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Role and challenges of human resource management

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Abstract

Human resource management plays vital role in organization in which organization invest the human resource so that organization can achieve its objectives. The Researchers and The business leaders focus for it in both external and Internal Environment of business. The challenges due to Environmental changes companies indulge in competitive mode, require human force well equipped to face the ever increasing pace of technological changes and techniques. A company's capacity to share information with in an organization is believed to strengthen its competitiveness since knowledge sharing provides a company with a fundament for developing employee competencies. This paper highlights and challenges of human resource management in the growth of business.

Keywords: Human Resource Management, Competitive, Technological, Environmental, Challenges.

Introduction

The term Human resource Management and Human Resource have largely replaced instead of personnel Management in the processes of Managing people in the organizations. The Human Resource Management means a strategic and coherent approach for the organization's most value assets behind on the workers While Personnel department means to manage the paper work around hiring and paying people. Human Resource Management play an important role in assuring employee satisfaction, improving performance and productivity. This can further organization's competitive advantage and directly contribute to the organization stress. Human Resource manager are well positional to play on instrument role in helping their organization achieve its goals of becoming a socially and environmentally responsible firm are which reduces its negative and enhances it positive impact on society and the Environment. Human Resource Management is the process to engage people, train them, compensate them. It develops the policies to retain them. Human Resource Management has undergone many changes over the last few years, giving it an even more important role in today's competitive business world. The aim of Human Resource Management is to hire, train and develop staff. It keeps control over staff and their functioning. Through effective training and development employee at enterprise achieve promotion within the company and reach their full potential. By HRM processes and procedures, a predictable structure and support for managers and employees are being created.

In HRM has organization focus its attention on competition and quality rather than cost, so that means organization relying heavily on their Human resource. They realize that high performance and competitive advantage is achieved by employees with their skill and abilities, Motivation, commitment and job satisfaction. Most organizations now see employees as the most essential tool that help the organization to achieve its goals and objectives.

Objective of Study

1. To the study role of Human Resource Management in organization.
2. To ascertain how human resource practices affects organization

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3. To study the scope of Human resource management.
4. To identify the challenges of Human Resource Management and how the challenges affects organization

Review of Literature

HRM is defined as a strategic and compatible approach to management of an organization's most approached assets – the people working there who one by one and jointly contribute to the accomplishment of its objectives. According to Armstrong, the main aim of human resource management is to provide that the organization can achieve success through people (Armstrong 2006, p. 8) ^[1]. More recently, organizations consider the HR department as playing a major role in staffing, training and helping to manage people so that people and the organization are performing at maximum capability in a highly fulfilling manner (McNamara, 1998). In the global business, HRM is increasingly considered a contemporary development to reshape employment relationships as a tool that may have effectively replaced other management traditions like Personnel Management (PM) and Industrial Relations (IR) (Marchington & Wilkinson, 2002) ^[3]. Robinson defined HRM role is the provision of assistance in HRM issues to line employees, or those directly involved in producing the organization's goods and services. Acquiring people's services, developing their skills, motivating them to high levels of performance, and ensuring their continuing maintenance and commitment to the organization are essential to achieving organizational goals. The authors proposed an HRM specific approach as consisting of four functions- staffing, training and development, motivation, and maintenance (1997) ^[4]. Human resource management (HRM) in organizations also faces various challenges responding to its environment. Increasing global competition and technology advances encourages organizations to use outsourcing to gain a competitive advantage. Changes in organizations' environment, including internal, micro-, and macro-environment, sometimes might result in redundancy; on the contrary organizations have to fight for employees with exceptional skills and abilities. Human resources have become organizations' driving force. Therefore organizations have to ensure that HRM as a function evolves and, if needed, transforms reflecting changes in organization's environment (Gražulis & Jagminas, 2008) ^[5]. When organizations face challenges such as an economy recession, it depend thoroughly trained professionals who react quickly to changes in the environment and create strategies for success. Human resource management (HRM) is responsible for carefully selecting and training people with the necessary skills to pursue the strategy effectively. Some external factors can be predicted; others, such as the collapse of large banks and insurance companies, can seemingly come out of nowhere. According to human resource management is critical to the success of organizations because human capital has certain qualities that make it valuable. In terms of business strategy, an organization can succeed if it has a sustainable competitive advantage (is better than competitors at something and can hold that advantage over a sustained period of time). Therefore, we can conclude that organizations need the kind of resources that will give them such an advantage. Employees are one of the most important assets of an organization as they contribute to its growth and success (Danish and Usman, 2010) ^[9]. Concluded that in the

era characterized by rapid and continuous change, knowledge capital must be retained in order for organizations to be productive and responsive to the needs of their stakeholders. According to Harter, Schmidt, and Hayes (2002) ^[6], HRM practices can generate increased knowledge, motivation, synergy, and commitment of a firm's employees, resulting in a source of sustained competitive advantage for the firm. However, a number of authors, such as Hilsop (2003) ^[7], Morrow and Moynihan, Gardner, Park, and Wright have argued on the missing link between HRM practices and organization outcomes. The author argued the more research needs to concentrate on the indirect relationship between HRM practices and organizational innovation. Since knowledge is reside in an individual and given the role of HRM practices in influencing an individual's attitude and behaviors, it is believed that HRM practices has significant and positive relationship on organizational innovation via knowledge management. The human resource personnel do periodic evaluation of the effectiveness of the organization at the corporate level. The personnel anticipate changes and understand what is necessary to implement them. The human resource professional is skilled in acquiring business insight in order to predict changes, and make informed decisions at operational and strategic levels. The human resource professional accesses current requirements and anticipates future skills shortages through strategic skills planning. Business volatility and uncertainty increase the need for companies to rely on advanced analytics, scenario simulations, and other sophisticated workforce-planning levers (BCG and WFPMA, September 2010) ^[10]. Human resources must play new roles and responsibilities in leading the organization in uncharted waters of globalization.

