

RECENT TRENDS AND CHALLENGES IN HUMAN RESOURCES MANAGEMENT IN INDIA

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ABSTRACT

Human beings are the most important resource in an organization. A firm's success depends on the capabilities of its members. Most problems, challenges, opportunities and frustration in an organization's are people related. Human resources are the life blood of an organization. Despite the application of technology in modern business management, Human resources are still relevant and most adaptive resources of the organization. Thus the enterprise depends highly on its human resources for success and survival. The role of the human resources manager is evolving with the change in competitive market environment and the realization that human resource management must play a more strategic role in the success of an organization. This paper will highlight on how an organization meets the challenges and what are the recent trends in human resource management in current business arena.

Keywords: Human resources, challenges, opportunities, trends, management, organization, competitive, market, environment.

INTRODUCTION

Human resources management plays a vital role in the organization and gives much importance, people are the most important resources in an organization. With the increase in competition, locally or globally, organizations must become more adaptable, resilient, agile, and customer-focused to succeed. And within this change in environment, the HR professional has to evolve to become a strategic partner, an employee sponsor or advocate, and a change mentor within the organization. In order to succeed, HR must be a business driven function with a thorough understanding of the organization's big picture and be able to influence key decisions and policies. In general, the focus of today's HR Manager is on strategic personnel retention and talents development. HR professionals will be coaches, counselors, mentors, and succession planners to help motivate organization's members and their loyalty. The HR manager will also promote and fight for values, ethics, beliefs, and spirituality within their organizations. The management of HR is complex and problematic because the individuals as workers hardly adapt or voluntarily embrace the objectives of the organization. As individuals, the employees have needs, aspirations, motivations, desires and interests which influence their behavior at work but unfortunately these objectives are sometimes in conflict with the corporate objectives of the enterprise. In reconciling this conflicting interests Human Resources Management and Planning are useful tools employed in harmonizing the needs of the employees with the goals and objectives of the organization on a continuous basis. In a nutshell, the primary task of HRM is to ensure that the organization HR are utilized and managed effectively. HR practitioners are saddled with the responsibility of designing and implementing policies and programmes that will enhance human abilities and improve the organization's overall effectiveness.

CHALLENGES OF HUMAN RESOURCES MANAGEMENT:

1. Recruitment and selection:

Finding a suitable candidate for the job from a large number of applicants is a basic problem for the human resource manager. They have to make suitable changes from time to time in the selection procedure

and see to it that the candidate is up to the mark fulfilling the job requirements. If required, the candidate should be provided with training to get quality results.

2. Emotional and Physical Stability of Employees:

Providing with the wages and salaries to employees is not sufficient in today's world. The human resource manager should maintain proper emotional balance of employees. They should try to understand the attitude, requirement and feelings of employees and motivate them whenever and wherever required.

3. Balance between Management and Employees:

The human resource manager has a responsibility to balance the interest of management and employees. Profits, commitment, cooperation, loyalty, and sincerely are the factors expected by management, whereas better salaries and wages, safety and security, healthy working condition, career development and participative working are the factors expected by employees from management.

4. Training, Development and Compensation:

A planned execution of training programs and managerial development programs and managerial development programmes is required to be undertaken to sharpen and enhance the skills and to develop knowledge of employees. Compensation in the form of salary, bonus, allowances, incentives and perquisites is to be paid according to the performance of people. A work or letter of appreciation is also to be given, if some of them have done their jobs beyond expectations to keep their morale up.

5. Performance Appraisal:

This activity should not be considered a routine process by the human resource manager. If employees are not getting proper feedback from them, it may affect their future work. A scientific appraisal technique according to changing needs should be applied and the quality of to should be checked from time to time.

6. Dealing with Trade Union:

Union members are to be handled skillfully as they are usually the people who oppose the company policies and procedures. Demands of the union and interests of the management should be matched properly

7. Change management

Since this is generally not a focal point of HR professional training and development, change management represents a particular challenge for personnel management. The WFPMA finds that This may also be the reason why it is cited as the foremost issue as HR continues to attempt to help businesses move forward. An intensified focus on training may be needed to develop added competencies to deal with change management."

