



HUMAN RESOURCE MANAGEMENT ON THE RISE ROUND THE GLOBE

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Abstract:

Global market competitiveness has created new challenges for organisations as well as individuals. For firms to maintain or create competitiveness it is necessary that they build and retain their skilled and talented human resources. Many previous empirical studies have established a linkage between human resource management practices and firm performance. These linkages enhance organizational success in the rapidly changing business environment. Consequently, the role of human resource management becomes strategic and proactive to create a more dynamic workplace environment. Many studies on HRM as a system (both strategy and processes) have found a positive relationship with firm performance.

HRM Practices are directly correlated to changes in global trends and approaches. Effect of trends on organizations' stability and predictability is no longer guarantee business success. Mould with trends through changing HR practices is necessary for organizations' for growth and retain in the Global Market Environment. The influence of this fast changing world on the current and strategic role of human resource management has been recognized as a key factor in every business organization. Drastically change of trends in HRM practices at global environment is necessary to align strategy in relation with trends.

Key Word: Global, human Resources, Trend, Challenges.

Introduction

The role of HR manager is shifting from that of a protector and screener to the role of a planner and change agent. Personnel directors are the new corporate heroes. The name of the game today in business is personnel. Human resource management is a process of bringing people and organizations together so that the goals of each other are met. Nowadays it is not possible to show a good financial or operating report unless your personnel relations are in order. Over the years, highly skilled and knowledge based jobs are increasing while low skilled jobs are decreasing. This calls for future skill mapping through proper HRM initiatives. Economic liberalizations, privatization and globalization of Economics adopted by various countries led to the increased competition among global companies, national companies. Activities, today, are centered on the customer. Indian organizations are also witnessing a change in systems, management cultures and philosophy due to the global alignment of Indian organizations. There is a need for multi skill development. Role of HRM is becoming all the more important.

Objective:

To study the role of HRM changing trends and behavior of Human Resource management due to Globalization and its impact on business.

Methodology

This is theoretical analysis of existing scenario. Hence we have not collected any primary data. However secondary data on Human Resource Management has been collected from various sources which have been acknowledged.

Importance of HRM in an organization:

HRM is the legal relationship between the organization and the employees; they are to uphold the employment. Corporations are always searching for better ways to produce goods and services. When new technological developments give some organizations a competitive advantage, their rivals try to catch up by adopting and improving on the new technologies

A large part of this growth is the Human Resources department of these companies, who are responsible for hiring the people with the knowledge to bring new technology into a company. To be successful in the automotive market, these companies need a highly skilled, flexible and committed work force, a flexible and innovative management, the ability to retain developed talent, and a strong partnership between management and labor unions. To achieve these goals, the company needs a talented HR department. Besides hiring the right people to manage and perform specific jobs, HR managers have to build up commitment and loyalty among the workforce by keeping them up to date about company plans, and laying out the implications for job security and working conditions.

The changing role of the HRM in global scenario:

We need to put the “human” back into human resources. Employees are humans, not commodities, and HR departments have to start seeing them differently. With the current push towards strategies that engage employees, attract top talent, and contribute to the bottom line, this change is imperative.

The War for Talent

The most important corporate resource over the next 20 years will be talent: smart, sophisticated business-people who are technologically literate, globally astute, and operationally agile. Traditional workforce planning is being replaced by talent strategies and skills gap analysis. Once they determine the gap, it becomes clear what talent they need to hire, to layoff, or to develop or transfer internally.

Some recruitment effectiveness strategies include:

- Employment branding
- Ongoing recruiting, not stop-start
- Nurturing relationships with strong candidates, even though no jobs for them are currently available
- Managers trained in interviewing

Outsourcing of HR Functions: The Virtual HR Organization

Outsourcing of HR transactions is a proven way to reduce costs and get access to a higher level of service. There are five good reasons why companies outsource their HR services:

1. Cost reduction – economies of scale, automation and process improvement, especially for transactional work
2. Focus – allows HR to allocate time to strategic, not transactional, concerns
3. Regulatory compliance – minimizes or transfer legal risk to the outsourcer and obtains specialized regulatory expertise.
4. Access to best technologies – mutual benefits to ensure technology is continually upgraded.

Attitude and Emotions

Today's organizations has realized that the employees with positive attitude take up the work on their own without being entrusted, learn the required skills and knowledge on their own, be innovative ,take risk to perform better the decisions etc. Employers use 'Attitudinal cum Emotional Quotient in employee selection process rather than intelligence quotient.

Attitudinal cum Emotional Quotient (AEQ)=Attitudinal and Emotional Age/Actual age*100

Companies giving Importance to Employees Brand

All aspects of human resource management practices from the view point of practices from the view point of employee as well as employer constitute employer brand. In employer brand should emphasis employee needs. They include

- Interesting work
- Appreciation/Recognition of work done
- Freedom and involvement in the decision making
- Attractive salary and benefits
- Personal loyalty to work
- Empowerment

Multiple roles for human resource management in emerging global scenario:

1) Linking Role:HR managers were often only concerned with making staffing plans, providing specific job training programs, or running annual performance appraisal programs (the results of which were sometimes put in the files, never to be used). They focused on the short-term--perhaps day-to-day--needs of human resources.With the growing importance of human resources to the success of the business, HR managers and their departments have become more involved in the business. They know the needs of the business and are helping address those needs.

