

## Changing Role of HR and Upcoming Challenges

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### **Introduction :**

Starting from a lowly function of managing labour welfare, HR has travelled a long way to come to its present critical role in the organization. Though, some organizations are still stuck with the basic functions of establishment and IR, progressive organizations have moved on to play the roles of employee champions and strategic partners. Whatever may be the position the fact remains that HR has become a force to reckon, with whether it is recruitment or separation depending on the situation or nurturing of talent through appraisals and development. Even, IR has by and large assumed a constructive role from the earlier role of fire-fighting function from an adversary position. The focus is much more on the developmental role of HR. HR has moved from being just an enabler to becoming a key driver of organizational outcomes. Moving from looking at HR as a resource manager, organizations are opening up the fact that the function of HR is to create a 'Human Operating System' that actually propels the organization towards its goals. Erstwhile roles included the typical functional HR roles, but across the last five years, HR has become a key differentiator and enabler of mindsets, unleashing potential for performance by embedding and strengthening values-based leadership. To manage the innumerable challenges in today's corporate world, HR needs to enhance its real and perceived value by being strategic oriented. The key focus of HR moving forward will be on Talent Management from the perspective of engagement and employee branding. The paper will present some of the major functional role changes of HR Department and also identify challenges in the coming years due to changing role of HR.

### **Role of Human Resource Management.**

The human resources management team suggests to the management team how to strategically manage people as business resources. This includes managing recruiting and hiring employees, coordinating employee benefits and suggesting employee training and development strategies.

### **Literature Review :**

#### **Three New HR Roles**

Dr. Dave Ulrich, one of the best thinkers and writers in the HR field today, and a professor at the University of Michigan states that, within this environment, the HR professional, who is considered necessary by managers and executives, is a strategic partner, an employee sponsor or advocate and a change mentor. The HR professionals who understand these roles are leading their organizations in areas such as organization development, strategic utilization of employees to serve business goals, and talent management and development. Let's take a look at each of these roles and their impact on HR functions and practices.

#### **Strategic Partner**

In today's organizations, to guarantee their viability and ability to contribute, HR managers need to think of themselves as strategic partners. In this role, the HR person contributes to the development of and the accomplishment of the organization-wide business plan and objectives. The HR business objectives are established to support the attainment of the overall strategic business plan and objectives. The tactical HR representative is deeply knowledgeable about the design of work systems in which people succeed and contribute.

This strategic partnership impacts HR services such as the design of work positions; hiring; reward, recognition and strategic pay; performance development and appraisal systems; career and succession planning; and employee development. When HR professionals are aligned with the business, the personnel management component of the organization is thought about as a strategic contributor to business success.

To become successful business partners, the HR staff members have to think like business people, know finance and accounting and be accountable and responsible for cost reductions and the measurement of all HR programs and processes. It's not enough to ask for a seat at the executive table; HR people will have to prove that they have the business savvy necessary to sit there.

#### **Employee Advocate.**

As an employee sponsor or advocate, the HR manager plays an integral role in organizational success via his knowledge about and advocacy of people. This advocacy includes expertise in how to create a work environment in which people will choose to be motivated, contributing, and happy. Fostering effective methods of goal setting, communication and empowerment through responsibility builds

employee ownership of the organization. The HR professional helps establish the organizational culture and climate in which people have the competency, concern, and commitment to serve customers well.

In this role, the HR manager provides overall talent management strategies, employee development opportunities, employee assistance programs, gain sharing and profit-sharing strategies, organization development interventions, due process approaches employee complaints and problem-solving, and regularly scheduled communication opportunities.

### **Change Champion**

The constant evaluation of the effectiveness of the organization results in the need for the HR professional to frequently champion change. Both knowledge about and the ability to execute successful change strategies make the HR professional exceptionally valued. Knowing how to link change to the strategic needs of the organization will minimize employee dissatisfaction and resistance to change. Organization development, the overarching discipline for change management strategies, gives the HR professional additional challenges. Consciously helping to create the right organizational culture, monitoring employee satisfaction, and measuring the results of organization initiatives fall here as well as in the role of employee advocacy. The HR professional contributes to the organization by constantly assessing the effectiveness of the HR function. HR leverages change in other departments and in work practices as per the organizations mission, vision, goals and action plans.