8. Leadership Development

As the second of the biggest challenges for human resource management, leadership development needs to be a critical strategic initiative. HR professionals are faced with being expected to provide the essential structures, processes, tools, and points of view to make the best selection and develop the future leaders of the organization

9. HR Effectiveness Measurement:

HR also need to measure results in terms of transaction management, as well as in terms of the positive influence on a business. Utilizing metrics to determine effectiveness is a beginning of a shift from perceiving HR's role as purely administrative function to view the HR team as a true strategic partner within the organization

10. Retaining and Rewarding Talented Candidates:

Around 59% seasoned HR professionals believe that in the next few years, major battle will be retaining talented and well-performing candidates. Moreover, it is going to become even worse to recognize and reward the real performers as the market competitiveness is growing and that needs more collaborated efforts to establish loyalty among employees.

11. Developing Future Leaders:

With growing options for top performing candidates, employers are in a great jitty over how will they build the future pillars of the organization. The rising employee turnover rate is giving recruiters really a tough time with implementing practices to enhance employee engagement and make them stay for long in the organization. Over 52% HR people have a serious concern over building next generation organizational leaders.

12. Establishing Healthy and Cooperative Corporate Culture:

Corporate culture has become one of the deciding factors lately. Elevating market demands makes companies work more to grow, expand and sustain within the volatile market scenarios. This, thus directly or indirectly affects the organizational culture, as every resource is over-occupied with loads of work that may affect the healthy work culture at office leading more to clashes or office chaos.

13. Attracting Top Talent to Organization:

During any job interview, a candidate's job is to sell himself to the recruiters. Similarly, the recruiters also need to sell themselves before the candidate. It is now more important as the talent shortage is making every organization strive to bring in the best talent and become the most preferred choice among available options. Around 36% recruiters feel that it is the need of the hour to establish a corporate culture that will attract best candidates to your organization.

14. Elevating Human Capital Investments:

Around two-fifth of HR professionals indicate that the biggest challenge for the coming decade will be acquiring human capital and optimizing human capital investments. On deeply analyzing the challenges, one thing that is clear is that the most difficult challenge that'll crop up is retaining good employees and attracting best candidates. This entails that HR professionals need to develop talent management tactics that can effectively contribute in attracting, retaining and rewarding top performing employees. But what the organizations can do for countering this skills shortage and ensure that they find right candidates? *Here are the major responses to this...*

15. Flexible Work Arrangements:

Millennials just love it! The coming generation of employees emphasizes on working in flexible set-ups and the major concern must be kept on giving results and not on working in a traditional 9 to 6 set-up. This does not disrupts the company decorum or discipline, it will just allow individuals to work the way they want and exhibit better productivity. Even 40% HR pros believe that this can be a winning factor.

16. Clear & Transparent Work Culture & Open Leadership:

Employees demand it greatly, but are seen rarely! That's a fact! Maximum organizations fail to establish a culture of clear and transparent work communication or open leadership that somewhere affects the employee morale and his dedication to work. 37% have indicated that if communication barriers are removed, then the organization can attract more candidates.

17. Career Advancement Opportunities for Employees:

If the company takes employee career development seriously and strives to work for it as well, then definitely you can shine out over your competitors who are also looking to grab talented prospects for the

same jobs. Around 26% professionals have indicated this as a problem and major factor for increased attrition rate.

18. Better Compensations:

Undoubtedly, money matters. If you have a start performer, you need to take good care of the compensation you offer. These days employers are largely playing on this factor with awarding employees lucrative reward packages and attracting more talent towards them. Thus, recruiters need to fold up their sleeves to attract the real talent to themselves to stay ahead of their counterparts.

Recruitment processes are the first interface of candidates with the company and this needs to be the best of all. The employer must sell the organization to the candidate and the boarding candidate must also feel elated on joining the same. Apart from other factors, one is that of technology upgradation. Now is the time of the cloud and one has to be up on technology as every candidate wants to get smoother recruitment application and processing. An effective Recruitment Management System must be there that can take care of channelized processing from application to on-boarding while the HR people can work on other retention and acquisition tactics.

