

HISTORY OF HUMAN RESOURCES

It pays to put people first

After working in human resources for the past decade, my observation is that organizations that place a high value on their people are typically more successful than those that do not.

Effective human resource practices are vital to ensuring customer satisfaction and retention over the long haul. Many smaller organizations struggle with a lack of HR capability in-house; and often do not have the budget to hire on a dedicated full-time HR employee.

The solution, for these organizations, is to outsource their human resources work - a more cost effective strategy for small-to-medium sized organizations, which often do not require a full-time resource. It is also a better plan than delegating HR to an employee who is not an HR expert; or even worse, neglecting to perform HR work at all.

Human Resources is no Longer Just “Personnel Management”

The history of human resources is an interesting one; and reveals the large role HR plays in influencing an organization’s actions. Human resources began in the 1920s out of the labour movement. Originally known as “personnel management,” it began as a means to increase productivity of workers.

Personnel programs evolved during this time to include medical aid and sick benefits, vaccinations, holidays, housing allowances, and other benefits. Around this time, unionized workers began to demand more be done to protect occupational health and safety; and improvements were made in this area.

Elton Mayo, known as the father of human relations, conducted the Hawthorne Studies from 1924 to 1932. These were an important series of illumination experiments conducted at the AT&T’s Western Electric Plant near Chicago. The study began as an effort to quantify how the levels of lighting and other physical conditions would maximize employee productivity.

However, Mayo and his researchers soon found a much greater link between employee productivity and the level of attention managers paid to employees and their behavior. Their conclusions were, in motivating workers, human factors are often more important than physical conditions. For the first time, productivity research put forth the controversial proposition that workers’ feelings were important.

Relationships are Key to Motivating Employees

Throughout the 1940s, the human resources field made contributions to increase understanding of the dynamics of work groups and the social needs of employees. Business leaders began to appreciate that a higher quality and quantity of work resulted when managers acted less like taskmasters and more like good leaders, counselors and facilitators. Non-monetary rewards became an important supplement to motivating employees. An understanding of the importance of improving the relationships between management and employees was furthered.

As time progressed, the nature of work continued to change. A well-educated group of baby boomers changed the command and control leadership style to become a more collaborative one. Boomers placed human rights and ideas of self-fulfillment at the forefront of their workplace concerns. These individuals were interested in more than an occupation; they wanted jobs that were challenging and interesting. Employees began to view themselves as stakeholders in their organizations’ enterprises. Dedicated to making work meaningful, enriching the work environment, communicating by objectives, this generation seeks to tie the goals of individuals with the goals of the organization.



Susan Power

Human Resources in the 21st Century

Today, the human resource professional is charged with optimizing employee skills, matching people to jobs and maximizing the potential of employees as valuable resources. In my opinion, a lot of organizations are limited in viewing HR as an administrative function only considering recruiting, payroll, benefits, and health and safety. In the St. John’s market, we keep hearing so much about the challenges of attracting talent. But, I would like to advocate for employers to focus their energies on also keeping their current talent engaged; helping their people develop their potential; and providing them with an opportunity to voice their ideas and suggestions. Unleashing the talents of your people and helping them direct their energies to where they can make their biggest contributions, is the value that human resources can provide today.

Susan Power is the principal consultant at Higher Power and can be reached at susanpower@highertalent.ca

