



## EMERGING CHALLENGES IN HRM

**DR. SUDHEENDRA RAO L. N.**

Professor  
Dayananda Sagar Institutions  
Bangalore (KR) INDIA

**VENKATESH PRASAD B. G.**

Alliance School of Business,  
Alliance University Bangalore  
(KR) INDIA

### ABSTRACT

*This Research Article analyses the various challenges which are emerging in the field of HRM. The managers today face many challenges like globalization, technological advances and changes in the political and legal environment, Changes in Information technology. The main challenge of HRM is to attract and retain talented employees. It also suggests how to overcome these challenges and keep managers equipped with whole new ideas and efforts to cope up with the new challenges of HRM. These HRM challenges can be overcome through cross cultural training, technical and informational training and motivation of employees through various methods.*

**Keywords:** HRM, Changing role of HRM, workforce diversity, HR challenges

### INTRODUCTION

Managers of human resource are facing a lot of challenges in present business situation like Globalization, workforce diversity, technological advances and changes in political and legal environment change in Information Technology. All these above-said challenges increase the pressure on HR managers to attract, retain and nurture talented employee. HR professional cannot disregard these challenges rather they re-design and execute the innovative mechanisms of developing skills and competencies of human resources that help to prepare them to accept the emerging challenges.

### The Specific Objectives of the Study are:

- To study the emerging challenges in HRM in the present consequences of Indian organizations.

**DR. SUDHEENDRA RAO L. N.**

**VENKATESH PRASAD B. G.**

1P a g e



- To find out the various methods and techniques through which HR can overcome the challenges in the diversity workplace Research Methodology
- The proposed study focusses upon the secondary data like the journal, books and various website resources.

## Review of Literature

Different researchers have defined about the HRM challenges differently.

The world federation of personnel management association (WFPMA, 2009) survey examined that the most important top ten HR challenges are leadership development, organizational effectiveness, change management, compensation, health and safety, retention, learning and development, succession planning, staffing: recruitment and skilled labor.

Decenzo and Robins (2001) highlighted the most important challenges of HRM are technology, E-commerce, work force diversity, Globalization and ethical consideration of the organization which have the directly or indirectly effect on the organization competitive advantages, especially with technological advancement and the effect reflects on recruitment, training and development and job performance to a great extent found in the organization.

Liz Weber (2009) has pointed out that the most important challenges of the HR in business are Layoffs. The most of the owners and managers facing this hard issue. This laid off may be due to Several reasons which include the economic uncertainty, the employee's job instability, and HR Less Effectiveness.

## CHALLENGES FOR HUMAN RESOURCE MANAGEMENT

### Globalization:

How to face the competition of MNCs is a fear for Indian firms. As Globalization spreads, more foreign firms are entering the Indian market and the challenge before the domestic firms are going to be much more Spartan in the years to come.

### Handling Multicultural / Diverse Workforce:

Dealing with people from (heterogeneous workforce) different personal / individual characteristics such as 'age', 'gender', 'race', 'educational background', 'location, income', 'parental status', 'religious beliefs', 'marital status' and 'ancestry' and 'work experience' can be a challenging task for HR managers



### Employee Selection:

## 1. Internal Factors

- Cost of recruitment
- Job analysis
- Human resource planning

## 2. External Factors

- Recommendations
- Political influence
- Personal bias
- Balance with Work Life

When both Husband and wife are employed in India, Balancing work and life assumes relevance. Working women now account for 45% of the total urban female population of 150 million.

**Programs aiming at work-life balance include:**

- Child care at or near the workplace
- Job sharing
- Sick leave policies
- Flexible work timing
- Care for sick children and employees.

### Technological advances:

There is a big challenging task of adapting a diversity of workplace, along with the rapid technological changes which influence the nature of work and also generate obsolescence. Advanced technology has inclined to reduce the number of jobs that require little skill and to increase the number of jobs that require considerable skill, a shift we refer to as moving from touch labor to knowledge work. There is new-new working technology. In this situation organizations have to change its technology. New technology creates unemployment and in another hand, there comes the problem of skilled manpower. Nevertheless, technological change brings difficulties as well as it is also the challenges to the organization.

## EXTERNAL FORCES - POLITICAL AND LEGAL ENVIRONMENT

Political and legal environment refer to the ups and downs in political parties and alteration in rules regulation in which new laws are enforced and according to that we need to abide the

**DR. SUDHEENDRA RAO L. N.**

**VENKATESH PRASAD B. G.**

3P a g e



laws for the smooth functioning of the business. In the legal and political framework, the lot of changes take place within which the industrial relation system in the country should follow for its functioning. Moreover, it is the onus for the human resource and industrial relations executives need to fully examine the implication of these changes and ensure that they bring these alternatives and also make the necessary adjustment within the organization so that later utilization of human resource can be achieved. For ensuring the normal functioning in the management, the sole responsibility of Human Resource manager needs to anticipate the changes accordingly and prepare the organization to face them without any interruption.

## Organizational Restructuring

From the past decades, several organizations have restructured and reframed to become more competitive and moreover, mergers and acquisitions of firms in the similar industries have been made to ensure the global competitiveness. In recent years, "Mega-Mergers" industries like banking, and telecommunications have been seen drastic growth compared to other industries.