TRENDS IN HUMAN RESOURCES MANAGEMENT:

1. Globalization and its implications

Business today doesn't have national boundaries – it reaches around the world. The rise of multinational corporations places new requirements on human resource managers. The HR department needs to ensure that the appropriate mix of employees in terms of knowledge, skills and cultural adaptability is available to handle global assignments. In order to meet this goal, the organizations must train individuals to meet the challenges of globalization. The employees must have working knowledge of the language and culture (in terms of values, morals, customs and laws) of the host country.

Human Resource Management (HRM) must also develop mechanisms that will help multicultural individuals work together. As background, language, custom or age differences become more prevalent, there are indications that employee conflict will increase. HRM would be required to train management to be more flexible in its practices. Because tomorrow's workers will come in different colors, 'nationalities and so on, managers will be required to change their ways. This will necessitate managers being trained to recognize differences in workers and to appreciate and even celebrate these differences.

2. Work-force Diversity

In the past HRM was considerably simpler because our work force was strikingly homogeneous. Today's work force comprises of people of different gender, age, social class sexual orientation, values, personality characteristics, ethnicity, religion, education, language, physical appearance, marital status, lifestyle, beliefs, ideologies and background characteristics such as geographic origin, tenure with the organization, and economic status and the list could go on. Diversity is critically linked to the organization's strategic direction. Where diversity flourishes, the potential benefits from better creativity and decision making and greater innovation can be accrued to help increase organization's competitiveness. One means of achieving that is through the organization's benefits package.

This includes HRM offerings that fall under the heading of the family friendly organization. A family friendly organization is one that has flexible work schedules and provides such employee benefits such as child care. In addition to the diversity brought by gender and nationality, HRM must be aware of the age differences that exist in today's work force. HRM must train people of different age groups to effectively manage and to deal with each other and to respect the diversity of views that each offers. In situations like these a participative approach seems to work better.

2. Changing skill requirements

Recruiting and developing skilled labor is important for any company concerned about competitiveness, productivity, quality and managing a diverse work force effectively. Skill deficiencies translate into significant losses for the organization in terms of poor-quality work and lower productivity, increase in employee accidents and customer complaints. Since a growing number of jobs will require more education and higher levels of language than current ones, HRM practitioners and specialists will have to communicate this to educators and community leaders etc. Strategic human resource planning will have to carefully weigh the skill deficiencies and shortages. HRM department will have to devise suitable training and short term programs to bridge the skill gaps & deficiencies.

3. Corporate downsizing.

Whenever an organization attempts to delayer, it is attempting to create greater efficiency. The premise of downsizing is to reduce the number of workers employed by the organization. HRM department has a very important role to play in downsizing. HRM people must ensure that proper communication must take place during this time. They must minimize the negative effects of rumors and ensure that individuals are kept informed with factual data. HRM must also deal with actual layoff. HRM dept is key to the downsizing discussions that have to take place.

4. Continuous improvement programs

Continuous improvement programs focus on the long term well-being of the organization. It is a process whereby an organization focuses on quality and builds a better foundation to serve its customers. This often involves a companywide initiative to improve quality and productivity. The company changes its operations to focus on the customer and to involve workers in matters affecting them. Companies strive to improve everything that they do, from hiring quality people, to administrative paper processing, to meeting customer needs.

Unfortunately, such initiatives are not something that can be easily implemented, nor dictated down through the many levels in an organization. Rather, they are like an organization wide development process and the process must be accepted and supported by top management and driven by collaborative efforts, throughout each segment in the organization. HRM plays an important role in the implementation of continuous improvement programs. Whenever an organization embarks on any improvement effort, it is introducing change into the organization. At this point organization development initiatives dominate. Specifically, HRM must prepare individuals for the change. This requires clear and extensive communications of why the change will occur, what is to be expected and what effect it will have on employees.

5. Re-engineering work processes for improved productivity

Although continuous improvement initiatives are positive starts in many of our organizations, they typically focus on ongoing incremental change. Such action is intuitively appealing – the constant and permanent search to make things better. Yet many companies function in an environment that is dynamic-facing rapid and constant change. As a result continuous improvement programs may not be in the best interest of the organization. The problem with them is that they may provide a false sense of security. Ongoing incremental change avoids facing up to the possibility that what the organization may really need is radical or quantum change. Such drastic change results in the re-engineering of the organization.

