



LEADERSHIP : The Heart of Human Resource Management for Organizational Excellence

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Abstract

The drastic change at the global level in the industrial, manufacturing and service sector has made the organizations to face a cut throat competition to sustain their organizations in the long term. Irrespective of any sector the organization is made up of people and without people no organization can exist. It is through the combined effort of people, the other resources of the organization is utilized properly. Therefore, people play the most vital role among the resources of the organization and it is clear that Human Resource Management is one of the most important need of today's success of any organization. Human resources are heterogeneous, dynamic and most important element in any organization. Human resource is the process of achieving the fittest to the jobs and the surrounding environment. As a representation of human resource here comes the leader who is the king maker of the success of the organization. This conceptual study focuses on the importance of human resource management (HRM), the importance of leadership, the relationship between leadership and human resource management and the drive of leadership and human resource management towards organizational excellence.

Keywords: Human Resource Management, Leadership, Organizational Excellence.

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Introduction

The cut throat completion in the global market has forced the organizations to move towards quality. The key to success is innovation of products and services with best quality and the utilization of available resources to the best. Here arises the role of human resource management as the most important factor of production. The cut throat competitive environment has made the industrial, manufacturing and service sector to realize that "people are the most important asset" for their excellence. By creating a right climate in the organization, human resources have the greatest potential to utilize the other resources in a meaningful way.

Flipoo defines personnel management or human resource management is " the planning, organizing, directing and controlling of the procurement, development, compensation, integration, maintenance and reproduction of human resources to the end that individual, organizational and social objectives are accomplished" (C.B Gupta 1.4).

Stephen Robbins defines " HRM is concerned with the 'people' dimension in management. It is a process consisting of four functions – acquisition, development, motivation and maintenance of human resources".(C.D Balaji p1.1).

Objectives of the study

1. To study the concept of human resource and its importance for the development of organizational sector.
2. To analyze the concept of leadership : the heart of Human Resource Management
3. To analyze the linkage between leadership and human resource management for organizational excellence.

Statement of the Problem

HRM plays an integrated role for the excellence of organization. HRM focuses on individual objectives, social and organizational objectives. The success of any organization depends on achieving the goal and the goal will be achieved if the individual objectives are satisfied. Therefore human resource are to be considered as human assets and human capital and not as mere costs. The prime role of human resource is portrayed by an efficient leadership and it is the leader who shows the way and strives for the well being of the organization. An effective HRM and the efficacy of the leader will lead the organization towards successful path. An organization without effective leadership will become ineffective and will lead to problematic situation. This study focuses the concept of HRM and its importance, the prime role of leadership for the development of the organization and its excellence.

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Scope of the study

HRM identifies the current manpower and monitors on the future requirements of an organization. Right from the recruitment of employees, selection procedures, induction training, performance appraisal. Employee counseling, personnel research, compensation management and industrial relations and organizational development are focused for the holistic development of the organization. It is a set of practice to know what kind of human resource we need and how much we need to achieve the goals. So HRM is considered most important for organizations to improve competitiveness in the market. For effective functioning of HRM, leader plays a vital role with his various styles of leadership and directs the organization towards goal achievement. Therefore this study enlightens the importance of HRM and the concept of leadership which is the heart of HRM.

Reviews of Literature

To portray the importance of HRM, Leadership and its linkage some of the reviews are as follows. The reviews are categorized into three categories’.

Reviews on Human Resource Management

Mihalj, Nicola et al (2019) have analyzed the reviews on literature on the impact of HRM on business performance. The main goal was to examine thoroughly the literature in the domain of HRM and the influence of HRM in business performance. The researchers have analyzed 212 articles and the findings prove that there is positive relationship between business performance and HRM.

Randal and Susan (2014) have made a study to understand the relationship between HRM and organizational effectiveness : yesterday and today. The findings indicated that there is a vast difference between HRM and organizational effectiveness when compared past and present work methods and procedures followed in the organization. the reason behind this was stated as the current organizational effectiveness depends on multiple stakeholders than compared to the past.the authors conclude that since in the current trend more importance is given to the stake holders the challenges has to be met.