### **Objective of the Study:**

1. To understand changing role of HR from transactional function activity to strategic function.
2. To present contemporary HR practices of some corporates.
3. To identify challenges of HR in coming years.

### **Research Methodology**

The research is based completely upon the secondary sources of data , which is exploratory related to the subject of the research. Sources of this research includes e journals, web portals and text books.

### **Need of Study**

The study will help to understand the how Global Competition, Technology, Demographics and work force Diversity are all factors that will impact the future of people management teams, expectation of employees are impacting the HR Department transformation. The result of this study will help the HR professionals to develop understanding about the changing face of HR Department in the years to come. Also the study will help to identify the those critical areas which are pivotal in change of HR's role, helping to face the challenges in and determining the strategy as per the changing role of HR the coming years.

### **Contemporary HR Practices in Corporates at Glance**

The on boarding in an organization is the most ideal means to create a lasting positive impression on a new hire and also helps to attract the right talent. At Inter-Globe Enterprise Ltd (Gurgaon), on boarding is viewed from a strategic standpoint that directly impacts business. It is no longer an HR initiative, but a business imperative , during the induction process leaders play an important role in giving a sense of belongingness and ownership to our new employees. By using a participatory hiring approach and involving employees in selecting their team members, they not only have a transparent system for selection, but also get a 360<sup>0</sup> view of candidates. This, along with time tested tools like Hogan and similar psychometric assessments ensures they get the right hire for the right role. They have leveraged technology to a great extent by introducing e-induction modules that are in line with the business requirements and deliver the goals of reduced time to productivity, increased job knowledge and faster and higher levels of engagement for new hires. With respect to employee engagement and retention.

Videocon Telecom has put its best effort to introduce various HR practices for retention of human resources. This is evident from the drop in the attrition rate from 12% in FY15 to 10% in FY16. The company arranged for an to an overseas destination trip for rewards & recognition for its employees from various departments such as Sales, Customer Service Delivery & Marketing, Technical & Business Support etc. The company has Employee Discount Scheme where it offers a catalogue of products such as Consumer Durables, Home Appliances, Smart Phones, etc. at a discounted price over the MRP to its employees. Besides this, it also has retention policies such as Employee Annual Appraisals & Increments, Special Bonus for Retention, Diverse Career Opportunities for internal transfers in the Videocon Group and Videocon Assessment Center which looks through the succession planning for middle and senior level management. The company also provides Interim

Incentives which is basically performance linked incentive. Altogether, it becomes a key retention tool in a manner that employees work with extra zeal and show their loyalty towards the work and the organization. Bajaj Corp undertakes many initiatives to make its employees feel valued and to recognize and reward his contribution onwards the company's success. The Mentor recognition program gives the management and sales trainees an opportunity to express gratitude to their mentors who have influenced and guided their learning and career roadmap. Apart from this, the company also felicitates top performers in the sales and support functions to motivate them to excel and continue setting higher standards. It also creates a positive influence on others and drives overall performance. Additionally, the company acknowledges the children of its employees, who have excelled in academic performance.

At Netafim Irrigation India, performance management system is known as performance, review and reward process, and takes care of the performance review of the current year, objective setting for the subsequent year, training needs identification for the employee, developmental objectives for the employee for the next three years and manager's feedback. In the previous year, the company switched to the online version of the system and has included value-based parameters for the purpose of performance evaluation in addition to functional parameters. The company partnered with top leadership team through sensitization exercises that involves extensive data sharing on past practices, current challenges, possible solutions and expected outcome. In-house performance management portal was developed, which resulted in operational efficiency, transparency, confidentiality and multi-location accessibility and continuous monitoring. Train the trainer approach was adopted to create more facilitators to help employees navigate through online global and local portals, while multi-layered workshops across strategic business units helped create awareness of the online module. A step-by-step guide was prepared and telephonic helpdesks activated to resolve queries of employees.

