UNIT: 4 PEOPLE MANAGEMENT

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4.0 **OBJECTIVES**

The objective of this unit is to help you

- understand the significance of people management as an important soft skill
- become aware of the attributes of people management
- enhance your understanding of its importance as leaders and managers
- be aware of people management as a human resource function
- work on your people management skills

4.1 INTRODUCTION

The key behind the success of any organization is not just the business idea, the organizational structure, or the financial backing but the human resources engaged in it. The workforce, be it at the managerial level or the workers in the factory, the sales team or the advertisement team, or employees in marketing or finances or productionetc., it is the people working in the organization at any level who are the root of its success, and it is imperative that these roots are nurtured with care to ensure the growth of the organization. In today's globalized world, where teams are of larger sizes, diverse and varied, with increasing interaction in the virtual space across transnational borders and time zones, it is even more imperative that managing the

workforce is given due attention and care. Human resource management is an important and integral function of corporate management, whose main task is not just to ensure that the best suited person is employed for a specific task but is also responsible for aligning each employee's aspiration and needs with organizational goals and growth. While this is a separate department and will be dealt with in this chapter as well, what will be highlighted here is 'people management' as a key soft skill which is also an important leadership and managerial skill. What is meant by people management and what are its attributes and how it can be improved will be discussed at length here along with its significance in an organization as well.

Check your progress 1

Why people management is even more important in today's globalized workspace?
What hurdles can you think off when people work together in the virtual space?
4.2 People Management as an Important Soft Skill

The importance of soft skills be it in the personal space or in the professional sphere cannot be stressed enough. Employers are no longer looking just for subject expertise but are looking for the right balance between soft and hard/technical skills. Soft skills which are also known as peoples'skills includebalanced interpersonal relationships, effective communication, critical thinking, and problem solving, flexibility and adaptability, and empathy amongst several other skills. Be it leaders or managers or even team players, the underlying soft skill on which the foundation of success depends is people management. People management is an all-encompassing skill which precludes understanding of humans, their personality types, actions, and responses. A good leader or a manager can effectively manage his/her team or followers only if s/he understands them. He or she must be aware of the team member's competencies and personality type. With teams becoming increasingly large and diverse, people management has gained even more importance. It is imperative to understand team member's individual competency and personality type and align collective goals and individual aspirations, to motivate their collective endeavour, to enhance productivity in a conducive and stress-free environment. People management not only includes giving the right support and motivation but

also enhances trust, transparency, and accountability. Leaders and/or managers should also be able to mediate, find effective solutions, and be efficient organisers as well. The next section delineates attributes that define people management.

Check your progress 2

1 What do you understand by the term people management?

4.3 Attributes of People Management

The term 'people management' denotes a large spectrum of soft skills which are delineated below with examples.

1. Effective communication skills

The essence of people management lies in effective communication. More importantly, it is imperative that the leader/manager be a good listener. Active listening helps in understanding people and their problems. And to be able to listen and understand, it is important that there be no barriers in communication such as bias or prejudice. Once there is clear understanding, it is equally important that the right feedback, whether in terms of job allocation or resolution of problems be clear and precise. For example, if a team member is not able to give due attention at work, it is better to talk to him/her and understand the reasons behind it rather than to harangue or chide the employee for not meeting the deadline. This will be counterproductive. Effective communication reaches out to the root of the problem and adds to productivity and efficiency besides improving interpersonal relationships.

2. Judicious allocation of tasks

Judicious people management begins with allocating the right task to the right person. To understand the technical and other aspects of the job at hand and to allocate it to the person with the most suitable specialization or competency will ensure greater productivity and timely completion. While employees with multi skills are desirable in teams, but increasingly there is greater specialization in the workspace and people management includes the necessary vision in ensuring that individual competencies and collective goals are aligned. For example, if a legal firm in India has to file an intellectual property or patent case in a medical field, having medical experts on board will be a huge help or at least lawyers with a strong background in that specific field.

