

A Critical Study of HRM

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Abstract: *Human Resource Management discipline extracted its roots from organizational psychology discipline and proved to be an important practice for managing organizations. The role of this practice has emerged to be strategic with due course of time. In an organization, HR has become an important strategic partner and the management of the same has become a challenging task for HR managers. Now a day, the role of human resource management departments has become indispensable for 21st century modern businesses. This article particularly focuses on changing role of human resource management practices in 21st century. This theoretical paper aims to highlight the importance of human resource managers, HR practices and its influencing factors. In addition to that, this article also elaborates the upcoming challenges which are being faced by 21st century HR managers. The literature analysis has been conducted to present emerging issues, challenges and practices of human resource management discipline in context of 21st century.*

Keywords: Globalization, Strategic Partner, Competency Framework, Technological Advancement, Dynamic Environment, Change Management

I. INTRODUCTION

Human Resource Management (HRM) is an important area of management. Different terms such as labour management, personal management, human capital management, and personal administration are used to denote HRM. People are an organization's most important assets. Success of any business is greatly influenced by the calibre and attitude of the people who work for it. HRM is a process of bringing people and organizations together so that the goals of each are met. It is an art of procuring, developing and maintaining competent workforce to achieve the goals of an organization in an effective and efficient manner.

Human Resource Information System (HRIS)

Introduction:

Planning and control of human resources needs a sound information base. For efficient working of a human resources department effective information system is very important. A system designed to supply information to the human resources management, to help them in managing the people effectively and efficiently.

HRIS, also called as human resource management system refers to a system that keeps track of all employees and information about them in database. Now a days, electronic systems are used to compile information in database to be easily accessed and analysed. HRIS is basically an intersection of HR and information technology through HR software. HRIS is a technology that has evolved over the last three decades, moving from a simple data management system, to a management information system to a real decision support system.

HRIS can be defined as "a systematic producer for collecting, storing, maintaining, retrieving, and validating data needed by organization about its human resources, activities, and organization unit characteristics."

DEFINITIONS OF HUMAN RESOURCE MANAGEMENT (HRM):-

1. FRENCH Wendell defines HRM as "the recruitment, selection, development, utilisation, compensation and motivation of human resources by the organization".
2. According to EDWIN B. FLIPPO, "HRM is the planning, organising, directing, and controlling of the procurement, development, compensation, integration, maintenance and reproduction of human resources to the end that individual, organisation and societal objectives are achieved"

SCOPE OF HUMAN RESOURCE MANAGEMENT (HRM)

1. Human Resources planning (HRP): Human Resource Planning is a primary activity of HRM. Human resource planning is the process by which the organisation ensures that it has the right kind of people, at the right time and at the right place.

HRP involves activities such as:

- Taking inventory of the present human resources
- forecasting manpower requirements
- forecasting supply of human resources
- Estimating manpower gaps
- Action plan, in case of shortage or surplus of manpower.

2. Acquisition function /procurement: This function is concerned with procuring and employing people who possess necessary skills, knowledge and aptitude. This function includes:

Job analysis collecting information related to the operations and responsibility is of a specific job.

Recruitment process of searching of prospective employees and stimulating them to apply for jobs in the organization.

Selection choosing the most suitable candidates from those who have applied for the vacant posts.

3. Placements: Placement is done after selection of employees. it means to put the right man in the right place of work it is process of assigning a specific job to each of the selected candidate .it involves assigning a specific rank and responsibility to an individual. it is matching of employees specifications with job requirements. Proper placement gives jobs satisfaction to the employees and it increases the efficiency.

4 performance appraisal: Performance appraisal is a systematic evolution of employee's performance at work it is a review of an employee's performance of assigned duties and responsibilities search valuation is done with respect of certain pre-determined criteria such as job knowledge quality and quantity of output corporation leadership versatility etc. Performance appraisal helps in identifying strength and weakness of the employees this helps in framing training and development programmes.

5. Training and development: One of the vital function of HRM is to provide training and development to the employees training and development refers to the imparting of specific skill, abilities and knowledge to the employees it is the process of planned program Undertaken for improvement of employee's performance, such programs help in achieving organizational and personnel goals.

