



## **EMERGING ISSUES AND CHALLENGES TO MANAGE WORKFORCE**

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### **ABSTRACT**

*In last decades, HRM was considered to perform conventional administrative jobs. With the passage of time the scope of HRM has changed and it is working strategically to improve the working conditions, plan out human resource needs and maintain a balance between companies and their employees to enhance their productivity, performance and meet out organizational overall goals. In this globalized world technologies are rapidly keep on changing and it is considered as an important factor to face new challenges and issues in the field of HRM. In fact, new technology has changed the method of production, the process of recruitment, the training and development needs and techniques, new tools and equipments etc. so many researchers found that HRM as a source of competitive advantage for organizational operating in a global economy. To attain this objectives HR professionals have to work strategically with their functions to best manage their workforce. This paper found so many challenges and emerging issues regarding HRM. Everyday HR professionals face new array of changes i.e. globalization, rapidly changing in technology, changes in information technology, changes in political and legal environment etc. These changes have given the importance of the role of HRM professionals. HRM is facing the issues relating to human resource recruitment, retaining their best employees and how to train and develop them so that they can survive for the long-run. To*

*overcome these challenges an organization HR professional should build a standard structure that allows managing all different workforce in a better way to survive in this global competent environment. In the last section of this paper, we would provide some recommendation and conclusion that can help the HRM to sustain better in the challenging and dynamic scenario.*

**Key words:** role of HRM, globalization, issues and challenges

## **Introduction**

In this competitive world an organization can sustain their self only if their human resource is well equipped with the latest technology and techniques. HR professionals should train their employees and find out the basic need of the workforce to achieve the competitiveness of business in this dynamic scenario. HRM is count as an important factor of the organization because of rapid changes in the business environment, globalization and liberalization, due to changes in customer need, tastes, preferences, habits, fashion, new methods and techniques of production. Nowadays, HR managers are facing so many different problem and challenges, to overcome the above said problems they will have to strategically solve these issues in the different ways. To meet out these future challenges, HR managers have to do their home work today. A line said by David Ulrich “HR should not be defined by what it does by what it delivers – results that enrich the organization’s value to customers, investors and employees”. HR managers’ should actively and rationally participate while making strategies and action plans in order to face the changing need of the organization. HR professionals should be well informed and aware regarding the basic function of HR like planning, organizing, leading and controlling human resource in an effective manner. Since liberalization business environment has changed of India. So many opportunities have come due to globalization as a result it brings so many interventions in terms of restructuring, turnaround, mergers, downsizing, etc. success of above said interventions depends on controlling the human resource issues in the process.

A report collection on eleventh five year plan (2007-2012) described that for faster growth of India in various sectors. GDP growth aimed was 9% per annum and focused on two reasons: first, to generate the source of income and employment opportunities to improve the living standards for the large number of Indian people; and second, to generate the resources needed for

financing social sector programs, aimed at reducing poverty and enabling inclusiveness. That is why role of HR professionals has changed overtime.

### **Objectives of the study**

1. To study in details the existed issues and challenges in the field of HRM.
2. Role of HRM to overcome these issues and challenges in present business scenario.

### **Literature Review**

A study done by Byers and Rue (2006), realize the fact that HR professionals are facing lots of challenges and to meet out these challenges in the future, tomorrow HRD must be sophisticated than their predecessors. Every organization should develop their workforce in such a manner to ensure competitive advantage. According to Andries Du Plessis (2008), human resource department should maintain a structure that allows flexibility to develop such a workforce that will be the work force for tomorrow. Everyday there is a new challenge stand in front of HR managers because market situation are constantly changing. Keeping all these changes and challenges in mind the organization HR department is continuously being change also (Marshal and Paalvast, 2008).

Lots of researchers viewed the common facing challenges by the HR department are retention of their talented employees, workforce diversity, engagement of women workforce, retrenchment of the employees, changes in technology, changes in legal and political environment, global environment, changes in information technology.

