

Issues, Challenges And Future Of Hr Management In India**S. Swapna**

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Received: 14 April 2020 Revised and Accepted: 8 August 2020**ABSTRACT**

Human Resource Management, within the past two decades has experienced a huge transformation in its form and function. It's scope has gone beyond the maintenance functions and this is associated with sustained competitive advantage for organizations. The evolution of HRM has been driven by a number of factors that include technology, globalization, diversity, aging workforce and immigration. This article aims to discuss the various issues HRM is facing usually and the challenges that need to be overcome in the Indian corporate scenario. It also talks about the future of HRM in the challenging and dynamic Indian scenario.

Keywords: Issues, Challenges, HR Professionals, Role of HR, Future of Human Resource.

1.1 INTRODUCTION

HR has become even more important than before. Organizational introspection to identify the keys to excellence, arising from the pressure to excel, has found that developing HR is one such key. HR has gained greater significance, as companies constantly are under risk of its employees leaving their jobs once the job market improved.

In traditional bureaucratic organizations, human resource professionals have, for decades, created and administered the systems, career development, training, selection and rewards that define the key parameters on which employees have performed roles. But the era of traditional bureaucratic organizations is over. This fact represents both a major threat and a major opportunity for the human resource function. The HR needs to change as companies need strategic support from the HR in the new economy.

Driven by a number of significant internal and external environmental forces, HRM has progressed from a largely maintenance function, to the source of sustained competitive advantage for organizations operating in a global economy. People are the only sustainable source of competitive advantage (Watson Wyatt Study). The emergence of the global economy, overcapacity in many industries, improvements in the power of computers and telecommunication tools, and the emergence of the knowledge economy are among the forces, resulting in fundamental change in the design of HR arena of activities. Organizational features – vertical integration, managerial control, stability and two-way loyalty between organization and employee, are paving the way for new organizational designs.

If we look at research done at Hewitt Associates LLC (2010), HR must place their bets on four key areas: performing predictive analysis on human capital processes, delivering a steady talent supply, driving organizational performance, and building integrity and trust in the workplace. These four bets broaden the scope and impact of the role, pushing HR to operate more like a business unto itself.

1.2 OBJECTIVES OF THE STUDY

- To study various issues and challenges involved in management of Human Resources.
- To understand present HR Scenario & the type of research work undertaken to meet the future HR Challenges.
- To make few predictions on the future of HR Professionals.
- To give necessary suggestions.

1.3 RESEARCH METHODOLOGY

- The purpose of this section is to describe the methodology carried out to complete the work. The methodology plays a dominant role in any research work. The effectiveness of any research work depends upon the correctness and effectiveness of the research methodology

RESEARCH DESIGN

Descriptive research: The research design used in this project is the descriptive type.

- A descriptive study is one in which information is collected without changing the environment (i.e., nothing is manipulated).
- Descriptive studies in which the researcher does not interact with the participant include observational studies of people in an environment and studies involving data collection using existing records

DATA COLLECTION

- **Secondary data:** The data collected is through books, research articles and company websites.

1.4 WHAT THE FUTURE OF HR LOOKS LIKE?

According to “The Future of HR: Creating the Fit for Purpose Function”, a report released by an UK based HR and business management research and CRF Publishing in 2005, as organizations change and greater expectations are thrust upon HR, the future clearly demands more expertise in people management, according to Haffenden “If HR can deliver this, it may differentiate the organization and create a competitive advantage – and the function’s future will not be in doubt”. Lambert believes that structurally, HR needs to move on from the brief and only partially understood roles articulated by Dave Ulrich. The HR function of the future will include people with varied background and skills – whether from frontline management or other functions. “This will be function that is at the heart of organizational achievement, not the periphery, and a place that real achievers will want to be,” he says.

1.5 ROLE OF HR PROFESSIONALS IN THE PROCESS OF TRANSFORMATION- ISSUES & CHALLENGES

Umadevi S Muttagi (2016) stated that, 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.

Stone (2005) stated that, the difference between successful organizations and those who fail is their ability to adapt and respond to the pace of change. HR managers are increasingly taking on the role of change agent. The introduction of changed or new business and HR strategies requires careful implementation and the change agent should be very sensitive for cultural diversity. The importance of cultural diversity should not be minimized, since an organization’s culture, as a system of shared values and beliefs, leads people, decision-making process and procedures and control systems to interact so as to produce behavioral norms. Culture as well as cultural diversity has an impact on every aspect of life, from the way people behave toward one another to their natural environment. Cultural diversity in an organization should be recognized and in modern organizations it cannot be overemphasized.

Batra (1996) observed that a two-tier trend, with some functions transforming themselves and others not. “In transformed functions, we see strategic HR thinking from strategic or business partners. These professionals are focused on organizational change, working with the board and senior management team on critical people issues. Their organizations compete on the quality of people. These functions do – and achieve – more with less.” Second-tier functions have lots of people and spend too much time on HR process issues; Professionals in these functions do work that is straight forward and unchallenging. They prefer the status quo.

But, as costs bite and demand for outsourcing HR increases, he says HR staff ratios will change dramatically. These functions face a reduction of services and marginalization. “HR leaders need to bring real experience of managing change successfully to the party,” Lambert says. They need to have the analytical ability to rethink the function to align with what the future business vision and operating context indicates.

Prof. D.M. Parmar (2014), stated that - The world in which organizations exist, and will be operating in future, is continuously in change in relationships among nations, institutions, business partners and organizations change in the makeup of the “haves” and the “have not’s”; change in dominant values and norms governing

societies; change in the character and culture of business or wealth-producing organizations; change in how work is done and change in priorities. The core dilemma for leaders and managers is how to maintain stability and at the same time provide creative adaptation to outside forces, change assumptions, technology, working methods, roles, relationships and the culture of the organization. Today, these changes are still taking place and there are still more changes to come in the future.

Shuana Zafar Nasir (2017) mentioned that, during the period of transition, the HR managers need to develop competency framework that defines the skills and expertise required for performing job efficiently. These frameworks will help to revitalize the workforce and lead to excellence. In today's competitive world the need is to invest in the right technology and be armed with the right expertise to use that technology. Technology has brought tremendous changes in almost everything; from the techniques of production to the process of recruitment and then training. As the trend has moved from industry based economy to knowledge based economy, thus it is required to diversify HRM strategies to endow with value to both customers and employees. Work life balance is a recent phenomenon that must be embraced by HR professionals as a positive drift. They must look at ways that can utilize work life balance as a tool to attract and retain qualified employees.

1.6 FUTURE OF HR PROFESSIONALS

The HR Professionals have to take numerous steps to ensure the future of HR is worth. However, there are few important predictions based on which there can arise many changes in the field of Human Resource such as:

- Due to various changes in technology & change in the teaching methodologies adopted by Educational institutions the existing and future workforce will understand the needs, requirements and ensure to work in a systematic and organized manner. This also emphasizes on motivational techniques that the management should adapt so as to motivate its employees.
- Due to vast technological developments, enhancements and improvements training and retraining of employees becomes the biggest challenge for HR Professionals.
- Cultural Diversity, Workforce Management will become one of the important tools for talent management of employees.
- There are various efforts, tools and techniques which are developed by the Ministry of HRD for the betterment of employees. The focus would always be on Labor welfare as Employees are treated as assets for the organization.
- Much emphasis will be laid on Modern forms of Organizational structures i.e, team & project structure forms of structure.
- Better Pay policies will be adopted and HR Professionals would emphasize on Performance based pay.
- In future HR Professionals would be termed as HR Champions.

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