

EMERGING SCENARIO IN HRM OF CORPORATE SECTOR

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ABSTRACT

Since 1990, viewpoint of management towards its employees, began to change, role & contribution of human resources as a talent pool also become so vital that most of organization started to focus their vision & mission on the people who work for them. The role & responsibilities of human resource management are transforming due to change in govt. policies, unions, labor legislations & technology. Now organizations need to place greater emphasis on attracting human capital rather than financial capital Companies having the ability to foresee the business needs with their workforce needs will gain the decisive competitive advantage. This paper attempts to know the functions performed by HRM in corporate sector, role of HRM in current scenario, future challenges before managers and the emerging HR trends in India.

Keywords: Human Resource Management, Globalization, Liberalization, Organization.

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Introduction:

The term 'Human Resource' refers to the individuals which comprises the workforce of an organization. Human Resource Management (HRM) deals with recruiting, managing, developing and motivating people including specialized support and managing system for regulating compliance with employment and human rights standards. The origin of HRM function arose in those organizations which introduce welfare management practices. HRM has witnessed many changes in last 2 decades.

The management of Human resources has now assumed strategic importance in the achievement of organizational growth & excellence. Increasing globalization forces the organization to participate in the matter of emerging issues in management of people.

HR function may set and develop policies and strategies in the following areas:-

- (i) Recruitment & Selection.
- (ii) Training & Development
- (iii) Compensation, Rewards & Benefits Management
- (iv) Organizational Design & Development
- (v) Business transformation & change management.
- (vi) Performance, Conduct & Behaviour Management
- (vii) Industrial & Employer relations.
- (viii) Workforce Analysis & Management of Workforce personal data.

HR professionals play a key role to help the company in achieving CSR objectives. They are facing many challenges in present business scenario, like Globalization, workforce diversity, technological advances and changes in political and legal environment, changes in information technology. All these challenges imposing pressure on HR professionals to attract, retain and nurture talented employees. They can't ignore these challenges rather they have to execute innovative mechanism of developing skill and competencies of HR to prepare them to accept the emerging challenges.

Literature Review:-

Becker & Gerhart, 1996: Organizations' worldwide are under pressure today to continually improve their performance. The major trends behind these competitive pressures are globalization, advances in information technology and increasing deregulation of global markets.

Tomaka, 2001: Without an efficient workforce, organization lose their ability to compete, both locally & internationally, eventually leading to poor organizational performance and thus ending up with little or no economic success.

Dany et al, 2008: Unlike in the past when natural resources, technology and capital used to be the key factors to determine the competitive advantage of the firms of one nation over the other nations, human resource today in modern times have become the most important resource for the firms to obtain strategic advantage over the other firm.

Mesch, 2010: This is because the managers in both the public and private organizations regard the human resources of their organization as its major source of sustaining competitive advantage by having the 'best of the best'. Human resource system place for recruiting selecting, motivating and efficiently manage their people.

Bekcer & Gehart, 1996: As a result of these changes in the global economic environment business strategy, the field of human resource management is rapidly changing more than ever today.

Mesch 2010: Furthermore, among all the organizational factors which contribute to organizational performance, the human resources are now regarded as the most fundamental factor.

Collins and Smith, 2006: Recent researches on HRM show strong and positive relationship between HRM practices and organisational performance.

Delancy and Huselid, 1996: Practices consistent with a high involvement HRM strategy, such as highly selective staffing, incentive compensation, and training were positively linked to organizational performance.

Katous & Budhwar, 2006: HRM policies of recruitment , training, promotion, incentives, benefits, involvement, and health & safety are positively related to organizational performance.

Cascio, 1991: Financial returns associated with investment in progressive HR practices are generally substantial.

Objectives:

1. To know the functions to be performed by HRM in corporate sector.
2. To know the role of HRM in current scenario
3. To know the future challenges before the managers.

4. To know the emerging HR trend in India.

Research Methodology :

The study is based on secondary data which is collected from various books, National and International journals and publication from various websites which focused on various aspects of HRM in corporate sector.