3. Understanding personality types

It is not enough to keep in mind the team member's niche competency or specialization but also to factor in their personality type. For timely and effective completion of task, it is important to have a cohesive team which works well together. Given the fact that larger corporations are multinational with large and diverse teams who now also operate in the virtual space across varying time zones, which can obfuscate or complicate interpersonal relationships and lead to complications, it is even more important now that leaders/managers understand human psychology and the interplay of human behaviour and relationships. For example, while putting together a mixed-race team with different nationalities and ethnicities, it is important to ensure that all team members have a higher degree of emotional intelligence. And an ideal team is also a balanced mix of different personality types, aggressive and passive, extroverts and introverts etc. Hence people management precludes a sensitive and sensitized understanding of human behaviour and personality types.

4. Balanced appreciation and constructive criticism

Leaders and managers have a difficult role to play, they are responsible for completion of a task on time and that is possible only if all team members are in sync with each other and the collective goal to be achieved. And that is possible only if everyone works in harmony which is not the case. Humans are complex and there are several factors at work in team management. Not everyone takes criticism easily and it is important for it to be constructive and for there to be the right balance between appreciation and censure. For example, if a manager has to point out something not done right, it is best to first appreciate the team member for past work done or his or her attributes before pointing out what could have been done better. This will drive home the point and lead to a balanced working relationship. People management is also about mentoring junior colleagues and helping them grow.

5. Problem solving skills

Managers and leaders are confronted with problems at every front, some are expected and factored in, for example logistical issues or delays in supplies or hardware/software snags amongst several others. But there may be other pressing issues occasioned by interpersonal problems. Large and diverse team sizes often lead to a clash of personality types, or misunderstandings because of diverse nationalities, ethnicities and race. Lack of sensitivity towards gender, caste and class only compound the problem. People management skills are needed to ensure that these issues are dealt with utmost sensitivity and care. Managers have to be expert in conflict resolution and mediation, their task involves high critical thinking and problem-solving skills, all of which come under the larger umbrella of people management.

6. Motivation

Managing people and getting them to work cohesively and collaborate proactively is an important aspect of people management. There will always be some tasks that members will not want to take up and there will always be some team members who lag and are generally slackers. Not everyone has the same dedication or commitment to the group goals. It is imperative that managers and leaders have excellent persuasive and motivational skills. Motivation involves periodic assessment and appreciation, off site recreational activities and competitions, motivational speeches and workshops, establishing awards and suitable remunerations. It could be as basic as one to one meetings to understand the team member better to an organizational platform to motivate employees. For example, a manager of a sales team may announce rewards on accomplishment of individual targets, a leader may establish the practice of employee of

the month/year award or the organization management may encourage offsite motivational workshops to encourage employees. All of this leads to enhanced productivity and employee satisfaction as well.

7. Nurture Trust

Mutual trust and confidence are the foundation on which interpersonal relationships rest. A hierarchical organizational relationship of manager and subordinate necessitates a greater need to nurture trust and faith in each other. Subordinates usually feel exploited and that impacts their emotional balance and hence productivity. People management skills include fostering an environment wherein employees/ subordinates feel that the management cares and values them. While hierarchy in an organization is important as it gives it structure and augments organizational processes, however, team members must be valued with trust, respect and appreciation and must be made to feel as valuable assets of the organization. For example, multinational giants like Facebook and Google do not have enclosed workspaces for managers demarcating their higher position, the office set up is organic and casual. Each member is inculcated with a feeling that he or she is trusted and appreciated.

8. Inculcate patience

Managing people is not an easy task, there are several variables and though human behaviour as a collective can be predictable, individual responses cannot. There will be situations in which team members do not respond as expected or there seems to be no solution in sight to interpersonal issues. Aggression and imposition of hierarchy is not the solution and will only aggravate the problem. The need of the hour is patience and tolerance, to listen to all opinions patiently and to come up with a reasoned and rationalized solution. Patience is a desirable managerial soft skill and not everyone has optimum levels of restraint or fortitude. These have to be inculcated with due practice. Meditation and mindfulness help in nurturing patience to deal with recalcitrant elements. For example, fault finding between team members must be discouraged, and attempts must be made at cohesiveness of the peer group wherein one is not pitched against the other. Active listening and critical thinking are integral to finding solutions and both need patience.

