



**Coursework**

**SAMPLE**

# Human resource management

## Introduction

Human resources management is the act of implementing policies, practices, and systems that influence employees' behavior, attitudes and performance. The contributions of HRM help the organization reach its goals, manage talents for the short and long term, adapt human resources to the goals and strategies of the organization, facilitate change to keep pace with the changing environment, employ the skills and abilities of the workforce efficiently to keep people productive, and benefit stakeholders, providing the organization with well-trained and well-motivated employees (Coulter, 2002). The purpose of this paper is to outline some of the contributions, practices, and functions of HRM using the Capco company case study.

## Structure suitable for Capco

Organizational structure is the system of task reporting and authority relationships within which the organization does its work. Organizational structure refers to the tasks and responsibilities of each employee, discretion and authority, specialization, hierarchies of authority, spans of control, formal reporting systems, monitoring and control systems, performance appraisal, and reward systems. The purpose of organizational structure is to establish the formal alignment, arrangement, and hierarchy of jobs within the organization. It establishes the positions and responsibilities of employees in the organization (Hassan, 2005). For Capco suitable structure to implement is a tall structure, also known as a narrow span of control. A span of control refers to the number of people reporting directly to a given manager. In this structure, the manager may have a few people to put plans into action. The manager may also cut out subordinates and deal directly with people not immediately subordinate to them but lower down the chain to get the things done faster.



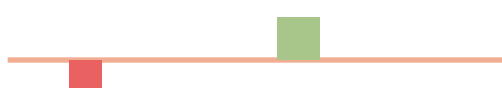
Unlike a flat structure, continuous contact between the manager and each subordinate is not possible. The subordinates will have occasional contact with their boss. A subordinate will have to wait to get the manager's attention. It may delay decisions and result in rushed judgments when attention is gained (Hassan, 2005).

### **Capco management style**

There are many different styles of management and arguments for each. Democratic management is the most accepted, but with any type of management style, you experience different reactions from employees, and there are ups and downs in each kind (Reddin, 1992). As evident from the case study, we can conclude that Capco uses a democratic management style. A democratic management style produces proven results. You can typically expect a positive outcome when you are engaged in issues as a team. Democrats appreciate the opinion of others, and by basing solutions on a collective understanding, you promote an open and honest work environment. Democratic management is also an effective method to use when working as part of a team (Reddin, 1992). Teams managed in this style are typically productive, and their members are supportive of each other's opinions because everyone's point of view is taken into account, just like in the case of Capco. Therefore we can conclude that Capco makes use of a democratic management style since it encourages employees at all levels of the company to share their ideas and contribute to finding innovative solutions to complex and challenging client problems.

### **Factors influencing employee motivation (span of control and hierarchy)**

A tall hierarchy consists of several levels of management with a varying number of subordinates (Tripathi & Reddy, 2008). That is evident in many criminal justice organizations as well as military agencies. On the other hand, a flat hierarchy generally has a wide span of control and is comprised of few supervisors. Each design has its strengths as well as weaknesses. A tall hierarchy is beneficial due to the fact that there is sufficient supervision, and access to the said supervisors is readily available. Since this model has a low span of control, supervisors manage fewer subordinates, reducing the need for these subordinates to compete for the attention of the supervisor (Tripathi & Reddy, 2008).



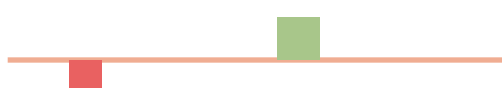
Due to increased interaction between a subordinate and their direct supervisor, communications have a less complicated flow, and participation is more evident hence increasing employee motivation.

On the other hand, a tall hierarchy can be stifling to an employee. This form of micro managerial hierarchy limits the creativity and individuality that an employee can exhibit, therefore decreasing employee motivation. In contrast, a flat hierarchy dictates that management must supervise numerous employees, providing a wide span of control. This format allows for more discretion among officers (Morden, 2004). The supervisors are not readily available, due to which subordinates need to develop their decision-making skills, allowing themselves to grow more as leaders. While this form of hierarchy has many advantages, such as building the confidence of employees, the weaknesses are much apparent. With supervision that is not ever-present, interactions between supervisors and subordinates are limited. Therefore, if an employee acts inappropriately and supervision is limited, the opportunities to correct these actions before they happen are restricted (Morden, 2004).

### **Performance management and reward management**

Performance management “provides a means of combining business strategy and technological structure to direct the entire organization towards accomplishing common organizational objectives” (Koontz & O’Donnell, 2002). Capco’s performance management has allowed for attaining and maintaining the strategic alignment of its organization. PM is “a series of business processes and applications designed to optimize both the development and the execution of a business strategy” (Koontz & O’Donnell, 2002).

Total rewards management, as we know it, “encompasses not only compensation and benefits but also personal and professional growth opportunities and a motivating work environment” (Newman, 2006). Capco historically reports year-after-year revenue and net income growth. The total rewards management system is world-renowned, and the successful implementation of it is reflected in Capco’s financial reports and consistent awards and recognition. It is almost as if Capco’s total reward program is built into the company’s culture. The financial industry demands constant innovation, and Capco has been nothing short of relentless in its efforts to develop and acquire new services and products to stay ahead of competitors.



Also, to face international rivals head-on, Capco operates in more than 20 countries. Year after year, Capco is featured in magazines and journals worldwide as the winner of many competitions (Newman, 2006).

### **Conclusions and recommendations**

Capco is a global business and technology consultancy dedicated solely to the financial services industry. It is a company that delivers innovative solutions in banking, capital markets, wealth and investment management, and finance. Capco has lived by the core value since beginning its operations in 1998. It provides its clients with the best possible solutions to the ever-changing financial market. Capco should continue to explore ways to reduce operating costs, increase profitability, and enhance change and competition.



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