits and absenteeism, are kept equal or less than those of competitors. Higher congruence has meant that all stakeholders including the employees and managers share a common purpose in the organisation.

20.5 PREPARING EFFECTIVENESS STANDARDS

Effectiveness standards are the general output requirements of a managerial position. They define the function of the position. The heart of Management by Objectives is the establishment of effectiveness standards. Reddin (1970) points out that a manager should understand the following with a view to preparing effectiveness standards:

1. Levels of effectiveness standards
2. Bases of effectiveness standards
3. Frames for objectives
4. Who drafts objectives?
5. Soundness of objectives; or,
6. Unsatisfactory objectives
7. Classes of objectives
8. Errors to avoid

Levels of Effectiveness Standards

For Reddin, there are three general levels of effectiveness standards: Corporate, Departmental and Managerial.

- (i) Corporate standards are concerned with the enterprise as a whole and are established by the top team. The term corporate standards may refer to such matters as employee development, employee relations, and technological position.
- (ii) Departmental or divisional standards are concerned with the particular contribution a sub unit of an organisation can make to the organisation as a whole. They may be concerned with service demands, and the integration of the department's role and its standards with those of other departments.
- (iii) Managerial standards are directly concerned with the outputs of a particular managerial position.

Bases of Effectiveness Standards

There are numerous standards on which the outputs of managerial positions may be based. Many are directly measurable using existing data generating devices such as accounting or reporting systems. Major areas in which managers set effectiveness standards are profitability, sales targets and logistics management etc. Using this information, a competent manager can select the effectiveness standards, which directly apply to his position.

Objectives Setting

Once effectiveness standards are set, they are converted into objectives. Examples of the many possible bases, which can be selected for an objective are, unit processed, competitors results and market statistics.

Reddin suggests that managerial objectives may be drafted in one of the following four ways:

1. Superior
2. Superior \longleftrightarrow Subordinate
3. Superior \longleftarrow Staff \longrightarrow Superior
Subordinate \longleftarrow Staff \longrightarrow Subordinate
4. Subordinate \longleftrightarrow Superior

One method entails superior drafting them for the subordinate. The second method involves the superior setting the objectives and then discussing them with the subordinate. The third method involves a third party, an internal or external consultant, who meets both privately and jointly with the superior and subordinate and engineers their agreement to a set of objectives and measurements. The fourth and recommended method is for the subordinate to draft a set of proposed objectives and over a series of several meetings, work out with his superior, what his objectives should be. By this method, both sides contribute evenly to the objectives and both develop a thorough understanding of what they mean.

According to Reddin, in casting up objectives managers and assessors should see that these are measurable and specific. To him following are the sound objectives:

SOUND	PROBABLY UNSOUND
Measurable	Non-measurable
Quantitative	Qualitative
Specific	General
Results-centered	Activity-centered
Individual	Shared
Realistic	Optimistic or pessimistic
Time-bounded	Time-extended

Above objectives should be realistic and time bound, with clear time limits for completion. Using the paired list as a guide, it is an easy matter to detect unsatisfactory objectives. Without training, managers sometimes propose objectives as, 'satisfy my superior', 'keep my subordinates happy' etc. These are clearly unsatisfactory as objectives.

Classes of Objectives

For Reddin, there are three classes of objectives: standard, special, and developmental. (i) Standard objectives are those based directly on the established effectiveness standards of the position. (ii) Special objectives refer to feasibility studies, which explore new areas, new systems, and other more creative and different areas. Special objectives typically have a far lower priority than standard objectives. (iii) Developmental objectives are primarily concerned with the development of the manager's professional competence.

Errors to Avoid

The following errors, which can occur in casting objectives by the managers, have been listed as follows (Reddin):

- (i) Objectives too high (overload)
- (ii) Objectives too low (underload)
- (iii) Objectives not measurable
- (iv) Cost measurement too high
- (v) Too many objectives
- (vi) Too long time period
- (vii) Too short time period
- (viii) Imbalanced emphasis.
- (ix) Too complex or elegant objectives.

Complex objectives tend to be produced as hedges against unsatisfactory performance. Reddin suggests that managers should be wary of the above errors in the introductory stages of installing a 'management by objectives' system.

20.6 ASSESSING EFFECTIVENESS OF HR MANAGEMENT

Assessing the effectiveness of HR activities is vital to the success of the organisation. Effectiveness questions are examined for both individual managers and the HR department. Particular emphasis is placed on the HR department and the multiple ways through which the effectiveness may be judged.