FUNCTIONS / ACTIVITIES PERFORMED BY HRM IN CORPORATE SECTOR

An efficient HR department can provide the organization a structure and ability to meet business needs through managing the company's most valuable resources i.e. its employees. It plays an important role in equipping the organization to meet the challenges of an expanding and increasingly competitive sector. HRM plan, develop and administer the policies and programmes for expeditious use of organization's human resources. It is that part of management which is concerned with people at work and with their relationship with an enterprise. Its functions can be grouped as follows:-

- 1) HR Planning:** In HR planning function, HR department collect and analyse the information in order to forecast human resources supplies and predict human resource needs.
- 2) Job Analysis:** In job analysis, HR department describes the nature of Job and specify the human requirements such as skills and experiences needed to perform it. Here, Job description tells about the work duties and activities of employees.
- 3) Recruitment:** This is most basic HR function. There are several elements of this task like job-description, advertising the job postings, screening applicants, conducting interviews, making offers and negotiating salaries and benefits.
- 4) Selection:** In the selection function, the most qualified applicants are chosen from the list of those who attracted to the organization by recruiting function. On selection, HR functioning decide which applicants to select and which to reject for the given job in developing and administering methods.

5) Orientation: Orientation helps the new employee to adjust himself to the new job and the organization. It covers the aspects like new job, including pay and benefit programme, working hours and company rules and expectations.

6) Training & Development: Training is provided to the new employees to help them transit into new organisational culture. Many HR departments also provide leadership training and professional development. Leadership training is for newly hired and promoted supervisors and managers on performance management and employee relation matters. Professional development opportunities are for employees looking for promotional opportunities.

7) Benefits and Compensation: Compensation and Benefits function can be handled by one HR specialist with dual expertise. It covers the aspects like competitive pay practices, health insurances, retirement saving fund, incentive and premium plans, bonus policy etc.

8) Career Planning: Career planning is related with the desire of many employees to grow in their jobs. It assesses the Individual employee's potential for growth and advancement in the organization.

9) Ensuring Legal Compliances: HR has to be aware regarding all the mandatory laws and policies of employment practices, working condition, tax allowance, required working hours, overtime, break time, minimum wage etc. as non-compliance can affect productivity and ultimately profitability of the company.

10) Labour Relations: HR Manager is intended to reduce strifes, promote industrial peace, provide fair deal to workers and establish industrial democracy with the help of sufficient communication system and co-partnership. It includes negotiating with unions regarding wages, serving conditions, solving disputes and grievances.

11) Record Keeping : In record keeping, the personnel manager collects and maintain information concerned with the staff of the organization. It includes application

forms, health and medical records, seniority lists, earning and hours of work, absence, turnover and other employee data.

12) Safety: One of the main functions of HR is to support workplace, safety training and maintain federally mandated logs for workplace injury and fatality reporting. In addition, HR safety and risk specialists often work closely with HR benefits specialists to manage the company's workers compensation issues.

13) Motivation: HR department has to evaluate employee performance and devise an appropriate rewarding system to maximize the employee retention statistics and instill a sense of bonding among the organization and its employees.

ROLE OF HR MANAGER IN CURRENT SCENARIO

In Current Scenario, Human Resource Management has to face a great revolution. Many traditional practices have been thrown out e.g. Hierarchies are vanishing and trend has been change into flat organization, which requires a great deal of specialization, and skill. It means to upgrade the norms and standards of work as well as performance.

The new role of HR manager is much more strategic than before. Some of the new directions of role of HRM can be summed up as follows:-

To develop thorough knowledge of corporate culture plan and policies.

To maintain and develop HR policies.

To act as internal change agent and consultant.

To act as a mediator by balancing the aspirations and requirements of company and individuals.

To focus upon employee retention.

To actively involve in company's strategy formulation.

To try to get things to happen better, faster & cheaper

To make effective communication between individuals and groups both.

To assess the impact of HRD practices & programmes

To provide support to managers in case of disciplinary issues by counseling and guidance.

To help employees to assess their competencies, values and goals so that they can identify, plan and implement development plans.

To coordinate the implementation and administration of HR policies.

To enable the individual to work in new situation.

To provide counsel and assistance to employees at all levels.

To design and develop structured learning programs and material to help to accelerate learning for individuals and groups.

To administer all employee benefit programs with conjunction with the Finance & Administration Department.

To create commitment among the employees who help the organization to meet the customer need

To ensure a motivational climate in the organization by providing opportunities for career growth & development.

To recommend long term strategies to support organizational excellence and endurance.

To diagnose the problems and find out the solution in area of Human resources.

To relate people and walk to achieve the objectives successfully.

