Human Resource Management System: Challenges and Opportunities

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Abstract: Human resource management (HRM) is adopted by many corporate because of its advantages. But at the same time it faces many challenges. The managers today face a whole new array of changes like globalization, technological advances and changes in political and legal environment. This has lead to a paradigm shift in the of roles professional personnel. The great challenge of Human resource development (HRM) is to attract, retain and nurture talented employees. This paper analyzes the various challenges and obstacles prevalent in the areas of HRM. The study also has analyzed to mitigate and overcome the challenges with cross cultural training, informational and technological training of HR people, encourage and motivate employees through various methods and processes.

Introduction

The varied challenges faced by Human resource management (HRM)in the present day business world comprises of change in technology, opening of economy due to globalization, diverse workforce leading to difficulty in integration, advancement in information technology, changing government and legal environment. Every organization has its own HR department and a firm has to face varied Human resource management (HR issues/ obstacles) issues at some point of time during the working of an organization. HR managers need to overcome these obstacles associated with employees by attracting, nurturing and retaining the competent staff/employees. The Human Resource department has to devise a mechanism to prepare the firms' human resource to accept challenges by devising innovative and foolproof programs and mechanisms that would not only develop skills in the employees but also make them competent enough to face the challenges that arise during the working of the firm.

The challenges that the HR managers face in a concern can be stated as follows.

1. Procedure of Recruitment and Selection.
2. Physical and emotional wellbeing of workforce.
3. Maintain balance between the Management and workforce.

4. Employee on the job / off the job training and remuneration.

5. Regular employee performance appraisal.

6. Handling issues related to workers' trade union.

Objectives of the Study

- To study the inherent HR challenges/issues.

- To identify various techniques and methods of mitigating the Human Resource related issues/ obstacles/ challenges in the present day business world.

Methodology

The analysis of this paper is totally depend upon secondary data like journal, books and various website from internet

HRM: Challenges and Opportunities

Globalization has led to the opening up of the world economies where the countries have opened up their national borders to allow free flow of trade and commerce with the other countries. From the political and economic point of view the process of globalization has led to denationalization at the legal, political and market level. This opening of economy has influenced all levels of human economic activity, whether it be at the village level, industry level (urban) or financial level as it has enabled integration of world trade and financial markets. The impact of globalization can also be observed on the Human resource management like challenge associated with work ethics, language barriers, attitude of workforce, workstyles and ethics, Unfamiliar legal structure and laws-of-the-land, competition etc. The Human Resource managers need to overcome these challenges by showing greater involvement in the personal life of employees there by maintaining a balance between the heterogeneous functions and employee needs.

Workplace dimensions comprise of gender, age, race, sexual preferences, marital status, ancestry, educational qualifications, ones' physical capabilities, income, geographic location, personality traits, military experience, cultural beliefs etc, Thomas (1992). Any organization can succeed in the long run if it maintains a balance between the organization goals and the personal goals of its employees. Every employee is unique and holds an inherent talent. If the HR managers could identify these skills, talents and capabilities of its workforce, it can convert the

innovative ideas, views and perspectives of the employees in to a successful business opportunity especially at the global front. Diverse cultural backgrounds, age, lifestyle and gender of the employees can be capitalized by the organisation provided the same is utilized creatively and innovatively. Although it is a major challenge for the HR managers to convert this diversity into strategic organization asset but if they are able to do so, they may avert the risk oflosing their competent workforce to competitors. These kind of challenges are quite common in case of multinational companies who operate in different countries employing people having diverse cultural, ethnic and ethical backgrounds. The role and responsibility of the HR manager becomes all the more crucial, however, if he employs the policy of 'Think Global, Act local', the HR manager would be able to capitalize this diversity for the benefit of the firm and employee alike.

With world moving towards knowledge-based economy with high level technology, foreign talents are invited to share their expertise in this field. Culture-based Human Resource management training is organized for the local Human resource (HR) managers to equip them to handle highly qualified professionals who exhibit diverse culture. Further the local professional also need to be given assurance by the HR managers that these foreign talent are not a threat in their career path. In short, the success and effectiveness of workplace diversity management vests in the tactful and skillful handling of the HR manager.

