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## RESEARCH ARTICLE

# EMERGING TRENDS AND THE NEW STRATEGIES TO BUILD APPROPRIATE HUMAN RESOURCES FOR GLOBAL COMPETITION

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### ABSTRACT

This paper deals with the recent trends in human resource management and the need for human resource professionals to demonstrate an understanding of the business in the way they formulate their HR strategies viz strategy for innovation, strategy of managing changes and cost reduction strategy. In 21<sup>st</sup> Century the human resource professionals require an understanding of organisational behaviour organization theory, human resource management and organizational development as an integrated and innovative way for them to be able to solve business problems and contribute meaningfully to the global growth. This will require conceptual learning, reflective learning, action learning and observational learning. These learning will enable the up gradation of professional skills and capabilities of the HR professionals and allow them to remain contemporary in the way they look at phenomena.

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### INTRODUCTION

Human resource management is a process of bringing people and organizations together so that the goals of each other are met. The role of HR manager is shifting from that of a protector and screener to the role of a planner and change agent. Over the years, highly skilled and knowledge based jobs are increasing while low skilled jobs are decreasing (Baldwin and Johnson 1995). This calls for future skill mapping through proper HRM initiatives where Indian organizations are also witnessing a change in systems, management cultures and philosophy due to the global alignment of Indian organizations.

"Organization doesn't really accomplish anything. Plans don't accomplish anything, either. Theories of Management don't much matter. Endeavors succeed or fail because of the people involved. Globally by attracting the best people will you accomplish great deeds" - Colin Powell.

The above statement of Colin Powell can be totally endorsed. The power of Human Resources becomes a tool for transformation and vehicle for change. In the era of globalization, Indian Industries, Corporate, all sectors have been thrown open to global competition. In the globalization world economy access to global resource have become easier than ever? Interments are flowing to destinations where knowledge and right attitude exists. India has almost transformed itself into a land of global market. The 21 st century has witnessed the emergence of intelligent society, dehumanization at work, wealth creating growth, web organization, global reach, un - compromising quality, and renaissance leadership.

#### New Trends in International HRM

International HRM places greater emphasis on a number of responsibilities and functions such as relocation, orientation and

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translation services to help employees adapt to a new and different environment outside their own country (Asoke Ghosh 2006).

- Selection of employees requires careful evaluation of the personal characteristics of the candidate and his/her spouse.
- Training and development extends beyond information and orientation training to include sensitivity training and field experiences that will enable the manager to understand cultural differences better. Managers need to be protected from career development risks, re-entry problems and culture shock.
- To balance the pros and cons of home country and host country evaluations, performance evaluations should combine the two sources of appraisal information.
- Compensation systems should support the overall strategic intent of the organization but should be customized for local conditions.
- In many European countries - Germany for one, law establishes representation. Organizations typically negotiate the agreement with the unions at a national level. In Europe it is more likely for salaried employees and managers to be unionized.
- The recent quality management standards ISO 9001 and ISO 9004 of 2000 focus more on people centric organizations. Organizations now need to prepare themselves in order to address people centered issues with commitment from the top management, with renewed thrust on HR issues, more particularly on training.
- Charles Handy also advocated future organizational models like Shamrock, Federal and Triple I. Such organizational models also refocus on people centric issues and call for redefining the future role of HR professionals.
- To leapfrog ahead of competition in this world of uncertainty, organizations have introduced six- sigma practices. Six- sigma uses rigorous analytical tools with leadership from the top and develops a method for sustainable improvement. These

practices improve organizational values and helps in creating defect free product or services at minimum cost.

- Human resource outsourcing is a new accession that makes a traditional HR department redundant in an organization. Exult, the international pioneer in HR BPO already roped in Bank of America, international players BP Amoco & over the years plan to spread their business to most of the Fortune 500 companies.
- With the increase of global job mobility, recruiting competent people is also increasingly becoming difficult, especially in India. Therefore by creating an enabling culture, organizations are also required to work out a retention strategy for the existing skilled manpower (Dayal and Thomas 1970).

Therefore an organization to compete globally should have the following strategies to build appropriate human resources to excel in the global arena must seamlessly weave HR along with their vision statement and the following Human Resource strategies to face global competition. This is explained with the help of the this diagram.



Fig 1.0

### Vision statement

In the global scenario, Organization has to match international requirements in terms of product design capability, process technology, and quality standards and on time delivery. Most importantly, we need a global mindset. We have to scale up our aspiration levels. Organizations then realized that it is imperative to have a vision statement in tune with the scaled up aspiration levels (Gary Desler 2005).

### Sustainable leadership

In a globalised economy, leadership is the kingpin of growth. A leader is a visionary, a strategist and above all a motivator. Rapid global changes are forcing organization to introspect on their success and failure experiences and rethink their long term strategies. Un precedent competition, a very fast changing market, and uncertainty of product lines, constantly evolving global, technological, economic and global, technological, economic and social challenges demand a new kind of leadership as a recognized strategic tool for organizational excellence. As Mr. Narayan Murthy of infosys said "we lack visionary leaders in India, who can organize and transform the ordinary into the extraordinary". The leadership styles of corporate in India are efficient in terms of improving productivity but do not have long-term sustainable vision. There is a wide gap between the leadership styles applied and desired.

What kind of leadership is needed? A leadership with greater empathy and concern for people's issues. The only mantra for effective leadership is to build stronger and lasting relationships with people.

