



Understanding Human Resource Management Essay Sample

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Suitable Structure for Capco

From the case study, Capco is brought out as an organisation that encourages its employees to be creative and those who think differently so as to provide custom solutions to challenges facing their customers. Additionally, the case study indicates that Capco is driven by an entrepreneurial and team culture where employees can freely and openly ask questions. These characteristics show that the best organisational structure for Capco is the flat organisational structure.

A flat organisational structure is suitable for Capco for several reasons. First, a flat structure removes the excess layers of management that Capco finds unsuitable. The case study notes that Capco has 20 offices around the world and employs over 2,000 people. This indicates that Capco does not favour the many layers of management. Besides the case study notes that Capco gives freedom to its employees meaning that the fewer levels of management increase this freedom making it easier for employees to make decisions by being embracing creativity and independent thinking. Also, the fewer steps of a management allow the decision made by the organisational managers to be implemented very fast (Moynihan and Titley, 2000, p.63).

A flat structure is also suitable because Capco likes holding regular forums to disseminate information about the development of the business. A flat structure would make it easier for the company to do so. Additionally, a flat organisational structure will facilitate the open lines of communications between the various levels of the organisation as found suitable by Capco. Any other structure such as tall structure will make communication difficult. Moreover, the opportunity to socialise can also be made possible by the flat organisational structure due to the reduced levels of employee supervision (Smith et al., 2012, p. 135-138; Moynihan and Titley, 2000, p.63).

Effect of Span of Control on Employee Motivation

The span of control varies depending on the type of organisational structure. The span of control for a flat organisational structure is much wider than that of a tall

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organisational structure. This is because managers in a flat organisation have many subordinates while in tall structure a single manager has few subordinates. For an organisation with employees who are less motivated and less confident, a narrow span of control is most suitable as the employees need more time for close supervision and leadership to perform better (Karmakar and Datta, 2011, p. 160). This is mainly the case where employees are not experienced. However, more promotional opportunities in the tall organisation structure make some employee motivated to work harder.

In the case where employees are experienced as it seems in the Capco case study, a wider span of control will give the employee the autonomy, freedom, and increased responsibility (greater ownership of work) which may translate to improved motivation and job satisfaction (Aquinas, 2010, p. 220). Employee motivation is also increased due to more flexibility, communication, and quick decision making. Employees also tend to interact more with customers something which increases their satisfaction with their jobs and hence improves motivation.

Effect of Hierarchy on Motivation

The motivation of the employee may also be affected by the hierarchical nature of the organisation. At the same time, the impact of the motivation may also be affected by the level of experience of the employees. Less experienced employees may be more motivated in a more hierarchical organisation as they need more time with their supervisors or managers. However, for an organisation which has more experienced employees as it seems in the Capco case study, a less hierarchical organisational structure would motivate employee more. This is because, less hierarchy allows employees more responsibility or ownership of work, greater utilisation of skills, and effective communication (Aquinas, 2010, p.217). In other cases, regardless of the experience of the employee, a more hierarchical organisation may be more motivating given the more promotional chances that the employees are exposed to; opportunities for advancement are many. The hierarchy of needs and the Herzberg theory play a role here (Sutherland and Canwell, 2009, p. 79)

Capco Management Style

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oFrom the case study, the management style of Capco is brought out as democratic. Though elements of laissez-faire management style are present, the management of the company seems to guide the behaviour of the employees. We are told that the local and regional offices host regular forums to disseminate information implying that there is a form of leadership and employees do not necessarily act on the own. This style influences management activities in that the employees are given the freedom to socialise, share, and creativity and innovativeness are encouraged. Capco also encourages sharing ideas and contribution from the various employees (Daft and Lane, 2008, p.44-45). Democratic management style also ensures that through the sharing and the input of the employees, their morale is kept high both as individuals and as teams. The sharing of ideas and creativity also results in more creative solutions that the company customers may face thus making managerial work easy. Additionally, democratic management style influences the way decisions are made in that the lower level employees also involved in decision making by suggesting the best solutions to problems. Though democratic management can be very effective, it can also result in negative productivity when employees do not readily share, are unskilled, and little time is available. It can also affect management by delaying decisions and the avoidance of responsibility by the managers due to the involvement of the subordinates (Dam and Marcus, 2007, p.232-233).

HRM Functions

1. Performance Management

Performance management is described as a dynamic and continuous process aimed at the improvement of the organisational, teams, and individual performance. Managers or organisational leaders drive the performance management programs. Three major steps characterise performance management; planning, monitoring, and review. At the planning stage, the employee job description is reviewed and aligned to the organisational goals. Identification of the objectives for the growth of the employees is also done at this stage. The performance of the employee is then continuously monitored, and feedback is provided to effect improvement. This is followed by reviewed in the

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stage where performance is checked for improvement (Armstrong, 2015, p. 211-213). These steps can be applied to Capco to recruit the best employees, train and develop them, and engage them in organisational activities.

2. Reward Management

In HRM, reward management is concerned with the formulation and the implementation of policies that seek to reward employees in a fair, equitable, and consistent manner based on the value that they bring to the organisation. Reward management defines the amount of salary that the employee should be paid and other employment benefits (Armstrong, 2012, p. 36-37). Regarding Capco, reward management can be used to inform employees what their remuneration will be and why. Employees can also be informed of the benefits they receive when they perform in a certain way, and thus rewards can be used to stimulate higher productivity and employee motivation.

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