9. Balanced judgement

Balanced judgement is integral to people management. To be unbiased and nonjudgmental requires high levels of emotional intelligence. It is imperative to listen to all perspectives and opinions, to be able to process them with a calm mind, and to deliberate on the issue at hand and not form an opinion in haste. Gathering knowledge and views of experts helps when one is not sure of what is the right thing to do. Yet at the same time, one cannot sit on a problem for too long as that will only compound the issue at stake. Timely and balanced resolution is needed, and one has to hone one's critical thinking and problem-solving skills to come up with a balanced judgement. For example, production of medical syringes had to be increased significantly during a medical emergency necessitated by the pandemic but workers were also falling prey to COVID 19 and were battling with their own anxiety driven by fear. The manager is under pressure by organizational leadership to enhance productivity and is also dealing with the fears and anxieties of workers who refuse to work. It is imperative that the manager listens to both leadership and workers equally and comes with an effective solution based on balanced judgement which leads to increased productivity with workers at ease.

10. Micromanagement

While generally it is understood that people management is about micromanagement and handling of team members as individuals, in today's multinational organization where teams are spread over transnational virtual spaces, people management is more and more about micromanagement as well. It is about nurturing skills and letting individuals work on their own independently as long as they are able to meet the organizational targets. In such cases, adherence to rigid workflows and processes of reporting are cast aside and employees are given more freedom and independence to choose their own work styles without a manager hovering over them. People management is also about striking the right balance between micro and macro management depending upon the composition of the team and varying competencies.

Check your progress 3

1 Which key soft skills are included in people management?

4.4 Significance of People Management in an Organisation

The benefits of people management are immense. A content and productive workforce is the backbone of any organization. If they are comfortable working with the management, leadership and peer groups, their output increases manifold and the attrition rate of the company decreases significantly. Not only does the organization benefit but it is beneficial to the individual employees as well. They have a higher degree of satisfaction, and it augments their desire and need to do better. This further improves their efficiency and productivity.Effective people management will lead to a conducive work environment and will also attract more talent and niche specialization. This will further the company's image, prospects, and morale. Hence sufficient attention to people management ensures progress of all stakeholders of the company. Several advantages of the same are detailed below:

1. Builds team spirit

Teams in today's globalized multinational environment are large, complex, and diverse with different competencies. Moreover, the diversity in terms of gender, caste, colour and geographical space and time zones makes the task of the manager/leader even more difficult. It is important to ensure camaraderie between members of the team, an easy flow of communication and mutual understanding and cooperation. Given the diversity, it is evident that there will be several barriers including linguistic and cultural. People management is integral to building team spirit, to factor in variables and to create an environment wherein all work in tandem in the same direction.

2. Stimulates and Motivates

People management also entails stimulating the team and keeping its morale high. The manager/leader has to constantly strive to motivate the team towards the target goals. There are several ways in which to stimulate and motivate team members. The manager/leader must ensure that there is clarity in purpose, the vision and mission and goals of the project must be clearly stated to avoid confusion. The team must be led by example set by the leader who should encourage the team by negating negativity and by being optimistic and positive. The team need not be monitored at every step, it is neither conducive to the employee's growth and nor will it foster confidence. Stimulated and motivated employees are propelled by their own spirit and will be a huge asset to the organization and help meet organizational targets on time.

3. Nurtures Niche Competencies

While multitasking employees are desirable by any organization, there is a growing demand for those who are specialists in their fields. Niche competencies and specialisations save time and effort and help both the organization and the individual grow faster. People management helps allocating the right task to the right individual which ensures efficiency and competency. If a person is allocated the work that he or she is trained for and enjoys the most, higher is the motivation and satisfaction and greater is the productivity. This also helps the individual in advanced training in his or her field and further nurtures their competencies. It helps them develop and augment and enhance their knowledge base. Ultimately, a satisfied employee who has the best suited learning and work environment makes for a content workforce who will evolve with the organization and help in its growth.

