

# **Emerging Trends in Human Resource Management and Its Practices**

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## **ABSTRACT**

The world of work is rapidly changing. Historically HRM has been described as being responsible for the attracting, recruiting, selecting, training, assessment and compensation of employees while ensuring compliance with employment and labour laws. More recently HRM has also become involved in succession planning, business continuity planning, workforce diversity, labour relations and some aspects of mergers and acquisitions. As a part of organization, Human Resource Management (HRM) must be prepared to deal with effects of changing world of work. In India, the field of human resource management is developing very fast and every department of human activity is realizing its importance in the smooth functioning of the organization. Innovative techniques are developed to improve the work culture, so that the employees are motivated to give their best to the organization. Human Resource Management will be regarded as valuable business partner and important organisational resource when the business units are satisfied with the results are achieved through Human performance and process improvement. Therefore, Human resource management has to venture into new trends in order to remain relevant corporate development partner.

## **INTRODUCTION:**

Human resource management (HRM or HR) is the management of human resources. The department is responsible for overseeing employee-benefits design, employee recruitment, training and development, performance appraisal, and rewarding. HR also concerns itself with organizational change and industrial relations, that is, the balancing of organizational practices with requirements arising from collective bargaining and from governmental laws. With the rise of globalization, organisations now emphasis on diversity and a deep impact on the way companies manage their employees. For the HR people it means understanding the implications of globalization, work-force diversity, changing skill requirements, corporate downsizing, continuous improvement initiatives, re-engineering, the contingent work force, decentralized work sites and employee involvement for which all and more have the financial implication to organization. Understanding the effects of globalization on human resources can help managers to better equip their organizations for the increasingly global business environment. The challenges for the HR Manager is to keep up-to-date knowledge about the latest HR innovations, legal and otherwise. The positive result of these changes is that HR professionals have the opportunity to play a more strategic role in the business.

## **IMPACT OF ENVIRONMENT ON CHANGING TENDS OF HR PRACTICES:**

Environment factors are so important that they can enhance or reduce the management options, positively or negatively that influence the success of the organisation. It includes all policies, practices, procedures, and legislations that exist both inside and outside the

organization that will impact the way that the organisation can be managed. The environmental factors are as follows,

**POLITICAL:**

The increased visibility of social movements and citizens' demands for well-functioning governance over the last decade has been accompanied by an increase in transparency and accountability initiatives (TAIs) in many organizations. Increasing dispersal of national power, narrowing of gaps in national power between developed and developing nations and Increase in the power of non-state actors (businesses, organizations such as the World Bank) had rapidly transformed the human resource management.

**ECONOMIC:**

Increased government involvement in counties economy like GST and demonetisation, increasing gap between rich and poor individuals, rapidly increasing national debt to GDP ratios and growth and increasing instability of sovereign wealth funds influence the practices of human resource management.

**SOCIAL:**

The social influences are International and internal migrations, increased interconnectivity of people, organizations and societies, changing family structure, increasing power of women, aging population, population growth, increasing social freedom, accelerated pace of life and Urbanization.

**TECHNOLOGICAL:**

Intuitively, it feels like technology is progressing faster than ever. Accelerating change is a perceived increase in the rate of technological change, which may suggest faster and more profound change in the future and may or may not be accompanied by equally profound social and cultural change. Workspace digitization, in last couple of years, has brought real value to employees in the form of improved productivity, greater working flexibility and convenience through mobility, collaboration and security. Any device, anytime, anywhere, helps employee's access real-time information and collaborate more efficiently.

**EMERGING TRENDS IN HUMAN RESOURCE MANAGEMENT:****GLOBALIZATION:**

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 to avoid conflicts and racism. This will necessitate managers being trained to recognize differences in workers and to appreciate and even celebrate these differences.

**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. 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.

**TALENT MANAGEMENT:**

Talent management is an organization's commitment to recruit, hire, retain, and develop the most talented and superior employees available in the job market. The opportunity to continue to grow and develop their professional and personal skills is a major motivator for any employee to take and stay at a job. Determining the most critical areas of the organization to support and analysing the aspects of talents management are most closely aligned with the company's top business priorities.

**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 rumours and ensure that individuals are kept informed with factual data. HRM must also deal with actual layoff. HRM department is key to the downsizing discussions that have to take place.

**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. HR department has the responsibility to locate and bring the temporary workers into the organization. As temporary workers are brought in, HR department will also have the responsibility of quickly adapting them to the organization.

**BALANCED SCORECARD:**

The Balanced Scorecard (BSC) is a tool that translates an organization's mission and strategy into a comprehensive set of performance measures that provide the framework for a strategic measurement and management system. It is basically a visual representation of an organization's strategy. The BSC is a way of Measuring organizational, business unit or department success, balancing long-term and short term actions, balancing different measures of success – Financial, Customer, Internal Business Processes, Human Resources Systems & Development and a way of tying strategy to action measures.

The role of the Human Resources Department in a measurement organization should be to indicate how much each employee contributes to the organization – such as revenue generated minus the cost of salary, benefits and training. The HR department needs to look at the rest of the enterprise

as its customer. It can achieve this by developing the human capital within the organization, which it can measure by setting up its own balanced scorecard strategy. People management is an important function of the HR Department and can play an important role in an organizations' financial performance as well as the service it offers its customers.

**SIX SIGMA:**

It is a project driven management approach improve the organization product, services, and processes by continually reducing defects in the organization. Six Sigma is defined as having less than 3.4 defects per million opportunities or a success rate of 99.9997%. Linking six sigma to business strategy as in HR Department, six sigma can assist in identifying areas that have an impact on the external customer. They may concentrate on such aspects as leadership selection & training, enabling employees to focus on decreasing the non-value added time. It must identify high potential employees, motivate them and move them back into the organization as part of their rotation, and leadership training.

**PERFORMANCE CONSULTING:**

Redesigning the performance management cycle was high on the agenda of many organisations. It is positive to get rid of the traditional paternalistic process, where a boss who had limited observations has to give feedback to his/her employees. Performance consulting helps good people to become better, by providing very concrete feedback and very concrete suggestions on how to improve their performance. Most people want to improve their performance. Frequent relevant feedback from various sources is an important element of performance improvement.

**THE END OF OPEN SPACE:**

The newer generation employees do not want to work in open space. They prefer an individual approach, where they are able to choose their working location in line with their individual preferences and personal needs. This will require more creativity and flexibility of the office designers. Tech can help to make the best match between current needs and available space. Generally individualisation continues to be an important trend, and HR has difficulty to cope. HR likes equality, transparency and neatness, and these values do not always fit well with an individual approach.

**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. These systems help in handling a lot of data on a chip other than having a room full of file shelves. HRM is concerned with 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.

**CONCLUSION:**

The challenges for HR range from adjusting to the demands of a globalized workforce, incorporating work-force diversities and taking advantage of new technologies. At the same, effective succession planning makes sure that the best talents are trained which helps in achieving the goals of the organization. Technology and Digitization changes the way people perceive work.

Beyond office, home and travel, it significantly improves productivity, reduces cost, and encourages innovation. Workspace digitization makes the job a part of a larger lifestyle.

In order to emerge stronger from its current struggles and be better, HR executives must recognize and should concentrate on updated changes trends and they should be ready to avoid the barriers more than facing it. Standard policies and procedures helps to achieve it. Human Resource is an intangible asset in creating and sustaining value in business.

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