Human Resource Department

In a small organisation the HR function may be a part of the general management. As organisation size increases, so does the likelihood of finding the HR function housed within one or more formal departments or separately as the HR departments. Management of the organisation creates a personnel (P) or HR department. At the corporate level, HR department is divided into major P/HR activity areas (planning, employment, compensation, training and development and industrial relations). Managers of both line and staff conduct HR activities.

Employees in the HR department are generally staff employees. They along with the department exist to serve the line management. In fact, it is line management, which creates the HR department. Within the overall framework, there seem to be three more specific roles for the HR department, service, advisory, and control roles.

- (i) Service Role: Certain HR activities are performed as direct services to the line management such as employment laws and regulations, which impose record – keeping requirement on the organisation.
- (ii) Advisory Role: In its advisory capacity, the HR department lends its expertise by providing advice to line management on the conduct of HR activities.
- (iii) Control Role: The control role goes beyond the advisory and service roles because the HR department directly influences line management.

Having referred to the activities and role that the HR department performs, we have to assess its effectiveness. The effectiveness of the HR department ultimately can be determined by judging how well the department performs in achieving the matching process. However, this must now be done at an aggregate level, corporate and/ or operating, at which the department is functioning to serve line management. All of this will depend on the structure of the organisation and the placement of the HR department(s) within it.

Approaches of Assessment of Effectiveness

For assessing HRM effectiveness, some approaches have been suggested:

- i. Managerial performance appraisal systems;
- ii. Aggregate outcome data;
- iii. Aggregate cost data;
- iv. Utility analysis; and
- v. Constituent opinions.

Managerial Performance Appraisal Systems

In order to assess an individual manager's performance vis-à-vis his or her subordinates' outcomes, some managerial performance appraisal systems have been suggested. The HR department normally administers such systems. Thus, one way to assess the effectiveness of the department would be to determine if it is providing an effective appraisal system to the management.

To be effective, performance measures should aid the management in fulfilling two requirements. First, the measurement system must identify in what ways there can be positive employee contribution to the organisation. This component is referred to as identifying the dimensions of performance. Second, the system should help establish standards of contributions for each performance dimension identified in the first step. That is, a procedure should help managers differentiate between employees who are performing well and those who are performing poorly on assigned tasks.

Aggregate Outcome Data

In this approach, results of performance of individual employees can be fed into the HR department for aggregation and analysis. For example, the department can compile data on job satisfaction on an annual basis. Results of outcome assessments of individual employees regarding job satisfaction can be shown for the current year and the two

previous years. With these data, two basic issues involving effectiveness of the HR department can be addressed: outcome levels and outcome trends.

(i) **Outcome Levels:** This is a judgement about whether the organisation's current outcome levels are acceptable and consistent with its goals and strategies. In case outcome levels are found to be less than desired, then this becomes, at least in part a judgement that the HR department is lacking in effectiveness. Such feedback and conclusions can be helpful to the top management in bringing about improvements in management.

(ii) **Outcome Trends:** This involves judging whether the outcome levels are moving in the desired directions over time. For example, one could examine certain indicators related to job satisfaction or voluntary turnover. These judgements about outcomes could indicate about the effectiveness of the working of the HR department.

Aggregate Cost Data

It may be mentioned here that HR activities cannot be cost-free. Thus, costs associated with their occurrence need to be compiled and analysed (Cascio, 1987). Thus, both cost analysis and budget allocation analysis are explained as such:

(i) **Cost Analysis:** Cost analysis involves maintaining detailed records of the costs incurred for a specific activity or programme, such as a particular training programme. Often it is useful to compute these costs on a per employee basis; and

(ii) **Budget Allocation Analysis:** Budget allocation analysis involves an examination of how the total HR department budget is allocated to the major PHR activities. Typically, it is done by calculating the percentage allocation of the budget to each activity. Judgement about the data in cost and budget allocation analysis can be helpful to top management in improving HR management's effectiveness.

Utility Analysis

Utility analysis is another useful means of evaluating the effectiveness of the HR department. It seeks to estimate both the costs and benefits of an HR activity in economic terms (Bourdeau, 1990). The idea is to provide management, information that can be used to answer questions as; is it worth it? Utility analysis involves making numerous guess estimates. These usually involve programme costs, economic value of such programme benefits as an increase in job performance, how big the impact of the programme is expected to be on employees, and how many employees are likely to be affected by the programme.