Methodology of Study

The secondary data is collected from reference books related to Human resource Management, international research journal, magazine, newspapers and various website.

Role of HRM

The Human Resource Management team suggests to the management team how to strategically manage people as business resource. This includes managing recruiting and hiring employees, coordinating employee benefits and suggesting employees training and development strategies. In this way, HR professionals are consultants, not workers in an isolated business function, they advise managers on many issue related to employees and how they help the organization achieve its goals.

Collaboration

At all level of organization, managers and HR professionals work together to develop employees skill. In a flexible organization, employees are shifted around to different business functions based on business priorities and employee preferences. When parties collaborate in the utilization of unique skills for a jointly shared and co-specialized, outcomes, both parties can capitalize on the other's specialized knowledge without incurring the entire cost of internal employment, a synergistic value may be realized by both firms that exceeds the value either could generate independently.

- i) Establish a partner-style relationship that focus on mutual investment in a relationship and promote trust.

- ii) Emphasize an organic organizational structure, team building, communication, lateral relations, job rotation to facilitate coordination and cooperation among parties.
- iii) Select alliance partners who can integrate their knowledge and experience in to the firm and work in teams.
- iv) Invest heavily on process facilitation team building exchange program mentoring relationships and the like that may be benefit to information sharing and the transfer of knowledge.
- v) Use group based rewards and appraisal system to encourage partners to collaborate and develop co-specialized assets.
- vi) Build an open and trusting culture and creates an egalitarian work environment that limit power differentials so that all the partners can share information freely and cooperate and coordinate in achieving synergistic value.

Commitment Building

It is also suggest strategies for increasing employers commitment to the organization. This be gains with using the recruiting process or matching employees with the right positions according to their qualifications once hired, employees must committed to their job and feel challenged throughout the year by their manager under commitment HR strategy, organization.

- i) Establish a family style employment relation between organization and workers.
- ii) Implement job enrichment and socialization programs, mentoring relationship and cross-functional carrier.
- iii) Invest heavily in training and development, particularly in area related to firm specific skills.
- iv) Deploy core employees on their potentials rather than their current skill and achievement.
- v) Adopt skill based pay system and development performance appraisals, transfer pay factor from job to people personalities including knowledge, ability, intention of team collaboration, and so on.

Building Capacity

An HRM team helps a business develop a competitive advantage which involve building the capacity of the company so it can offer a unique sets of goods or service to its customer. To build the effective human resources, private companies complete with each other in a "war for talent." It is not just about hiring talent; this game is about keeping people and helping them grow and stay committed over the long term.

Challenges of HRM

Growing internationalization of business has its impact an HRM in term of problems of unfamiliar laws languages, practices, competitions, attitudes, management style, work ethics and more. HR managers have a challenge to deal with more functions, more heterogeneous functions and more involvement in employee's personal life.

Basic challenges to HRM comes from the changing character of competitors. The competition is not between individual firm. Major companies are operating through a complex web of strategic alliances, forgings with local suppliers etc. There relationships give birth to completely news forms of organizational structure, which highly depend up on a regular exchange of people and information. The challenges for

HRM is to cope with the implications of these newly networked relation more, in place of more comfortable hierarchical relationship that existed within the organizations for ages in the past.

Employees and HRD practitioners are faced with challenges in hiring technical expertise and competent, knowledgeable employees, despite the fact that various technical and vocational institutions have been established by the government to support technical and vocational training. The hiring of skilled, trained and knowledgeable worker's increasingly difficult in the competitive manufacturing industry, but at the same time, developing and retaining their worker's increase the challenges facing employers and HRD practitioners for instance, several of the managers interviewed deliberated on the issues related to hiring, retraining and retraining technical expertise, and it was found that employees usually leave their firms after being provided with training.

Technology advances have a significant impact on HR business practices. Due to the advancement in the technology there has been a drastic change in the approach to the various projects and the scenarios that guide to the organizational regulations. Firstly, the need of skilled personals is mentionable. In order to survive in a competitive environment the organization definitely in need of the skilled personals in substantial number to handle the situation and technical equipment's. In an organization there are hot" sectors when require a high of technical experts like telecommunication, hospitality, retailing, banking, insurance, bio-technology etc. Next head which is worth mentioning is the downsizing. New technologies have decimated many lower end jobs with frustrating regularity. The increased automation also has reduced. The employee head counts everywhere. The pressure of remaining cost effective in every aspect has also compelled many a firm to go lean, and there by cutting down extra fat at each and every management level (Anurag, 2011) other aspect is telecommuting where the employees started to work remotely from a place other their primary office, telecommuting became a popular alternative to avoid the daily commute where the employees use phones and internet to transmit their office works.

Conclusion

The practice of HRM must be viewed through the prism of overall strategic goals for the organization instead of a standalone tint that takes a unit based or a macro approach. The idea here is to adopt a holistic perspective towards HRM that ensures that there use no piecemeal strategies and the HRM policy enmeshes itself fully with those of the organizational goal. In general, the challenges faced by employer's and organization in the effective management of HR T & D varied from concerns about the lack of intellectual HR professionals to coping with the clement for knowledge workers and fostering learning and development in the works space, the globalization and industrialization in the global business arena. Companies must realize that the traditional factor of production-land, labor and capital no longer have primacy in Essentials resources in Economy are no lager capital, Natural resources not labor- it is and will be talent.

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