Ali and Muhammad et al (2017) have examined the relationship between the innovativeness of firm and flexible HRM. A theoretical framework was developed with three dimensions with two factors. HR practices flexibility, employee skill flexibility and employee behavioral flexibility were the three dimensions developed along with innovative work behavior and flexible HRM. The other three dimensions were product innovation, process innovation and administrative innovation developed with firm innovativeness. Finally the authors conclude that the innovative work behavior has a great impact when there is flexible HRM.

Reza Reza et al (2015) have examined and analyzed the effectiveness of HRM on improving the

performance of education staff. Five subscales were framed to analyze the main indicators of organizational management. The five subscales were searching for staff, staff recruitment and selection, employee performance evaluation design and implementation of training programmes, and training of trainers in the organization. Using one sample t – test, it was concluded that the impact of HRM in increasing the organizational effectiveness is effective at 1% level of alpha.

Reviews on Leadership : the heart of management

Moo and Rashad (2015) have explained the concept of effective leadership and how it helps to facilitate positive change to improve and bring innovative concepts in the organization. Effective leadership and change management were discussed in the article and the authors also investigate that how leadership affects other factors like trust among employees, vision of the organization and organizational culture. Finally it was concluded that without leadership there will not be any expected positive change in the organization.

Anca et al (2018) have studied the effects of leadership development program in Romania. The study was done in international accounting and consulting corporation. The study analyses the differences among male and female leadership styles perceived and it was mainly carried to support women empowerment and advancement in the organization.

Raed Mohammad et al (2018) have summarized and analyzed the literature of leadership styles and focused in the manufacturing sector. The study was carried in Yemen. The study focuses on Transactional and Transformational leadership styles and various dimensions of leadership styles. It was concluded that the transformational leaders were more innovative and they were strongly correlated with high employee satisfaction rates, productivity and less level of trition rates.

Alperen et al (2017) have argued that the organizational actors with cultural values differing with certain cultural orientations are known as leaders. The study focuses on implicit leadership theory and the authors revaeal that ‘team oriented Leadership’ is followed by people from individualistic societies, whereas ‘human oriented leadership’ is followed by people from Masculine societies. They have tried to provide national culture and implicit leadership are two different concepts which are related to each other.

Reviews on Leadership and Human Resource Management

Amadi Richmond (2018) has analyzed the role of leadership in Human Resource Management. The author has analyzed HRM and firm performance, leadership styles, employee job satisfaction, various aspects of job satisfaction, cultural attitudes, employee attitudes and leadership and job satisfaction. the author finally concludes that leadership is one of the key

determinant to employee attitude.

Ololo Kennedy (2017) focused on the relationship between Leadership styles and Human resource development towards the attainment of organizational goals. The study was conducted in Apex bank in Nigeria. Using simple random sampling technique it was found that there are significant relationships between human resource development, staff performance, attainment of organizational goals and leadership styles.

Muhammad et al (2015) have investigated the relationship between leadership and human resource management in Jordanian banks. The study was carried from the point of view of managers of human resource department, credit facilitating managers and financial managers. The independent variables such as planning, problem solving methods, decision making, creative thinking, ways of communication and feedback were tested using simple regression and one way Anova the findings revealed that there were differences according to their gender, positions held and work experience.

Jawen and Joon (February 2020) have investigated the leadership styles in implementing sustainable human resources practices. The study was carried in mainland China among 49 employees and the result proved that some leadership styles had significant moderating effects on team effectiveness. The study contributed to the SHRM focusing the importance of leadership styles of frontline managers by effective implementation of high performance work systems to promote team effectiveness and organizational innovation.

Jerry et al (2011) has shared a theoretical model for developmental activities and explored the content of developmental activities, characteristics, core values and impact on innovation and creativity. The author highlights the potential of developmental leadership as a driver of organizational innovation in human resource development. If there is clear understanding of leadership and innovation that will pave way of doing business.

John et al (2019) have examined the various styles of leadership and its organizational performance at Tumakavi development Association in Northern region of Ghana. It was found that the democratic leadership style has an influence on the operations and performance of the organizations. They have concluded that there is a strong relationship between organizational performance and leadership.

