

HR Management in 21st Century: Challenges for Future

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Abstract

Human Resource Management evolved itself over the years. From maintaining the industrial relations to Personnel management till HRM and HRD, it has transformed itself from time to time to meet the organizational/market needs. Humans, in any organization are the best resources. Managing these resources is what we call HRM. With globalization, introduction of millennials into the workforce and wide technological intrusion, HRM is about to face some new and achievable challenges. Maintaining the workforce diversity and continuous engagement of such radical workforce will be the greatest challenges. This paper talks about some such challenges faced in HRM in 21st century for the future – A shift from Human Resource Management to Talent management.

Today, the HRM is successful in becoming a strategic partner from the onceso-called happiness and wellness department. In addition, a few recommendations to handle the challenges are made at the end.

Keywords: Human Resource Management; Employee engagement, Workforce Diversity, Training and Development; Talent.

Introduction

Human Resource management(HRM) is a management function that helps managers recruit, select, train and develop members for an organization. It refers to a set of programmes, functions and activities designed and carried out in order to maximise both employee as well as organisational effectiveness [1].

Human Resource Management as a function takes care of many responsibilities across the organization. HRM is not the responsibility of the HR alone, every manager or lead who manages people owns this. HRM treats employees as an asset to the organization, a resource which can be used to achieve the organizational goals. Today HRM has to transform further and treat employees as more than an asset,

there has to be a mutual growth. Employees' today need to feel connected or oriented with the organizational goals. To achieve this effectively organizations have been using different strategies from time to time. In 21st century this seems to be an even bigger challenge. With globalization the world has come so close and there have been developments that might keep forward a few challenges too.

Challenges for Hrm In 21st Century

1. Talent War – Winning, this matters! (Attracting and Retaining Human Resources)

A massive change in the workforce has been observed in this century. Talent is all over the place, attracting and retaining them is a huge task. The market has changed from employer driven to the candidate driven. Due to increase in the demand for talented and worthy candidates it is also essential that the employees feel the organization worth and employee friendly. There was time when just perks and holidays were given priority; unlike this the millennials focus on feeling wanted and recognized. Staying in an organization is their choice and work only for their passion.

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2. Engaging the Workforce – Not just free lunch and rewards every time!

An “engaged employee” is one who is fully absorbed by and enthusiastic about their work and so takes positive action to further the organization’s reputation and interests [2].

Employee engagement is the emotional commitment the employee has to the organization and its goals. - Kevin Kruse [3].

According to Forbes only 15% of the workforce are engaged, 67% of the workforce are engaged and 18% of the workforce is actively disengaged [4].

Many a times employee engagement is mistaken for creating happiness through activities in the workplace. Engaging the employees is no more about the activities or rewards, today organizations need to understand the diversity and inculcate activities that help employees grow in their career and helps them be a better person each day. The present workforce no more is attracted to organizations which just organize lunch or dinner in the name of engagement. It must be facilitating and make them feel at home. Some organizations connect with the candidates to make a relationship with the employee even before he or she arrives at the office. A nap room or an open-door office is need of the hour. Being transparent to the employees as much as possible also enables them to trust the organization.

Employee Engagement Employee Efforts

3. Workforce Diversity – We are all connected!

Workforce diversity is organizations becoming a heterogeneous mix of people in terms of gender, age ethnicity and sexual orientation. With the globalization and introduction of millennials the composition of the workforce has become much interesting and wide. The communication across the seas has become a tiny task. Today the workforce includes all the generations(y, z and millennials) from different cultures and off course a huge increase in the percentage of women at workplace. The globalization has also contributed to this challenge. Organizations include people from different cultures across the globe and need to cater to all their choices.

4. Work Life Balance – The most important aspect!

Wok life balance is the prioritisation among the professional and personal in one’s life. This aspect has been under discussion since long and will continue to be. In the way world is connected, to most of the employees it is like they are always at work.

Attending the calls irrespective of time and being accessible to work whenever required are the daily tasks. There is a chance that employees might get stressed in such environment unable to balance their personal and professional life. Work life balance nowadays has to be an organizational initiative. They need to inculcate a culture, Work life balance shouldn’t be an HR concept – It has to be the way of life.

Recommendations

Focus on Employee Engagement

Employee engagement is one area which can be used effectively for Human resource management. Organizations can come up with innovative ideas to make the workplace a better environment. Play areas, nap rooms, travel facilities, providing recognition are a few ideas which can be used. Moving away from the typical cubical arrangement to the creative workplaces is the recent approach towards engagement. This helps the employees feel creative. Providing Flexible timings to the employees, helping them work in their comfortable timings when required, providing week offs and paid offs are some facilities that companies can offer to their employees. Employee engagement doesn’t restrict itself to just comforting the employees. When dwelled deep into the subject it takes every aspect from goal setting, recognizing their work, facilitating environment and helping them understand their goals and making them future ready.

Training and Development

Employees work for the organization; it is no more one way growth. The companies have to provide the employees with trainings that help them improve in their careers and also grow as a person. According to CIPD “60% of employees would opt to stay with an employer that invests in their professional growth, rather than go to an employer that pays more but doesn’t invest in professional development”.

Today trainings need not necessarily be a classroom setup. Online tutorials have created a buzz in the market. Companies can sponsor these trainings to employees as per the requirement and choice. It is important for the organizations to understand that training an employee is an asset whether they are able to retain the employee or not. If the employee stays, the company utilizes its resources. If the employee leaves, the best people get to know about the kind of activities that the organization takes up for its resources. In a way they brand for the organizations indirectly.

Innovation is the Key

The dynamic workforce today likes to innovate at every step they take, thinking creative and out of the box is their key to everything. Human resource management must upgrade similarly to purvey to the employee needs.

Employee Friendly – Transparent Environment

People like to act on their own authority and innovate. HRM should move from leader driven teams to self-driven or motivated culture. Working without barriers and having a transparent culture is the need of the hour.

Conclusion

We cannot deny the fact that HR has transformed a good amount in last few decades and we also need to accept that we need to pace up for the change to occur in the future. There is no organization that cannot run without the Human intellectual, no matter how many machineries or how much intelligence you apply it is the one human, one resource that will make

the difference. Happy employees create successful organization. The more the employees are engaged the more they are committed, and hence work smarter, harder and stay longer. We need to understand the importance of valuing the employees, not the way we can but the way they want. While the HR needs to work on improving the work area and making employees feel more important, it is also crucial that HR should work on itself to be ready for the future. Making use of Analytics, being good at what we do and most importantly being a Master of Leadership.

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