Re-engineering occurs when more than 70% of the work processes in an organization are evaluated and altered. It requires organizational members to rethink what work should be done, how it is to be done and how to best implement these decisions. Re-engineering changes how organizations do their business and directly affects the employees. Re-engineering may leave certain employees frustrated and angry and unsure of what to expect. Accordingly HRM must have mechanisms in place for employees to get appropriate direction of what to do and what to expect as well as assistance in dealing with the conflict that may

permeate the organization. For re-engineering to generate its benefits HRM needs to offer skill training to its employees. Whether it's a new process, a technology enhancement, working in teams, having more decision making authority, or the like, employees would need new skills as a result of the re-engineering process.

6. Contingent workforce

A very substantial part of the modern day workforce are the contingent workers. Contingent workers are individuals who are typically hired for shorter periods of time. They perform specific tasks that often require special job skills and are employed when an organization is experiencing significant deviations in its workflow. When an organization makes its strategic decision to employ a sizable portion of its workforce from the contingency ranks, several HRM issues come to the forefront. These include being able to have these virtual employees available when needed, providing scheduling options that meet their needs and making decisions about whether or not benefits will be offered to the contingent work force.

No organization can make the transition to a contingent workforce without sufficient planning. As such, when these strategic decisions are being made, HRM must be an active partner in these discussions. After its entire HRM department's responsibility to locate and bring into the organization these temporary workers. As temporary workers are brought in, HRM will also have the responsibility of quickly adapting them to the organization. HRM will also have to give some thought to how it will attract quality temporaries. This is sometimes done on consultancy basis. Consultancy work is often a short time basis and to re-invent the organization's operation such a workforce of consultancy is vital.

7. Mass Customization

There is a lot going on already within HR concerning mass customization, the optimal combination of mass production with customization. We've seen companies basing employment arrangements on learning styles and personalities, allowing employees to choose between lower base pay and higher bonuses vs. higher base pay and lower bonuses, and changing from career ladders with a straight shot to the top to career lattices where a sideways move is considered a good career move. Here, HR has done a great job of applying HR principles to its own traditional functional processes.

HR will need to take the tools of marketing around customization for consumers and clients and applying them to the task of talent segmentation. The key is to optimize. At one extreme, a personal employment deal for every individual would be chaotic. At the other extreme, defining fairness as "same for everyone" risks missing important benefits of customization, and in fact may be unproductive and unfair.

Thus, HR should develop principles for understanding the optimal level of customization in the employment relationship. Moreover, because customization will often mean that different groups of employees receive different employment arrangements based on their needs or the way they contribute, HR must develop principles that equip leaders to explain these differences to employees. Our work suggests that while many HR managers understand the need for customization and differentiation in principle, they resist it because they simply don't feel well-equipped to explain them. It is far easier to say, "We do the same thing for everyone, so it's out of my hands." The concept of fairness is sometimes confused with treating everyone the same.

8. Decentralized work sites

Work sites are getting more and more decentralized. Telecommuting capabilities that exist today have made it possible for the employees to be located anywhere on the globe. With this potential, the employers no longer have to consider locating a business near its work force. Telecommuting also offers an opportunity for a business in a high cost area to have its work done in an area where lower wages prevail. Decentralized work sites also offer opportunities that may meet the needs of the diversified workforce. Those who have family responsibilities like child care, or those who have disabilities may prefer to work in their homes rather than travel to the organization's facility. For HRM, decentralized work sites present a

challenge. Much of that challenge revolves around training managers in how to establish and ensure appropriate work quality and on-time completion. Work at home may also require HRM to rethink its compensation policy. Will it pay by the hour, on a salary basis, or by the job performed? Also, because employees in decentralized work sites are full time employees of the organization as opposed to contingent workers, it will be organization's responsibility to ensure health and safety of the decentralized work force.