### Attraction and Retention

Time lags in sourcing, hiring, induction and development of skills often rendered organizations to lose out a tapping the best talents. The lateral recruitment is the other side of the coin and perhaps even tougher. This is because one is looking for the right talent not just within India globally cultural and socio-political factors cross-continent and nations need to be addressed, making it a complex game. One must be flexible enough to adopt quickly and have the ability to learn continuously.

There is a rampant poaching for key talent. This has to be met with excellent HR initiatives. Having attracted the top talent the more difficult task of retaining commences. Hence good organizations focus on talent retention even before talent acquisition. The company should create an environment, which provides growth opportunities to employees and creates a competitive work environment for them. Plans for the employees need to be drawn that is tangible and shows what the employee could achieve if he were to perform. Once the employee is able to align his individual goals to the career plan drawn for him then he works selflessly towards achieving the organization's goals. This ensures a sense of belonging in him as he is secure in the knowledge that his career is will be looked after.

### Managing expectations

In today's complex and competitive landscape, HR will have to play a crucial role in balancing the expectations of the employees' vis-à-vis the demands and constraints of the organization. The departmental and functional heads would have to be trained to give accurate feedback to the subordinates pointing out the positive as well as areas of improvement. They have to do this carefully, because excessive positive feedback raises the expectation of the employee to an unrealistic pitch which organization cannot fulfill due to its limitations. A negative feedback can cause untold harm to the employee morale and his confidence level. One way could be to encourage employees to pack up diverse skill sets so that it increases his chances of growth within the organization. It will have to be made abundantly clear that organizations seek and promote people have acquired additional expertise in varied fields.

### Performance and Appraisal

Organizations need to promote a performance driven culture with differential reward structure. This involves promoting organizational goals by uniting employees through a shared set of values (quality, service, innovation etc) based on a convergence of employee and enterprise interests, which the larger Japanese enterprise have been particularly adapt at. HR needs to understand the complexities of each business unit and should be sensitized to the environment in which it operates. Evolving performance standards to specify the key result areas for all employees is a complex but an essential task for HR. Appraisal system must be simple, transparent, and fair and ought to be conducted as often as possible. This should be a linkage programmed between performance and rewards. It must be done at all levels (Linshu Shi and Qinghua Bai 2011; Shivaganesh Bhargava 2012).

### Knowledge management

HR professionals need to demonstrate an understanding of the business in the way they formulate their HR strategies. It is their knowledge that needs to be developed. This will require conceptual learning, reflective learning, action learning and observational learning. These learning will enable the up gradation of professional skills and capabilities of the HR professionals allow them to remain contemporary in the way they look at phenomena (Hassan Jorfi et al.,

2011) The 21<sup>st</sup> Century HR professionals require an understanding of organizational behavior, organizational theories and development in an integrated and innovative way to solve the business problems and contribute meaningfully for the growth of the organisation will depend on the following things that ensures in to success

- Use workforce skills and abilities in order to exploit environmental opportunities and neutralize threats.
- Employ innovative reward plans that recognize employee contributions and grant enhancements.
- Indulge in continuous quality improvement through TQM and HR contributions like training, development, counseling, etc
- Utilize people with distinctive capabilities to create unsurpassed competence in an area, e.g. Xerox in photocopiers, 3M in adhesives, Telco in trucks etc.
- Decentralize operations and rely on self-managed teams to deliver goods in difficult times e.g. Motorola is famous for short product development cycles. It has quickly commercialized ideas from its research labs.
- Lay off workers in a smooth way explaining facts to unions, workers and other affected groups e.g. IBM, Kodak, Xerox, Infosys's. HCL, Wipro etc,

As Gandossy and Sobel mention, "to manage the HR function effectively and also to be trusted advisor to top management you need to become a deep generalist". According to Gandossy and Sobel's view to compete at globally the Human Resource Managers should adopt and focus attentions to the following Future Human Resource Strategies which is explained below.

4. Strategy of Quality Consciousness- Commitment to quality in all aspects of personnel administration will ensure success.
5. Strategy of Innovation - At may require a system of high rewards for creativity.
6. Cost Reduction Strategy - Emphasis on cost reduction in all aspects to its optimum possibilities.
7. Strategy of Managing Changes - This is to achieve flexibilities and adaptability to manage change to rapid changes consequent upon globalization.

### Conclusion

The time for transformation has come now. In keeping it space in the global competition there is a need to work strategies to retain value addition for organizational excellence and to be globally competitive. Value addition to the core aspects of human resource management like; enhancement of the inputs given to the human resource in an organization enhancement of the level of maturity of employees by exposing them to the changing environment, enhancement of competency mapping for building leadership, promotion of team work and conflict resolution, presence of value oriented rewards, greater scope for sharing knowledge and best practices could make an organization globally competitive one. Every human being has an inherent need to be an achiever or to be a successful person. This need, has to be effectively and properly fulfilled and met out. This process of fulfillment of this need can be a very strong motivation for any individual.



Fig 2.0

1. Strategy of Policies – Human resource policies based on mutual trust, openness, equity and consensus.
2. Strategy of Motivation - Create conditions in which people are willing to work with zeal, initiative, enthusiasm, and make people feel like winners.
3. Strategy of Relations- Fair treatment of people and prompt redress of grievances would pave the way for healthy work-place relations.

Hence this process enjoys a real value addition through effective human resource management. Human resource practices in an organisation should have scope for its human resource professionals to understand the organisational behavior, human resource management, organisational development in an integrated and innovative way to solve business problems and contribute meaningfully to the growth of the organization in an ever changing environment.

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