In a survey done by World Federation of Personnel Management Association (WFPMA, 2009) viewed that the most important issues and challenges for HR are leadership development, organizational effectiveness, change management, compensation, health and safety, staff retention, learning and development, succession planning, staffing: recruitment and skill labor. A study of Liz Weber (2009) found that the most important challenge for HR is layoffs. This challenge is one of the most important issues for owners and managers in this era of competition. There are so many reasons can behind this which include economic uncertainty, job instability of employees and less effective HR practices are performed by HR department.

In a study done by Decenzo and Robins (2001) and Gary Dessler (2000) pointed out that the most important issues and challenges for HRM are technology, E-Commerce, workforce diversity, globalization, ethical issues for the organization it affects the organizational competitiveness especially constant changes in technological advancement directly affect on recruitment, training and development, job performance of an organization. Globalization is the present flow of goods, services, capital, ideas, information and people without using any human resource. In this globalized world, domestic companies and MNC's compete each other and try to capture the maximum market share as much as possible. So globalization is an important issue for HRM. Although, skillful and knowledgeable workforce is helpful to get competitive advantage and enable the company to compete not only in the foreign market but analyze the investment conditions of not only domestic market but foreign market also. That is why HR department is responsible to make different kind of strategies to develop and retain their talented workforce because it is the main resource which makes an organization successful in the field of globalization.

### **Research Methodology**

This paper has collected information from secondary data like various journals, books, various website and papers.

### **Various Issues and Challenges In Front of HR in Present Scenario**

#### **Globalization**

Since liberalization multinational companies are increasingly set up their operation to manufacture the goods/services in India, bringing with them HRM practices from all around the world. These kinds of new management practices have changed the nature of labor market and HRM have left a great impact on Indian society. This external change has developed the economic reforms and employment opportunities as a result it changed the nature of organizational forms and management practices in India. Evidence shows that so many companies have gone from domestic to international, to multinational, and finally to global operations. At every purpose of these changes, the approach to human resource management changes significantly along with the changes in competitive strategy, company structure, the

product or services being marketed; profit margin and expenditure required for research and development. This is a huge challenge to understand the psychology of the workforce, retain their talented employees with the same industry, boost up their morale and motivate them to perform better and better for long-time and hard to hand workforce diversity, especially in the developing country like India where it is still evolving. Globalization has developed India in so many ways but left so many issues and challenges for HR managers to manage.

### **Changes in Economic and Technological Environment**

Today we are facing a constant change in technology. Every organization has changed the method of production. This is a big challenge in front of HR to prepare their workforce to accept these technological changes. Banking sector is a big example to face the revolutionary changes of technology. Technology has changed the methods of living and work in this modern era. Information technology has changes the mode of communication which is essential for economic growth. Human resource is considered as an important asset in the growth of an economy. It is the prime responsibility of HRM to retain and develop such a kind of people by creating an environment which compete them to stay in the organization. This is the most important challenge for HRM.

### **E-Commerce**

E-Commerce is a new concept that has taken place to perform the trading activities through internet. It is a new mode or form of business available in the market. It is for customer convenience and helps them to purchase the required products with a speed and reasonable prices. To do such kind of online business we need a technological advanced workforce. Such kinds of workers are known as knowledgeable workers. To handle the requirements of such kind of business is a big challenge for HRM. To control on line business HR professionals need to make different kind of strategies. These types of HR professional also recruit and develop human resources who have the ability to attract, motivate, retain, and to serve as maximum customers as possible.