Concept of Human Resource Management

Human resource involves the process of recruiting, training, monitoring, appraising the performance of employees to ensure effectiveness of work, labour relations, health and safety measures and the well being of the employees. HRM helps to develop human talent in the organization. The main goal of HRM is to maximize contributions of employees to achieve optimal productivity and to ensure work effectiveness.

For the effective functioning the objectives of HRM is classified into social, ethical, organizational, functional and personal objectives. Social and ethical objectives concentrates on the well being and society's welfare whereas the organizational objectives focuses on the process of recruiting the employees and measures taken for enabling their performance. On the other hand functional objectives contribute for the accomplishment of organizational goals and personal objectives concentrates on personal training, performance appraisal and incentives. HRM is people oriented, pervasive advisory, operative and service oriented in an organization. The competitive strategies, employee role behavior, HRM practices helps an organization to strive and sustain in the global environment.

Principles of HRM leads to comprehensiveness, cost effectiveness, control, coherence, communication, creativity, introducing innovative strategies, motivate the employees to adapt the changing environment and commitment of employees towards work. When an organization grows the number of employees increases and a separate department is created to perform holistic approach and they carry on with HR activities.

Leadership – An overview

Organization is facing drastic changes in day to day environment. Leadership acts as a key driving force for the firm's performance. The leadership style practiced in the organization influences the organizational performances and it has a great impact on productivity. Adequate motivation, efficient work progress, effective communication between managers and subordinates, effective training to employees play a very important role in increasing the organization performance. Therefore here comes the leader who plays the prime role in leading an organization in an effective way. The different styles of leadership practiced in an organization plays significant role in enhancing the commitment of individuals in the organization. Many leadership theories have been proposed in the last years and they have influenced overall effectiveness of the organization. Assessing the mindset of the employees, providing training to them, communicating to the employees, delegating the work to the employees, monitoring the work, finding the deviation and controlling the performance, developing the organization with an holistic approach is done only the leader.

A leader with his characteristics, styles and with various theories has a great impact on the organizational performance. Leadership involves critical management skill as it monitors the individual development and also involves in group behavior. Therefore leadership has a direct cause-effect relationship. It is an ongoing activity and involves work of other people in the form of subordinates or employees. The subordinates formalizes the authority of leadership and makes it possible. Thus the leadership plays an important role in the organization influences the activities of subordinates and employees towards success.

Leadership: the Heart of Human Resource Management – the Linkage

Human resource management is one of the function of strategic planning process. HRM is designed to measure the value of the use of resources at economic level and national level. The human resource management is the ability to manage the people at individual levels and group levels. HRM is considered more importance in the marketing to achieve competitiveness in the market. Studies reveal that HRM incorporated with human resource training positively correlates to productivity, sales, well being of employees and overall organizational performance. HRM practices with the direction of the leader encourages and supports the job design, increases interaction among the team members, monitors performance appraisal, controls the functions from deviations, develops the skills of the employees and acts as an holistic approach. Leadership is at the forefront of strategic planning process. It integrates people, processes and resources in an organization towards excellence. Most of the leadership theories and leadership styles focuses on employee traits, behaviors and the organizations have to follow an effective leadership to sustain in the business environment.

Conclusion

Digital age, techosavy environment, new dimensions in organizational culture has brought enormous change in the corporate world. Organization with creative and innovative strategies, employees with innovative behaviors rule the corporate sector. So it is more important to concentrate in 'what is new' and how to differentiate individuals innovatively from other compertitors. HRM plays the specific role in introducing innovations in products or services, and to shape the behavior of the employees towards accomplishing the objectives of the organization. Flexible HRM is essential as it has to bring adjustments in the mode of practices to be canging economy and external constraints. Therefore leadership is one of the most important aspect as HRM deals with people rather than materials and money. A leader is a person who focuses the organization in a broder perspective. Good leadership ensures people reach their maximum potentials and they must be aware of their personal limitations. They demand high level of performance (Ololo 2017). Many reviews reveal there is a positive correlation between leadership, human resource management, human resource practices and productivity. Therefore it is concluded that only an effective leadership confronted with human resource management will result in organizational excellence.

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