4. Lowers Attrition Rate

Effective people management goes a long way in lowering the attrition rate of the organization. Attrition rate is the 'employee turnover' or the rate at which employees leave the organization for another competitive company or other reasons. Managing and nurturing employees proactively helps in not only attracting the right talent but also in retaining it. In a competitive work scenario where headhunters are on the look out to poach the best employees, who are also willing to jump ship when attracted by better offers in terms of pay structure and other stimulants, it is even more necessary to be able to create a conducive work environment where the employee is motivated to stay for the long run. Good people management lowers the attrition rate which helps retain talent and reduces the cost of training and development of new employees.

5. Enhances Work Productivity

People management is the key to employee satisfaction. A conducive work environment where they are content and motivated leads to enhanced productivity. Ultimately a satisfied workforce will lead to a satisfied management, hence every organization must invest in people management strategies and processes. People management also includes investing in the employee's skill enhancement and growth of knowledge base. Several organisations motivate their employees to pursue higher degrees or advance their skills. They are willing to even pay for it. This investment will reap manifold benefits and lead to greater productivity and profits.

6. Envision and Prepare for the Future

While the primary functions of people management are to search for the right talent and skill, allocate the right job, to nurture and motivate the employee, to be able to train and also retain him or her, to align individual goals and group targets, all of which enhances productivity, employee satisfaction and achievement of target goals, there is yet another benefit of effective people management. The manager/leader must also envision the skills needed in this fast-changing world of technology driven needs and ensure that the employee is future-ready and prepared to meet upcoming challenges. This ensures a smooth run and that there are no ripples in the transition. This involves an active engagement in the relevant field, to be able to understand and read past and present trends and to be able to gauge and predict the future requirements to prepare a task force for it. This helps an organization stay much ahead of competition.

Check your progress 4

1	How can people management enhance productivity?
2	How can people management envision and prepare employees' for the future?

4.5. Human Resource Management – Some Definitions

Peter F. Drucker coined the term 'Human Resource' in 1954 in his pioneering book *The Practice of Management*, a term that rapidly gained importance in the world of corporate management and planning. Michael Armstrong (2006) emphasised its significance in management as a "strategic and coherent approach to the management of an organization's most valued assets –

the people working there who individually and collectively contribute to the achievement of its objectives."

Edwin B. Flippo, an expert on management defines human resource management as "planning, organizing, directing, controlling of procurement, development, compensation, integration, maintenance and separation of human resources to the end that individual, organizational and social objectives are achieved" and Pigors and Myers sum it up as "basically a method of developing potentialities of employees so that they feel maximum satisfaction of their work and give their best efforts to the organization". The main purpose as can be seen from the above attempts to define HR, is to maximise the potential of human assets and human capital of the organization and to calibrate it to organizational goals and targets.

Check your progress 5

1 What do you understand by the term 'Human Resources'?

4.6 People Management as Human Resource Function

Human Resource Function refers to the activity of sourcing and retaining human capital, nurturing these human assets by providing the right inputs and directives and aligning them towards organizational goals. People management is an integral part of the human resource function in organisations, it is a subset which entails understanding employee behaviour, work ethics and interpersonal relationships. It also accounts for sourcing talent, mentoring and nurturing it, enhancing work output as well as retaining the right work force. Furthermore, people management helps weave individual employees into the larger work milieu of the organization to retain a homogenous fabric that defines the work ethos of that organization. On the other hand, certain multinational giants like Facebook and Google have come up with strategies at the workplace that encourage heterogeneity and individual work styles, freedom from rigid hierarchies in a bid to encourage creativity and enhance output. Whichever strategy is employed by any organization, people management is about adhering to it, improving on it, and making it a worthwhile experience for the employees as well to gain their trust and loyalty. It is also about creating a brand for the organization, a work culture that speaks for itself and attracts likeminded personnel. It is not just about what the prospective employee can give the organization but also about how the latter can be integral to the former's growth and development.