Technological changes and Advancement

With technology changing at a fast pace, it is a challenge to handle the rapidly changing requirements and obsolescence in the workplace. At one end advancement in technology has led to reduction in job opportunities for the less skilled, on the other the advancement in technology has created a demand for the highly skilled. In short, there is a shift from the 'touch labor to knowledge labor'. Under such circumstances the organization has to adjust to the changing technology i.e on one hand the modern technology creates the problem of unemployment for the less skilled and on the other it creates scarcity of skilled workforce. Thus this technological advancement is a challenging situation for any organization.

The political and legal environment in any country are quite volatile, which means that the change in government leads to change in rules and regulations and as a business organization, one needs to adhere to these changes while carrying out day today business activities. The business organization which functions in the changing legal and political framework needs to

keep a close eye on the implications and effects of such changes in the functioning of the business. The HR managers and the industrial relation executives have to recognize and make timely adjustments within the business concern so as to make best possible utilization of human resource. The major responsibility lies on the shoulder of the Human Resource manager to help the firm handle such legal and political changes without adversely affecting the functioning of the business concern.

Scarcity of inputs like raw material, electricity, power, fuel, culture of consumerism, increasing awareness among the consumers, continuous upward movement in inflationary pressures, reduction in purchasing power of money, demand for high quality products etc, all these have had effect on the needs and aspirations of workers. They aspire for higher remuneration, perks and incentives like employee welfare benefits etc.

The IT sector has had a major influence on the Human resource managers as it provides a complete data set about employees through the use of HRIS (Human Resource Information System). In the coming years this revolutionary IT enabled system would facilitate in managerial decision making process. The areas where the impact of the same that can be observed are:

- Managerial Decision making using electronic computer system.
- Increasing role and influence of computer based information system in strategic level of organization.

Increment in the mobility of workforce within the organization at the managerial and professional level would be noteworthy as employees with high technical and professional knowledge and expertise would be in greater demand within the organisations.

Steps to overcome the challenge:

- Ensuring lower labour turnover by motivating professional personnel via both financial and non-financial incentives like training, appraisal, sense of job satisfaction etc.
- Human Resource managers can be trained to handle cultural differences among employees with the help of cross-cultural training.
- Being adaptive to changing trends in economy by bringing in agility in HR managers.
- Adjustment in HR atinternet speed.
- Training and development of employees with every change in technology that happens in

the organization. The HR managers must regularly monitor the kind and need for training of employees so as to reduce resentment among the workforce due to technology change. They need to monitor the training requirements of existing employees as well as fill technical job positions within the organization via fresh recruitment.

- Human Resource managers need to be provided with training in Human Resource Information System to enable them to overcome the challenge of Information Technology.

- Consistent career development and performance appraisal system should be put in place within the organization to reduce labour turnover.

Conclusion

Currently, Human Resource managers are facing challenges in varied forms like diverse workforce due to cultural disparity, globalization and its impact etc. However Human Resource managers can mitigate these obstacles by employing techniques and strategies in the form of cross-cultural training, IT training and motivating the workforce through regular performance appraisal. Due to all these challenges it is very difficult for HR managers to retain, attract and nurture the competent employees. However if various appraisal techniques are employed and employees are encouraged and motivated by the use of both financial and non-financial strategies, the organization will be able to retain its competent staff and may not lose them to the competitors.

To conclude it can be said that The challenges in managing Human resource are growing day in and day out in the form of technological and IT advancement. With growing globalization and mobility of labour It indeed has become a challenge to attract, retain competent workforce especially with diverse cultural background within the organization. However If HR managers are provided with cross cultural training and training in Human Resource Information System (HRIS), would go a long way in retaining the professional. Further the appropriate use of financial and non-financial incentive by HR along with proper career development plan would reduce labour turnover.