As part of the organizational changes, most of the organizations have "right sized" either by:

- Eliminating layers of managers,
- Closing facilities,
- Merging with other organizations, or
- Outplacing workers.

A common transformation has been rolled out the organizations by removing several layers of management and to improve productivity, quality, and service while also reducing costs. As a result, jobs are redesigned and people got exaggerated. One of the most important challenges of HR management faces is Organizational restructuring - dealing with the human consequences of change. The human cost linked with downsizing has been discussed much in the popular press: a survivor's mentality for those who remain unfulfilled cost savings estimates, loss of loyalty, and many people looking for new jobs. Whereas, many large firms have cut jobs by reducing their workforces and also many smaller firms have continued to create jobs. This, in particular, happens in high technology industries, such as software sector. These entrepreneurial firms are triggered with growth while trying to attract sufficient skilled workers with flexible capabilities and to conserve financial resources. More discussion on HR's role in organizational structurings is found, focusing on strategic HR planning. Subsequently, in both large and small organizations the management of HR activities is crucial.

## Retaining Talents

**DR. SUDHEENDRA RAO L. N.**

**VENKATESH PRASAD B. G.**

4P a g e



Globalization has made freedom for the working professionals to work anywhere in the world. Now, they have endless lucrative opportunities to work, hire and to retain the best industry talent is demanding. Providing, excellent work environment and offering more remuneration and perks than the related competitors need to retain and motivate them for the sustainable growth.

## Conflict Managing

HR managers should know how to handle employee-employer and employer-employee conflicts without hurting their feelings. Although it is almost impossible to avoid conflicts among people still handling them tactfully and also can help HR managers to resolve the issues. Communication plays a major role in the workplace in order to avoid future conflicts among the employees in the workplace.

## Information Technology - Revolution

The processing of data, Information technology impacts HRM through human resources information systems (HRIS) and makes employee information more readily available to managers. In the present era, the revolutionary of computerized information system (application of computer in the managerial decision-making process) in the management has the impact on two primary areas:

**Use of electronic computers in a managerial decision-making process.**

In future computerized information system will have an increasing impact at the coordinate and strategic levels of an organization.

## Mobility of Professional Personnel

One of the interesting facts in the present revolutionary technology development period has an impact in an increase in the mobility of various managerial and professional personnel between the organizations. However, individual develop themselves as technically and also develop their expertise skills professionally to meet the demands of the organization.

## Increasing Cut-Throat Competition

Currently, organizations are facing increasing internal and external competitions. Due to this, product life cycles are getting shorter. If one starts to produce a new product, in no time, the same kind of product, produced by another company will be found in the market. Besides



this, the size and complexity of organizations are increasing day by day. To face these growing challenges of competition, innovative human resource management and practices are needed.

## SUGGESTIONS TO OVERCOME THE CHALLENGES

- Cross cultural training
- Motivate Professional personnel more and more so that does not change organization more
- Provide financial motivation
- Non-financial motivation like encouragement, training of the employee, job satisfaction.
- Technical changes in the workplace often require the implementation of additional training for workers.

As training and development are generally the realms of the HR Training of HRIS – Human resource information system should be given to the HR managers or HR professional so that they can overcome Information Technology challenges.

Proper performance evaluation system and proper career development plans should be used in the organization to reduce professional mobility.

Encouraging openness among employees and respecting everybody's opinions and inputs.

Proper HR Planning

**Training of HRIS** – Human resource information system should be given to the HR managers or HR professional so that they can overcome Information Technology challenges. Proper performance evaluation system and proper career development plans should be used in the organization to reduce professional mobility.

- Ethical Behavior
- Coordination
- Sympathy & Consideration

## CONCLUSION

Based on the study, to conclude it can be said that HR practice is becoming more and more challenging day by day and they have to face lot of problems like retention, attraction of employee, dealing with different cultural people, managing work force diversity, technological and informational changes. To overcome with these challenges training (Cross

DR. SUDHEENDRA RAO L. N.

VENKATESH PRASAD B. G.

6P a g e





cultural training and technological training) is necessary for HR people. To reduce the mobility of professional personnel HR people have to motivate them from monetary and non-monetary benefits. Proper performance evaluation system and proper career development plans should also be used in the organization to reduce professional mobility.

## REFERENCES

- Aggarwal. J.C. (2000), Development and Planning of Modern Education, New Delhi: Vikas Publishing House.
- Amrik Singh (2003), Academic Standards in Indian Universities: Ravages of Affiliation, Economic and Political Weekly, July 26-August 1, 2003.
- Kuldeep Singh, Rao, Nair (1997), Selected Readings in HRD, New Delhi: Tata McGraw-Hill Publishing Company Limited.
- Pareek, U and T.V.Rao, 1981, "Designing and Managing Human Resource Systems", Oxford and IBH Publishing Co., New Delhi.5. 5.Ashwathapa K. (2005) 'Human Resource Management Tata Mc Graw Hills, Fifth edition
- Human Resource Management By C.B Gupta, University Of Delhi