2) Strategic role:At the strategic (long-term) level, HR departments and their professionals get involved in broader decisions--those that provide overall direction and vision for the organization. Being a strategic partner means understanding the business direction of the company, including what the product is, what it's capable of doing, who the typical customers are and how the company is positioned competitively in the marketplace. This process of linking HR to the broader, longer-term needs of firms is the essence of strategic human resource management.

3) Monitoring Role:The final task of strategic management task is reviewing what has been done against the strategic plans, deciding upon corrective actions, and establishing new courses of action should the situation warrant. Reviewing and evaluating are based upon having criteria against which to compare results. Using comparisons indicating shortcomings in the attainment of the strategic plan needs to trigger a problem diagnosis to determine the reasons for the deficiencies. Revised action plans are then formulated.

4) Innovator Role:Today, organizations are asking their HR departments for innovative approaches and solutions to improve productivity and the quality of work life while complying with the law in an environment of high uncertainty, energy conservation, and intense international competition. They are also demanding approaches and solutions that can be justified in dollars and cents. Past approaches do not always make the cut in this environment; innovation is no longer a luxury, it is a necessity.

5) Change and knowledge facilitator role: In the implementation phase, as in the initial strategy implementation phase, management of change is crucial. Managing human resources

through strategy implementation is often about change. Not surprisingly, this role of managing the change process, both at the individual and the organizational level is seen by human resource management professionals as one of the most significant ones today.

6) Enabler Role: Human resource policies and practices succeed because line managers make them succeed. The HR professional's bread-and-butter job, therefore, is to enable line managers to make things happen. Thus, in traditional activities such as selecting, interviewing, training, evaluating, rewarding, counseling, promoting, and firing, the HR department is basically providing a service to line managers. In addition, the department administers direct and indirect compensation programs. It also assists line managers by providing information about, and interpretation of, equal employment opportunity legislation and safety and health standards.

Impact of globalization:

Of late, Indian Industry has undergone deregulation and globalization wherein the rules of game have totally changed. Market is wide open for entry of new players including well-established MNCs and private entrepreneurs. The old time giants (both Indian and MNCs) can no more remain isolated from this fluid market situation and have already taken series of initiatives in order to protect their bottom lines. India being a very large and attractive market for any new player, situation is most vulnerable to existing players operating in Indian market.

Further, it is also not possible to motivate an employee with faster/ additional promotions. What could perhaps be effective in the given situation is to provide some intrinsic benefits, visible facilities/ awards, accord recognition, increased involvement, skill upgradation, etc. Some of the measures which could be considered by HR Managers today for achieving better productivity, devising efficient business models and effective strategies for holding the right talents, could be:

- Regular updation of technical skills, knowledge and developmental inputs
- Use Annual Performance Appraisal (APA)/ Confidential Report (CR) counseling for bringing real time improvements in officials and also organizational functioning; commence the counseling for workers also.
- Study and adopt best policies/ practices followed by other players in industry worldwide.
- Long-term perspective, both business and manpower planning for the organization, to avoid stagnation and/ or structural vacuum.
- Career growth planning for each individual, for sustained motivation among employees.
- Prompt redressal of any dispute/ complaint (whether personal, interpersonal or collectives)
- Ensure hygiene factors at work place as per the entitlements as a standing instruction(No follow-up/ request necessary).
- Exit interviews of retiring employees and upon resignations, etc. to take timely feedback on Company's culture/ functioning and assess need for correction, if any.
- Keep all communication channels open while negotiating; no ego/ prestige with employees as they are integral part of the Company and stakeholders too.
- Flexible approach to the problem in hand; find most practicable solution and avoid deadlocks at any cost.
- Encourage healthy competition and discipline in employees through few new annual awards through voting by colleagues themselves e.g. Great Team Spirit, Most Liked Employee, Highly Dependable, Symbol of Punctuality, etc.

Conclusion:

- Most multinational companies now do a good job of globalizing the supply chains for all their essential raw materials, except human resources. Players in global markets can no longer afford this blind spot. Competition for talent is intensifying, and demand far outstrips supply.
- To have the multicultural skills and vision they need to succeed, companies will have to put into place programs that recruit, train and retain managers in all their markets. If companies are to handle the challenges of globalization and shift to a knowledge-based economy, they must develop systems that "walk their talk" that people are their most valuable resource.
- Human resource management is very important for the changing the global scenario. Actually Human resource management is the basic thing for the changing global world. All thing of the world is changing because of human resource management.
- The purpose of a global H.R. program is to insure that a multinational company has the right talent, managerial mobility and cultural mix to manage effectively all of its operating units and growth opportunities and that its managers mesh into a knowledge-sharing network with common values.

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