6. Compensation function: Compensation refers to all the rewards earned by employees in return for their labour it includes: Direct functional compensation consisting of a received in the form of wages, salaries, bonuses and commissions provided at regular and consistent intervals. Indirect financial compensation which includes benefits, leaves, retirement plans, recognition, certificate of appreciation etc.

7. Career planning and development: These days, many organisations facilitate career planning and development of the employees. career planning involved deciding on the career goals of the employees and the route to achieve these career development refers to programs designed to match and Individuals needs abilities and career goals with opportunity in the organization such career planning and development not only helps the employees but also organisation to achieve growth.

8. Employees Welfare: Employee welfare includes the services, amenities and facilities of 1 to employees within or outside the organization sum of these include housing, transportation, education, recreation facilities etc. Welfare measures are in addition to regular wages and other economic benefits given to the employees. Such measures help in keeping the moral and motivation of the employees high.

9. Labour relations: HRM also includes maintaining industrial relations. Include union management relations, joint consultations, negotiating, collective bargaining, grievance handling, disciplinary actions, settlement of industrial disputes, etc. This help the organization to ensure working in the company.

10. Maintenance function: HRM also performs the maintenance function. That is, protecting and promoting the health and safety of the employees. For this organization adopts health and safety measures. It also provides other benefits

such as medical aid, provident fund, pension, gratuity, maternity benefits, Accident compensation, etc., to the employees.

11. Emerging functions: These include human resource accounting HRA is a measurement of the cost and value of human resources to the organisation, human resource audit: It refers to an examination and evolution of policies, procedures and practices to determine the effectiveness of HRM. Human resource research. It is the process of evaluating the effectiveness of Human Resource policies and practices and developing more appropriate ones. Human resource information system. It refers to an integrated system design to compile HR data. Search. Data serves as a source of information to the management. Stress management and counselling.

Many organization companies try to promote the physical and mental well being of employees through proper counselling and employees development programmes. Counselling the employees helps them in solving their personal, family and work problems.

CHALLENGES OF HRM IN 21ST CENTURY

EMERGING HR CHALLENGES IN 21ST CENTURY One of the crucial activities for HR managers is the HR planning. Regarding the HR functions of 21st century, the organizations have altered from “behind the scenes” to becoming the critical differentiator in businesses. The HR roles have taken a new dimension in the 21st century especially after globalization. Manpower management is an exasperating job and it requires specialized skills. During the previous few years, many transitions have taken place like due to rise in there were numerous layoffs; many people lost their jobs that put a lot of pressure on organization’s management to reassess its procedures and strategies. Following is a discussion on some of the challenges being faced by HR which is identified through reviewing literature.

Recruitment & selection:-

The foremost function of HR is to locate the people with needed expertise for the progression of a company. The quality of people hired depends highly on how effective recruitment & selection strategies are. However, this process of recruitment & selection is not always sailing smoothly and is faced with many challenges due to globalization that has allowed firms to invest overseas. Tangible problems faced during the process may include the cost of advertising job openings while intangible obstacles can be communication gaps between recruiters and hiring managers. We know that every person is different from another; even the hiring committee will make decisions on the basis of their own perceptions as they are influenced by their values, beliefs and social views and thus it is difficult to rule out the possibility of biasness.

Career development & growth :-

Employee career growth activities refer to initiatives taken by employers and employees to polish their expertise and keep themselves familiar with the recent developments. Globalization has brought many technological changes and developments. The main key to grow and survive in any business is innovation. Providing internal career growth opportunities can help organizations keep top talent from seeking opportunities elsewhere. It is extremely essential to train and develop the employee so that they can cope up with all the changes and innovations coming in their way. Now a days the training should not be only limited to make employees learn any specific skill or knowledge, instead it must focus on overall growth and career development of employees.