Constituent Opinions

Finally, the assessment of the effectiveness of the HR department can be studied in relation to the opinions and observations of the constituents, which the department serves. These constituents include employees, line and staff managers, union leaders, and possibly, even government officials.

Such information could be collected through a questionnaire (Mahler, 1979). Examples of constituent interview and questions about the effectiveness of the HR department include:

How appropriate is human resource planning in the organisation? Is the HR department recruiting candidates in relation to the organisation's requirement? Is the HR department organising training programmes acceptable to the organisation's employees?

Responses to the questions are analysed and a report is prepared for the top management. The report contains both positive and negative evaluation information, along with recommendations to bring about improvements in the HR department's functioning.

Another mechanism that has been used to gather such information is to survey the constituents to determine what they view as meaningful criteria for evaluating the HR department's effectiveness. After the constituents have identified and reasonably agreed upon these criteria, they can then proceed to actually evaluate the department, using interviews and/or questionnaires. In this way, the constituents not only evaluate the department, but also participate in developing the criteria on which they will base their assessments.

Tsui (1987) has identified five criteria for evaluating the effectiveness of the Human Resource Department: (i) responsiveness, (ii) managing cost and negative performance, (iii) productivity and innovativeness, (iv) training and development, and (v) affirmative action accomplishments. These criteria were used as the basis for the actual assessment of HR department effectiveness. Thus the effectiveness of the HR department, it is argued, is indeed, a matter of reputation it establishes with the people it serves.

The Criteria for Evaluating the Effectiveness of Human Resource Departments include:

A. Responsiveness:

1. Quickness and effectiveness of responses
2. Employees' trust and confidence
3. Level of cooperation from the HR department
4. Degree of objectivity and neutrality
5. Average response time to employee inquiries
6. Degree of uniformity and fairness
7. Average time taken to resolve disputes
8. Number of personnel files lost or misplaced
9. Employees' opinion of HR department's effectiveness
10. Degree to which HR department is open and available
11. Degree of mutual respect and teamwork among line managers
12. Legal conformity of pay plans and benefit programs
13. Degree of involvement in employee grievances
14. Quality of service provided
15. Accuracy of benefit enrolment data
16. Results of personnel audits
17. This HR department compared to others.

B. Managing Cost and Negative Performance:

1. Voluntary versus (vs.) involuntary turnover rate
2. Number of complaints from job turnover rate

3. Number of equal pay complaints
4. Rate of voluntary controllable turnover
5. Number of terminations due to poor performance
6. Staffing cost per employee
7. Acceptance per offer ratio
8. Ratio of HR department headcount to population served
9. Number of applicants to each open position
10. Number of grievances filed and resolved
11. Number of complaints that go outside company
12. Percentage of employees received performance appraisal
13. Percentage of employees with development plans

C. Proactive Approach and Innovativeness

1. Innovation of personnel policies to enhance employee morale and company allegiance
2. Frequency of line management consultation with HR department.
3. Presence of a “standout” accomplishment or result
4. Having a strategy to support line management business plans
5. Effectiveness in developing a positive company image among employees.
6. Performance against goals
7. Evaluation by corporate HR
8. Effectiveness in dealing with poor performing employees
9. Satisfaction of clients – managers and employees
10. Quality of information and advice to top management
11. Time lapse between establishment of policies at HR and practice in field units.
12. Number of programs initiated by the HR department directed toward enhancing the effective utilisation of the “people” resource.

D. Training and Development

1. Number of training programs held per year
2. Percentage of employees who participated in training
3. Training course effectiveness ratings
4. Number of hours of training per employee.

E. Affirmative Action Accomplishments

1. Minority promotion rate

2. Percentage of minority in applicant pool
3. Minority turnover rate
4. Affirmative action goal attainment

HR Activities: Line and Staff Management

It is needless to emphasise that HR activities (dealing with personnel matters) are conducted by managers belonging to both line and staff. Line managers (such as executive officer, Education Officer, etc.) are those, with direct responsibility to the administrative process for establishing goals and strategies and their implementation. On the other hand, staff managers (such as accounting managers, managerial employees, etc.) are primarily concerned with providing line managers specialised aid and with maintaining coordination and control mechanisms.

