

Human Resource Management – Key Challenges for 21st Century

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Abstract

Human Resource is a term used to describe the individuals which comprise the workforce of an organisation, although it is also applied in labour economics, business sectors or may be the entire country. Human resources are also the name of the function within an organisation charged with the overall responsibility for implementing strategies and policies relating to the management of individuals. This function title is often abbreviated to the short form “HR”. Human Resource is relatively a modern management term having been highlighted in 1950s. The origin of the function arose in those organisations who introduced “welfare management” practices and also in those that adopted the principles of “scientific management”. The use of the term Human resource by several organisations is made to describe the manpower capacity, which is available to devote to the achievement of its strategies. The 21st century brings with it enormous opportunities but also enormous pressure, if the companies will not improve the productivity of the people and treat them “human being” which are the vital objects of all the economic activities leading towards industrial development. Now there is worldwide consensus on human resource being one of the major means of increasing efficiency, productivity and prosperity of the firm.

Introduction

Human resource management is a process of bringing people and organizations together so that the goals of each other are met. 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 today focus in business is personnel. Nowadays it is not possible to show a good financial or operating report unless your personnel relations are in order. The major purpose of HRM is to increase and improve the productive contribution of personnel to the organization in more ethical, social, and administratively responsible way. This purpose emerged from commonly called industrial relations, personnel administration, industrial psychology and personal management. Research shows that its aim is to create a whole organizational culture that binds workers to the company’s objectives with full professional commitment, integration, and quality work.

The 21st century brings with it enormous opportunities but also enormous pressure, if the companies will not improve the productivity of the people and treat them human being which are the vital objects of all the economic activities leading towards industrial development. Now there is worldwide consensus on human resources being one of the major means of increasing efficiency, productivity and prosperity of the firm. 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. Organisations are also witnessing a change in systems, management cultures and philosophy due to global alignment of Indian organisations. There is a need for multi skill development. Role of HRM is becoming all more important. With the increase in competition, locally and globally, organisations 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 organisation. In order to succeed, HR must be a business driven function with a thorough understanding of the organisation’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 talent development. HR professionals will be coaches, counsellors, mentors, and succession planners to help motivate organisation’s members and their loyalty. The HR manager will also promote and fight for values, ethics, beliefs, and spirituality within their organisations, especially in the management of workplace diversity.

New Trends in HRM

International HRM places greater emphasis on a number of responsibilities and functions such as relocation, orientation and translation services to help employees adapt to a new and different environment outside their own country.

1. Selection of employees requires careful evaluation of the personal characteristics of the candidate and his/her spouse.

2. Training and development extends beyond information and orientation training to include sensitivity training and field experiences that will enable the manager to understand cultural differences better. Managers need to be protected from career development risks, re-entry problems and culture shock.
3. To balance the pros and cons of home country and host country evaluations, performance evaluations should combine the two sources of appraisal information.
4. Compensation systems should support the overall strategic intent of the organization but should be customized for local conditions.
5. In many European countries - Germany for one, law establishes representation. Organizations typically negotiate the agreement with the unions at a national level. In Europe it is more likely for salaried employees and managers to be unionize

Challenge-1: Workplace Diversity:

The dimensions of workplace diversity include, but are not limited to: age, ethnicity, ancestry, gender, physical abilities/qualities, race, sexual orientation, educational background, geographic location, income, marital status, military experience, religious beliefs, parental status and work experience. The challenges of workplace diversity refers to the fact that the future success of any organizations relies on the ability to manage a diverse body of talent that can bring innovative ideas, perspectives and views to their work. The challenge and problems faced of workplace diversity can be turned into a strategic organizational asset if an organization is able to capitalize on this melting pot of diverse talents. With the mixture of talents of diverse cultural backgrounds, genders, ages and life styles, an organization can respond to business opportunities more rapidly and creatively, especially in the global arena (Cox, 1993), which must be one of the important organisational goals to be attained. More importantly, if the organizational environment does not support diversity broadly, one risks losing talent to competitors

Challenge -2: Talent management:

Talent management refers to the process of developing and integrating new workers, developing and keeping current workers and attracting highly skilled workers to work for the company. Talent management is a process that emerged in the 1990s and continues to be adopted, as more companies come to realize that their employees' talents and skills drive their business success. These companies develop plans and processes to track and manage their employee talent, including the following:

1. Attracting and recruiting qualified candidates with competitive backgrounds
2. Managing and defining competitive salaries
3. Training and development opportunities
4. Performance management processes
5. Retention programs and
6. Promotion and transitioning

Challenge-3: Organizing Talents:

Strategically Many companies are now realizing the advantages of a diverse workplace. As more and more companies are going global in their market expansions either physically or virtually (for example, E-commerce-related companies), there is a necessity to employ diverse talents to understand the various niches of the market.

Challenge-4: Executive Information Systems:

Executive Information System (EIS) is the most common term used for the unified collections of computer hardware and software that track the essential data of a business' daily performance and present it to managers as an aid to their planning and decision -making (Choo, 1991). With an EIS in place, a company can track inventory, sales, and receivables, compare today's data with historical patterns. In addition, an EIS will aid in spotting significant variations from "normal" trends almost as soon as it develops, giving the company the maximum amount of time to make decisions and implement required changes to put your business back on the right track. This would enable EIS to be a useful

tool in an organization's strategic planning, as well as day -to-day management (Laudon,K and Laudon, J, 2003).

Challenge-5: Workplace Motivation:

Workplace motivation can be termed the tool to influence objects to do things to achieve organisational goals. As the needs vary from person to person the organisation must be able to utilize different motivational tools to encourage their employees to put in the required effort and increase productivity for the company.

Conclusion

In conclusion, still there is a strong contention and race of struggle to take the lead in the academic and professional field but obviously only time will fill which of these and other possible rival scenarios will offer more accurate description of the reality in future. The new technological change, downsizing, right sizing and privatization management can also play role for future developments/trends and accepts the challenges of the future.

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