#### **Future expectations of the Employees**

Future Employees will seek a relationship with their organization that enables them to: 1) feel empowered 2) own their own careers, and 3) feel connected 4) environment that fosters innovation and creativity. The Millennials are having an enormous impact on Talent Management, and they will seek the freedom to contribute in their own unique way. Accordingly, a large number of companies are now allowing employees to spend more time working outside of the traditional office structure. Employees must be engaged by keeping them productive whilst appealing to their emotional and intellectual sensibilities. A sense of entrepreneurship, ownership and accountability at all levels will be the focus areas of the employees. This can be achieved by permitting employees to proactively explore opportunities and challenges beyond their domains and seek appropriate solutions to be prepared for the future. Many Organizations are using virtual training to optimize their return from learning interventions. Companies also want to ensure that their employees are trained in areas of governance and compliance. Organizations, especially in financial and professional services sector, recognize the importance of mitigating risks and costs associated with non-compliance. With the millennial workforce wanting more global experience, many companies are using 6-month global 'seat' rotations for cultural integration and intercultural development. Smart organizations build talent ladder programmes combining technical and global working/learning experiences.

#### **9 Real Challenges Facing HR in the Future**

##### **1) Retaining and Rewarding Talented Candidates:**

Many seasoned HR professionals believe that in the next few years, major battle will be retaining talented and well-performing candidates. Moreover, it is going to become even worse to recognize and reward the real performers as the market competitiveness is growing and that needs more collaborated efforts to establish loyalty among employees.

##### **2) Developing Future Leaders:**

With growing options for top performing candidates, employers are in a great jitty over how will they build the future pillars of the organization. The rising employee turnover rate is giving recruiters really a tough time with implementing practices to enhance employee engagement and make them stay for long in the organization. Many HR professionals have a serious concern over building next generation organizational leaders.

##### **3) Establishing Healthy and Cooperative Corporate Culture:**

Corporate culture has become one of the deciding factors. Elevating market demands makes companies work more to grow, expand and sustain within the volatile market scenarios. This, thus directly or indirectly affects the organizational culture, as every resource is over-occupied with loads of work that may affect the healthy work culture at office leading more to clashes or office chaos.

#### **4) Attracting Top Talent to Organization:**

During any job interview, a candidate's job is to sell himself to the recruiters. Similarly, the recruiters also need to sell themselves before the candidate. It is now more important as the talent shortage is making every organization strive to bring in the best talent and become the most preferred choice among available options. Few recruiters feel that it is the need of the hour to establish a corporate culture that will attract best candidates to the organization.

#### **5) Better Compensations:**

The organizations who have star performers will have to take good care of the compensation. These days employers are largely playing on this factor with awarding employees lucrative reward packages and attracting more talent towards them. Thus, recruiters need to fold up their sleeves to attract the real talent to themselves to stay ahead of their counterparts.

#### **6) Flexible Work Arrangements:**

Millennials just love it! The coming generation of employees emphasizes on working in flexible set-ups and the major concern must be kept on giving results and not on working in a traditional 9.00AM to 6.00 PM set-up. This does not disrupts the company decorum or discipline, it will just allow individuals to work the way they want and exhibit better productivity.

#### **7) Clear & Transparent Work Culture & Open Leadership:**

Employees demand it greatly, but are seen rarely! That's a fact! Many organizations fail to establish a culture of clear and transparent work communication or open leadership that somewhere affects the employee morale and his dedication to work.

#### **8) Career Advancement Opportunities for Employees:**

If the company takes employee career development seriously and strives to work for it as well, then company can shine out over their competitors who are also looking to grab talented prospects for the same jobs.

#### **Conclusion**

The fast paced Technological changes, Globalization Mergers and Acquisitions Outsourcing Workforce Demographics Expectations of generation and cut throat competition forcing to cost cutting and give maximum to the customers will have significant impact on HR Department. As if talent is retained and employees are engaged actively they can deliver the desired results which shall help the organizations to achieve their long term business goals. Hence the transactional role of HR Department is now being transferred to Strategic role which is more focused on long term objectives and will be pivotal pillar in determine the organizations success. Hence HR should anticipate the future challenges and be prepared to face them by aligning the required resources and strategies to confront those successfully.

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