FUTURE CHALLENGES IN HR

Before 20th century, there was non-existence of HR function. In 21st century HR function has to go through the radical changes due to fast changes in technology and emergence of global economy. This situation creates challenges for HR staff like:-

(1) Age of Information & Knowledge: Work which is performed in factories earlier has been replaced by work in offices at computer terminals. Now people has been working with Ideas and concepts instead of things. Organizational effectiveness depends upon the attracting, utilizing and retaining people who can use their knowledge to solve problems, create services, develop now work processes and satisfy customer needs.

(2) Change Management: Change management represents a particular challenge for HR Managers. An intensified focus on training may be needed to develop added competencies to deal with change management.

(3) Globalization: Globalization has extend the talent pool to almost every nook of the globe. HR professionals recruit candidates from various countries who speak different languages and practice customs differently. This brings challenge to HR policies regarding different concerns such as cultural and ethic sensitivity.

(4) Increasing size of workers: Due to increase in size of organization, No. of people working in organization has also increased. Management of increasing workforce might create new problems as workers are becoming more conscious about their rights.

(5) Attracting & Retaining Talent: Today, IT companies are facing a shortage of knowledge workers because the rate at which they lose employees almost double the rate at which they hire. A major proportion of the turnover issue is attributed to the movement of manpower to the “land of opportunities” - USA. The average stay of a software consultant of IT company has dropped to one year.

(6) Leadership Development: Across the globe leadership development has been identified, which expects that managers are equipped to take on leadership roles of the future. So that, the organization is viable in the long run.

(7) Conducive work environment: Creating a work environment that boost employee morale and improves performance will continue to be a challenge for HR. HR staff have to be fully involved in the business and must be cognizant with team needs to be changed & improved.

(8) Political Environment: Greater govt's interference in business to safeguard the interests of workers, consumers and public at large creates challenges for HR professions. Govt. may restrict the scope of private sector in certain areas in public interest.

(9) Empowering Employees: Empowering is creative distribution of power. It is shared responsibility. Empowering enables people to use their talents and capabilities, foster accomplishment, invest in learning, find the spirit in an organization and build effective relationships, informs, leads, coaches, serves, creates & liberates. Becoming an empowering manager therefore, involves both who you are and what you do.

(10) Challenges of Merger & Acquisitions: Merger & Acquisition are being

accepted as one of the most effective technique to gain competitive advantage over other organizations. HR professionals have to perform certain activities like creating transition teams, managing the learning process, recasting the HR department itself, identifying and embracing new roles for HR leaders, identifying and developing new competencies.

(11) HR Effectiveness Measurement: How can improvement happen without the right tools to measure HR effectiveness? As with many other areas of profession, this profession has also need to be able to measure results in terms of positive influences on business.

(12) Management of human relations: Management of human relations in the future will be more complicated than it is today. Many of the new generation employees will be more difficult to motivate than their predecessors. This is due to change in value system coupled with rising educational levels. Unquestioning acceptance of rules and regulations will be less likely.

EMERGING HR TRENDS IN INDIA

According to Kamal Karanth, "With increase in investments in manufacturing sector in India, the demand for talent is mounting. Most organizations look for trained manpower at all levels of operations and in today's context, the demand-supply gap is on the rise. Though technical manpower by volume is higher in India. It's employability that is question for many organizations."

The manufacturing sector in India is sweeping back in the national economic space. The current surge in this sector is extremely promising as new manufacturing opportunities are slated to be more skill intensive. India has figured among the top ten manufacturers among the world in 2010 in International year book of Industrial Statistics 2011 published by surveying and contract management. Salary hike will be of an average between 9%-12%. The average salary increase in manufacturing industries like automobiles, construction and engineering has witnessed 13% year on year and this trend is expected to continue. Companies should invest time and money to conduct programmes such as internship and apprenticeship that reach out to specific individuals already considering manufacturing career.

About 90000 jobs would be created in manufacturing sector. Apart from using regular

channels to recruit companies are also starting to hire Alumni network to rehire former employees.

CONCLUSION

The recognition of human resource capability to global business growth has changed Indian HRM culture in recent years. Rapid globalization has made companies realize people are key to growth. Now HRM is not merely personnel management i.e. maintaining records and ensuring statutory compliance but it has diverted towards human resource planning, job design, motivation, recruitment, skill development & employee relations.

Now companies are using their innovative HR practices to keep up with time in the wake of rapidly developing labour landscape. To face the recent challenges, HRM has to implement effective strategies. Hence, the role of HRM will be more significant in future due to emerging scenario.

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