9. Employee involvement

For today's organization's to be successful there are a number of employee involvement concepts that appear to be accepted. These are delegation, participative management, work teams, goal setting, employee training and empowering of employees. HRM has a significant role to play in employee involvement. What is needed is demonstrated leadership as well as supportive management. Employees need to be trained and that's where human resource management has a significant role to play. Employees expected to delegate, to have decisions anticipatively handled, to work in teams, or to set goals cannot do so unless they know and understand what it is that they are to do. Empowering employees requires extensive training in all aspects of the job. Workers may need to understand how new job design processes. They may need training in interpersonal skills to make participative and work teams function properly.

10. Technology

With the current technological advancement and its projection in the future, it has brought in new eyes in the face of HRM. A number of computerized systems have been invented to help in the HRM of which they are seen as simplifier of HR functions in companies. Large or multinational organizations using some of the human resources information systems are reaping big. You do not have to stay in a particular location to do your duties but you can do on a mobile basis. For instance the paper work files are being replaced by HRMIS which may be tailor made or Off the Shelf. These systems help in handling a lot of data on a chip other than having a room full of file shelves.

What HRM is concerned with here is the safety (confidentiality) of the data/information of staff, and therefore it is at the forefront of having to train personnel in operating such systems and developing the integrity of such personnel to handle the sensitivity of the matter.

11. Health

With the emergence of the wellness clubs and fitness centers together with the need for having healthy workforce, it has emerged that HRM has to move to another step like having to subscribe for its employees to such clubs, paying health insurance services for the staff. This is not only a productivity strategy but also a strategy used to attract and retain valuable employees.

In the current situation as it is now especially with the outbreak of HIV/AIDS epidemic, it has been seen to be of value to have infected and affected employees have special attention so that they can have confidence of support from the employers. With its effect leading to stigmatization, HRM has to think of counseling and guiding such employee so that despite of the effect they (employee) remain productive. Cancer is another kind of issue that has seen the current trend in HRM look closer to health and wellness of employees. Cancers of all types are endemic to employees. Couple with other communicable and none communicable diseases HRM has no option other than to advice management to invest in health care packages that will revitalize the performance of the affected and infected employees'

Therefore for HRM to continue showing relevance it has shifted to providing health services to staff through health insurance, sensitization, and free medical treatment bills. This has seen high results in not only in performance but also in attraction and retention of highly qualified personnel.

12. Family work life balance

Over a long time now in HRM history it has been a big debate about family life work balance. Employees have been on toes of the employers to see if there could be justice done and on the other hand employers have been keen to minimize the effect of the same. The fact is a happy family is equal to a happy workforce. With the current trend HRM have to work it out that every employee's family to some extent is a happy one. Therefore investing in what may seem out hand for the organization is inevitable. It is time HRM to convince management to organize family day out for the staff and their families, sacrifice sometimes for days off to enable employees to attend to their family issues.

The employment laws unlike from the past now allow family leaves and above all you have parental leave (paternity and maternity). In this moment the member of the family is not missed. Time off your duty is to enrich one with family chore which help identify the employee with the organization. From break of family affairs of course an employee is rejuvenated and recognizes that the employer values him so much to the extent that he/she is allowed to visit, stay and enjoy family bond.

Still it is realized that the family bond is a cost to employer in terms of time but it is a great motivator the employee which leads to high productivity. Therefore the HRM has to stay tuned the the dynamics of family needs of employees and go a step ahead to provide development assistance like loans to meet family needs and social development.

13. Confidentiality

The current trends have been seen as new challenges in the terms of costs especially in the short run but for organization to strive well in this competitive market to together with the labor mobility it is imperative important to rethink the HRM in terms of the current trends at all levels.

It goes without say that as longer as there are no clear defined human resource management strategies in the given organization there is definitely a problem boiling in the same organization or an explosion is bound to happen. With the current trend in managing the most valued organization resource, organizations have to dig deeper to maintain.

CONCLUSION:

The role of the HR manager must parallel the needs of the changing organization. Successful organizations are becoming more adaptable, resilient, quick to change directions, and customer-centered. Within this environment, the HR professional must learn how to manage effectively through planning, organizing, leading and controlling the human resource and be knowledgeable of emerging trends in training and employee development.

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