Both line and staff managers have an important role to play in attaining the organisation's goals. Mainly due to their varying roles in the administrative process, line and staff managers have differing perspectives on how to best manage human resources in the organisation. HR decisions that line managers make in the supervision of subordinates involve such diverse areas as task assignments, performance appraisal and feedback, training and development, promotions, staffing, discipline, etc.

From a line manager's perspective, the HR activities done by the manager are intended to influence the match between each subordinate and his job. The manager's effectiveness in achieving the match can be assessed by gauging the standing of each subordinate on the HR outcomes. In other words, the individual manager's HR management effectiveness is determined by assessing how well he attracts and retains subordinate, and maximises their job performance, attendance, satisfaction and maintains discipline. Assessing HR management effectiveness, generally, occurs through the organisation's managerial performance appraisal system. Generally speaking, influencing the outcomes of subordinates would first be defined as a standard job requirement for the manager. Accordingly the manager's handling of this requirement would be assessed periodically. Results of the assessment would then be given to the manager, and would influence reward decisions for the manager. Such feedback and rewards will be useful in motivating effective management of human resources in the organisation.

Human Resource Planning

The assessment of the effectiveness of the HR management can also be studied in relation to human resource planning. HR Planning involves two major support functions. In the first place, it seeks to forecast the numbers and types of employees that will be required on each job in some future time period. Secondly, armed with forecasting results, managers may develop plans for coping with the results through a series of coordinated strategies. HR planning is designed to anticipate likely future events in and around an organisation and assess their likely human resource implications and outcomes in the absence of concerted action, and then, when the prognostication is not encouraging, to design concerted actions that will alter events to bring about more favourable HR management effectiveness.

The assessment of HR planning will help in the formulation of a human resource strategy that establishes an organisation's major goals and indicates the ways in which these goals

will be pursued, that is, which HR activities will receive priority and what the major policies will be in each area.

20.7 PROCESS PERSPECTIVE FOR EFFECTIVENESS

It is noted that the assessment of effectiveness of human resource management has not been adequate and there has been little success in efforts to improve it. A broader perspective of appraisal and assessment is emerging with focus on entire appraisal process. There appears to be two ways for improving assessment results: (i) ability to assess; and (ii) motivation to assess.

Ability to Assess

The ability to assess has come to mean that the assessor should have a sufficient knowledge about the criteria and methods involved in assessing the effectiveness of the HR management. In some situations, it may be necessary to provide the assessor with assistance for information on HR activities. Knowledge of effectiveness standards would help the assessor for valid appraisals of the HR activities. Top management must clearly specify what standards of performance are to be followed. In this connection it is suggested that training can be quite useful for this purpose and thus can help improve assessment accuracy.

Motivation to Assess

An assessor or manager will not be motivated to evaluate effectively unless performance appraisal is recognised as an important dimension of his job, a dimension that if performed well, will be rewarded. He should not be punished for providing accurate appraisals. Studies suggest that the purpose of the appraisal influences motivation to evaluate and hence the results obtained (Megginson, 1977).

20.7 CONCLUSION

Human Resource Management has an added responsibility for enhancing the contributions of employees towards the effectiveness of the organisation. These contributions are seen in terms of specific HR outcomes, especially, selection, performance, attendance and satisfaction of employees. Influencing employees on these outcomes necessitates matching task requirements and rewards with individual capability and motivation. To implement this matching process several HR activities are undertaken by the HR department in conjunction with the line managers. To this end, assessing the effectiveness of the HR activities is important. There are multiple methods for doing this. The purpose of assessment is to influence employee performance and to improve the organisation's effectiveness.

20.9 KEY CONCEPTS

Actual Performance: The actual performance is a record of the extent to which the objective, not the programme, was actually achieved.

Effective Standard: An effectiveness standard is a general output requirement of a managerial position which remains basically unchanged from year to year.

Measurement Method: A measurement method is a clear statement of how the attainment of the objective is to be measured. If no measurement method is available, a note is made on the steps being taken to provide one, or if not, some expression such as “subjective judgments’ is added. This should be avoided.

Objective: What the manager plans to accomplish, stated as clearly and specifically as possible. There may be more than one objective for a particular effectiveness standard. Essentially, an objective is an effectiveness standard, or part of one, which is as specific, as time-bounded, and as measurable as possible.

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20.11 ACTIVITIES

- 1) What types of skills are necessary for HR department manager to be effective?
- 2) What is management effectiveness? Discuss main standards for assessing management effectiveness.
- 3) Discuss the role of the HR department in evaluating human resource effectiveness.