Check your progress 6

1 What is meant by Human Resource Management?

4.7 Steps to Improve People Management Skills

While some have inherent leadership and management skills, other have to cultivate them. It is a lifelong learning process, but not a difficult one. One has to work consciously on acquiring and enhancing people management skills. As is clear by now, it entails a vast spectrum of other soft skills such as empathy, emotional intelligence, communication, critical thinking and problem solving amongst others. It is important first to ask yourself the following questions, to do a SWOC analysis about yourself to be able to understand clearly where there is scope for improvement.

- 1. How would I rate myself as a manager/ leader?
- 2. What is the perception of my team members about me?
- 3. How well do I understand my team members?
- 4. Do I contribute to the growth of my team?
- 5. Am I able to motivate the team to meet the organizational targets?
- 6. Is my team comfortable working under my supervision?
- 7. How do I react under stress?
- 8. Am I a good mediator and can I handle conflicts with patience and judgement?
- 9. Can I think critically and come up with a judicious solution when there is a problem?
- 10. Do I enjoy my role as a manager/leader?

Clarity about oneself helps to cultivate, nurture, and enhance skills that serve to make one a better manager. Following are some basic steps to improve one's people management skills.

1. Ensure Clarity of Goals

A manager/leader should be clear not just about the organizational goals and targets but also the strategy and process to achieve it. If he or she is confused, it will only lead to further confusion in the team and the purpose will be defeated. To maintain clarity, keep the goal in sight, check periodically if you are on the right path, seek feedback and opinion not just from your superiors but also peer group and team members.

2. Improve Communication Skills

Work on your communication skills, it is the foundation to effective and efficient people management. First and foremost, practice active listening, listen to people carefully. Understand the message being communicated in its entirety including the signals being conveyed through para linguistic features. It is equally important to focus on the message you are conveying, it should be precise and concise. Work on reducing barriers if any in the communication process. Barriers could be gendered by interpersonal issues. Seek feedback periodically. Constructive feedback helps in improving communication.

3. Inculcate Patience

It is important to be patient for effective people management as there are several variables in human behaviour, action and reaction. One must not react immediately but instead analyse the whys and wherefores before giving a suitable response. Patience is integral in corporate people management as delivery of targets on time can create a stressful situation. To be calm and help create a conducive atmosphere for others to work in is a significant component of people management. Regular meditation, yoga and mindfulness should be practiced to inculcate patience and tolerance.

4. Augment Interpersonal Skills

People management is all about handling people, with multifarious personality types and moods and attitudes. Each person comes with his or her own baggage in terms of prejudices and stereotypes. Managing people is a complex task and it is important to be affable and genial. If you are easy going and easy to approach, people will turn to you for guidance and feedback, they will look towards you to solve problems. It is important that others relate to you and vice versa. Develop a keen understanding of others, reach out to them, and find out their perspective before putting yours forward and always be approachable and positive. This goes a long way in enhancing interpersonal and people management skills.

5. Enhance Flexibility and be Adaptable

Seldom does anything go as per plan, while one may have a plan B or C in place for times when the sailing is not very smooth, it is important to be flexible and adapt to changing circumstances. One must learn not to be rigid and obstinate but always to be open to different ways of approaching a problem. It is a learning experience, and everyone benefits from it. Reach out to the team for their opinion and take them along with you. Remember, a leader or a manager is as good as his/ her team. Be a part of the team from inside rather than lead it from the outside.

6. Encourage Trust and Build Faith

Trust and faith are the foundation on which the bilateral relationship of manager/leader and team stands. Trust has to be built and faith fostered. It does not come naturally. Encourage trust and nurture faith by sharing confidence and delegating responsibly. It will take time but must be nurtured and cultivated carefully. Managing people is based on cooperation and interest in each other.

7. Heighten Emotional Intelligence

Emotional Intelligence is the foundation of all soft skills and particularly of people management. It is the ability to understand others without any prejudice or bias, to be able to put yourself in someone else's place and understand them. Empathy and compassion will lead to higher emotional intelligence and better people management. The job of the manager/leader is not to make life difficult for the team member but to create an empathetic and conducive work environment where the member feels at ease.