## **Workforce Diversity**

Another important aspect in front of HR is to manage workforce diversity. Workforce diversification can be described as to manage effectively the workforce who has come from different background in respect to regions, cultures, race and gender. In the same way Thomas (1992) described the dimensions of workplace diversity that include, but are not limited to age, ethnicity, ancestry, gender, physical abilities/qualities, race, sexual orientation, educational background, geographical location, income, marital status, military experience, religious beliefs, parental status, and work experience. The upcoming growth and success of an organization depends on the ability to manage a diverse body of talent who can come with innovative ideas, perspective and views to their work. To manage the workforce diversity results positively because with the mixture of different culture backgrounds, genders, ages, and lifestyles, an organization can respond to business opportunities more rapidly and creatively, that is an important aspect of every business. So many, business organization are example to perform their operations on international and multinational level. That's why these organizations need to adopt several kinds of strategies to compete in the foreign markets. To do this business activity effectively, the HR department need to strategically make different policies and practices according to the requirement of culture and environment.

## **Recruitment**

The biggest challenge in front of HR professionals is to recruit the talented employees for the organization. HR management facing lots of challenges in their most important function like recruitment. To approach the quality of manpower is a critical issue in India because millions of graduates and post graduates pass out from India Universities every year, but actually knowledgeable and talented employees are less in number that is why it is very tough task to choose right candidate for the right job.

Several challenges faced by HR while recruiting candidates are:

- Adaptability to globalization
- Lack of motivation
- Process analysis

- Strategic prioritization

## **Employee Engagement and Talent Retention**

At present the prime objective of every organization is to win the hearts and minds of talent. Employees' engagement depends on the trust and commitment of the organization. Workforce is no longer committed to their companies if the company is not focused towards their professional growth and career. Employees feel happy if HR is focused on the maintenance of work life balance, fun at work etc. HR department put on their effort positively to make a balance between employer and employees. Important challenges faced by HRM these days are:

- Every organization is suffering the problem of frequent changing in leadership and high turnover rate
- How to recruit the senior level of managers? Is it a good idea for all the organization to retire their talented manager in the age of 60?

Time to time training and development opportunities can generate the trust and interest in the employee; it leads to satisfaction and positive feeling in the employee.

## **Managing Change**

HR managers are more concerned towards the implementing a change in organizational process and procedures, control in the effective manner. Business environment is changing continuously. Technology is changing every day as a result to upgrade the existing technology through training is crucial issue for HR department. To overcome these problems HR department will have handle the change and manage effectively their employees in the process.

## **Conflict Management**

HR managers work as mediator to control employee-employer and employee-employee conflict without hearing their feelings in an organization. It is very much true that organization works with the help of huge number of employees and it seems to be impossible to avoid conflicts among huge number of people at work. HR manager can handle them tactfully to solve these issues very carefully to avoid future conflicts.

## **Changes in Political and Legal Environment**

HRD face so many challenges due to changes in political and legal environment of a nation. It is due to changes political parties or government and their rules and regulations. Every organization has to follow certain law, rules, and regulation to perform their business activities. It is the prime function of HRD and industrial executives to fully examine the implication of such changes and make an adjustment inside the organization to face the challenges without any breakdown in its normal functioning.

## **Recommendations for HR Department to Overcome with these Issues and Challenges**

- By organizing training and development program along with cross cultural and functioning training so that they can understand the concept of workforce diversity.
- By providing a sophisticated environment so that they don't change their organization frequently.
- Motivate them by rewarding financial and non-financial benefits like recognition, special training sessions etc.
- HR department should adopt the upcoming changes very fast and frequently.
- To cope up with technological changes.
- HR strategic frame work should be shifted along with changing economy.
- Special training should be given to the HR professional in order to meet the changes in information technology challenges.
- An effective performance evaluation system should be adopted by HR professional to reduce professionals' mobility or retain their talented workforce for a long-time.

## **Conclusion**

At the end, it is realize that work of HR has become more and more crucial task these days and facing lots of problems like recruitment, retention, globalization, technological changes, changes in legal, political, and economic environment, and information technology etc. To overcome these issues and challenges HR department should provide training in the area of technological advancement, cultural training and informational training so that they can become flexible to adopt these changes and help the organization to meet their objectives.

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