Promoting organization culture & heterogeneous workforce:-

The organizations today are having heterogeneous workforce; which is off course considered to be a positive thing as diverse minds will guide to new creations & ideas, but managing the culture where people have different mind-sets and putting across the cultural values is indeed a challenging task. Culture of any workplace is its root and hence HR managers really have to put alot of effort for developing a successful organization culture

Conflict management and resolution:-

Conflict has two sides’ one positive which is called constructive conflict and another negative that is known to be destructive conflict. Today’s managers have to be well trained to deal with both kinds of conflicts. 21st century has

brought with it long working hours, high level of competition, pressure to attain targets etc. which is known to have stress and conflicts among organizational employees. The HR managers need to find methods for coping up with conflict timely. They have to act as a mediator and must quickly respond to the conflict before it results into a drastic damage to an organization. The HR manager has to be a skilled communicator, as clear and transparent communication plays a vital role in conflict resolution. Sometimes HR managers are expected to explain the code of conducts to employee to handle employee complaints and sometimes they act as a liaison between employers and labour unions to resolve the conflict among parties

Business ethics and value:-

Paying keen attention to business ethics and values is important to any manager's job. With the recent changes in workplace culture, strategies and organizational structure, it has become more imperative to have values and ethic in place which will decides organizational sustainability in global market for a longer period. The HR department is bound to deal with an array of ethical issues or challenges as this unit directly deals with employees of a company. HR department encounters many ethical hazards that may damage the reputation of a company as well as its financial sustainability in a long run.

Managing Multi-Generational Workforce:-

Organizations these days have employees belonging to multi generations who fall under various age groups. These generations are classified as Baby Boomers I, Generation Jones or Boomers II, Generation X, and Generation Y. Generation X and Y born people are known to be better aware of technology and they like to use new techniques of working. They prefer to adopt new philosophies and they are considered to be innovative, while baby boomers & boomers II feel comfortable with their traditional ways and they do not like to come out of their comfort zone. It is important for an organization to retain both sets of people, as both categories are equally.

Flexible work hours: - Time has become more flexible as we moved into 21st century, which is a big challenge for HR managers. Due to the advancement of technologies and many other reasons, people now-days prefer to work from home. The internet has given birth to virtual world and 24/7 market place. Although flexible work arrangements have tremendous benefits but at the same time it is going to increase the level of stress on management & workforce that has to be dealt well by 21st century managers (Anderson, 2002). With the flexible work arrangements, the HR professionals need to monitor regularly the successes in various projects and challenges faced during the period. This can help to take better measures regarding flexible work arrangements in future.

Striking work life balance: - This concept is gaining a lot of attention these days. Due to tough competition in the market place, the workload is increasing day by day and this leads to various problems of health and high stress among workforce. It is a responsibility of the manager to make a segregating line between work and leisure activities.

Managing 5 R's:- In latest century with the changing role of HR managers, the 5 R's are becoming crucial in the success of every organization. Today the managers have to take extra care of all these R's namely Resourcing, Recruiting the right talent, Retaining the talent, Retraining and Restructuring.

II. RECOMMENDATION & CONCLUSION

From the viewpoint of 21st century HRM emergence, the globalization has many implications for the firms that may entail the diversity of cultures

The HRM in today's era has to mount the expertise, mind set and capabilities that are needed to gain competitive edge on global scale. It is recommended that organizations must put efforts to align their HR processes efficiently with organizational goal on broader perspective. Last but not the least, HR must be on a continuous look out for creativity and innovation as it is known to be the key to success. It depends highly on HR to face the challenges of globalization posed by 21st century which has given an entirely new look to organizations.

The organizations have grown savvier in using technology hence it is important to adopt all changes. The role of HR has been shifted towards becoming strategic partners of organization which in turn forces HR to coordinate with all the function and provide support in various activities like attracting and retaining the best talent, developing organizational structure, train and retrain employees. As companies grow by acquisition and merger, they make multiple HR groups. One approach is that the HR groups in various parts of the organization may develop their competencies in a specific domain and can meet the demands of the larger organization in that domain. HR groups that operate in this manner find each other as helpful resources rather than rivals which will help to gain high level competencies in numerous areas.

In 21st century, the HR has the handle many challenges like; change management, conflict management, managing multi-generational workforce, managing 5R's, workforce diversity, globalization, striking work life balance, succession planning etc. It is the responsibility of HR to increase organizational efficiency and effectiveness by adding value and gaining competitive edge over competitors for a long term survival in complex and highly uncertain market place. It is clearly the time for a quantum leap in the field of human resource. HR professional can contribute in this transition by taking some serious steps to meet the challenges of organizational change; they can serve to find out ways to measure HR value for the company. Last but not the least; they can conduct significant research related to human resource and their performance in future organizations.