8. Enhance Critical Thinking and Problem-Solving Skills

Team members or employees will look towards you for solutions to myriad problems, it important to enhance your critical thinking and problem-solving skills. This will lead to better people management. Thinking on the spot and out of the box is crucial as innovative thinking leads to innovative solutions. Furthermore, problems compound and add to the travails of a manager, it imperative to keep a clear head, patience and tolerance. Evaluate your choices judicially and solve the problem timely.

Check your progress7

1 Enumerate the ways in which people management skills can be augmented.

4.8 LET US SUM UP

This unit focused on people management as a key soft skill which is also an integral human resource function. It focused on how the employees of any organization are its human asset and capital and the essential purpose and function of people management in sourcing, nurturing, and retaining talent in the organization. Furthermore, the multifarious attributes of people management were delineated along with its significance in the corporate structure. People management is also a significant subset of Human Resource Management. This was also discussed in detail along with markers to improve people management skills.

4.9 SUGGESTED READINGS

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4.10 ANSWERS

Check your progress 1

1 Why is people management even more important in today's globalized workspace?

In today's globalized multinational corporations, where team sizes are large and diverse, spread over different continents with members of different gender, class, caste, nationalities, ethnicities, and competencies management of teams has gained even more significance.

2 What hurdles can you think off when people work together in the virtual space?

There are several hurdles as well as advantages when people work together in the virtual space. Different time zones make working together difficult as adjustments have to be made, some members might end up working late into the night or start very early in the morning. Since the virtual space is entirely dependent on technology, there may be technical snags at times. Furthermore, since members may belong to different nationalities and ethnicities, there may be barriers in communication making people management a far more complex task.

Check your progress 2

1 What do you understand by the term people management?

People management is an all-encompassing skill which precludes sourcing the right talent, nurturing it, honing and developing its skills and making efforts to retain it. It also includes aligning individual aspirations and company goals. It involves understanding of employees, their personality types, actions, and responses.

Check your progress 3

1 Which key soft skills are included in people management?

Several soft skills are included in people management including good communication skills, effective allocation of tasks, understanding personality types, a balanced approach towards appreciation and constructive criticism, good critical thinking and problem-solving skills, the ability to motivate and nurture faith and build trust, and to be able to delegate and macro manage effectively amongst several others.

Check your progress 4

1 How can people management enhance productivity?

People management is the key to employee satisfaction. A conducive work environment where they are content and motivated leads to enhanced productivity. Ultimately a satisfied workforce will lead to a satisfied management, hence every organization must invest in people management strategies and processes. People management also includes investing in the employee's skill enhancement and growth of knowledge base. Several organisations motivate their employees to pursue higher degrees or advanced skills. They are willing to even pay for it. This investment will reap manifold benefits and lead to greater productivity and profits.

2 How can people management envision and prepare for the future?

The manager/leader must envision the skills needed in this fast-changing world of technology driven needs and ensure that the employee is future-ready and prepared to meet upcoming challenges. This ensures a smooth run and that there are no ripples in the transition. This involves an active engagement in the relevant field, to be able to understand and read past and present trends and to be able to gauge and predict the future requirements to prepare a task force for it. This helps an organization stay much ahead of competition.

Check your progress 5

1 What do you understand by the term 'Human Resources'? Human resources are the employees, the workforce of any organization. They are its human assets and capital and are the foundation on which the organization rests.

Check your progress 6

1 What is meant by Human Resource Management?

Amongst several definitions offered by management experts, Edwin B. Flippo sums up human resource management succinctly as "planning, organizing, directing, controlling of procurement, development, compensation, integration, maintenance and separation of human resources to the end that individual, organizational and social objectives are achieved".

People Management

Check your progress 7

- 1 Enumerate the ways in which people management skills can be augmented. There are several ways in which people management skills can be augmented. Some of them are listed below.
 - a. Ensure clarity of goals
 - b. Improve communication skills
 - c. Inculcate patience
 - d. Augment interpersonal skills
 - e. Enhance flexibility and be adaptable
 - f. Encourage trust and build faith
 - g. Heighten Emotional Intelligence
 - h. Enhance critical thinking and problem-solving skills

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