

“New HR/IR Paradigms in Employee Relations - A Theoretical Study of Selected Indian Organizations”

S. Ahmed Mozumder¹, P. Ramlal², Ankush Gupta³

¹Research Scholar, School of Management, NIT-Warangal, Telangana, (India)

²Assistant Professor, School of Management, NIT-Warangal, Telangana, (India)

³Assistant HR Manager, TCS Hyderabad, Telangana(India)

ABSTRACT

Human Resource Management helps organizations to achieve its objective from time to time by creating a positive attitude among workers and create better employee relations. The organization can prosper only if they have healthy human resource management system. Today human resource management aims at developing people and their potential for growth. The traditional functions of human resource department to attract, recruit, train, promote and decide compensations have evolved into employee engagement, talent management, brand promotion and controlling attrition. Due to change management, many big organizations are inducing new HR paradigms so that they can compete with their competitors and sustain in the market for long. Traditional human resource practices are paving the way for new practices like- succession planning, e-mentoring, talent ship, strategic HR, sustainability, employee branding, leadership development, change in appraisal systems etc. Through this research we have tried to focus on the new HR paradigms in the selected 5 organizations. We have also discussed about the HRM practices currently running in the leading public and private organizations. Through this research article, we have also discussed about the impact of technology in the paradigm shift in the HR practices.

Keywords: HRM, HR/IR Practices, Paradigm, Traditional HR Practices, Employee Relations.

I. INTRODUCTION

Human Resource Management is the process of recruitment, selection of employee, providing proper orientation and induction, providing proper training and the developing skills, assessment of employee (performance of appraisal), providing proper compensation and benefits, motivating, maintaining proper relations with labour and with trade unions, maintaining employee's safety, welfare and health by complying with labour laws of concern state or country. Human Resource Management plays an important role in the development of both employees and organization. HRM, then, is engaged not only in securing and developing the talents of individual workers, but also in implementing programs that enhance communication and cooperation between those individual workers in order to nurture organizational development. In today's time the organizations are paying a lot of attention on employee training, talent development, defined career path for employees and loyalty benefits. The main reason behind is to retain employees and reduce the attrition rate. That is the reason behind the paradigm shift in the traditional HR practices. Talent war is going on these days among the big organizations. Every organization wants to retain their top talent so they are going for strategic HR practices. The senior level executives must realize and understand the potential of their employees so they will get appropriate roles. The productivity of employees as well as organization will increase. Leveraging technology with traditional HR practices is the need of the hour because its implementation and after impact will be positive and in the right direction. It will also save time, money and resources and indirectly it will pave way for the green HRM practices in an organization.

II. PURPOSE OF RESEARCH

The main purpose of the research is to know about the new HR paradigms in the Indian organizations. Also, the main motto of this research article is to know about the HR practices going currently in public and private organizations. Through this research we have tried to frame a HR model for organizational effectiveness and sustainability. Finally, we have discussed about leveraging technology with the traditional HR practices.

III. REVIEW OF LITERATURE

Akbar Ali (2010) has discussed about the significance of Paradigm shift from traditional and old management concept towards the very innovative concept of leadership. **Anna Mazurkiewicz (2014)** has discussed about the talent management as a new HR paradigm. According to author, it is very important to retain and manage as per their caliber and skills.

Anil Kumar Singh (2009) has focused on the current HRM practices in the selected private sector organizations of India. The paper has also showed a positive relationship between the HRM practices and organizational culture in the selected private organizations of India.

Dr. Asha Nagendra (2014) has discussed about the social media as a new HR paradigm and how it has shown impact in the Employee life cycle. This research is based on both primary and secondary data. The primary data has been collected from 100 employees working in various IT & ITES companies like- Wipro, Infosys, Ernst & Young, Deloitte etc. Also 10 HR managers who recruit, induct, train, retain and compensate employees in their organization were also interviewed.

Dr. K. Palani (2013) has discussed about the challenges of human resource management in the 21st century. According to author, HRM play a very important role in the success of an organization. In this paper, he throws light on the new HR paradigms which will drive human resource management in future.

Joe Duke et al. (2012) have discussed about the effectiveness of new HR practices. According to them, the established HR practices should be combined with new HR paradigms for more productivity and superior corporate performance.

Poonam Anand et al. (2014) have discussed about the innovative leadership. According to them, this new HR paradigm will help organizations to attract, develop and empower innovation leaders. Innovative leaders bring creative ideas which are indeed very useful for the success of an organization.

Priyanka Sharma et al. (2010) have discussed about the HRM strategies to counter intensified competition and external conditions like global economic recession, the resultant credit crunch and its impact on employee performance.

Raunak Narayan (2010) has discussed about the new HR paradigm "Human Resource Accounting." The author has tried to discuss about the importance and challenges faced by Human Resource Accounting. According to author, human resources should also be evaluated, recorded in the books, operated and disclosed in the financial statements.

R. J. Masilamani et al. (2011) have discussed about the role of Job DSTs in the development of human resource systems that could enable organizations to move towards an ideal business performance environment. The Job DST set consists of an exclusive and exhaustive Job Description that convey to the employee details of all activities to be performed, Job Specifications that incorporate the professional and personal attributes required for the assignment, and Targets that cover the period – specific, quantitative and qualitative aspects of the job.

Robin Kramar et al. (2010) have focused on the human resource management. They have discussed about the concept of organizational performance, sustainability and the relationship between organizational performance, sustainability and human resource management.

Shashi Ranjan Kumar Jha et al. (2014) have discussed about the importance of HRM practices in Indian banking industry. They have also thrown light on the current HRM practices that are going on in the current banking sector and some suggestive HRM practices for more productivity and efficiency of banking industry.

IV. OBJECTIVES

- 1) To study the new HR paradigms for the selected 5 Indian organizations for smooth employee relations.
- 2) To frame a HR model for organizational effectiveness and efficiency.
- 3) To know the importance of technology in Human Resource Management.

V. RESEARCH METHODOLOGY

This research paper is purely based on secondary data. The data for this research has been collected from various sources like- journals, periodicals, research papers, manuals, company websites, research articles, newspapers, books etc.

VI. DISCUSSION

Human Resource Management helps organizations to achieve its objective from time to time by creating a positive attitude among workers. The organization can prosper only if they have healthy human resource management system. Today human resource management aims at developing people and their potential for growth. The traditional functions of human resource department to attract, recruit, train, promote and decide compensations have evolved into employee engagement, talent management, brand promotion and controlling attrition.

Study about the new HR paradigms for the selected 5 Indian organizations.

1. Tata Consultancy Services (Change in Appraisal System & Paradigm shift in the training system) - TCS has recently changed their appraisal system from Bell's Curve to Individual's Continuous Evaluation Feedback Mechanism to reduce the attrition rate. Also there is a paradigm shift in the training system of TCS. Due to Digital revolution, TCS has given digital training to over 1 lakh 80 thousand employees in the last 1 year. In the past, coaching, mentoring, Knowledge transfer were prominent sources of training but now there has been a shift in the training style and structure.

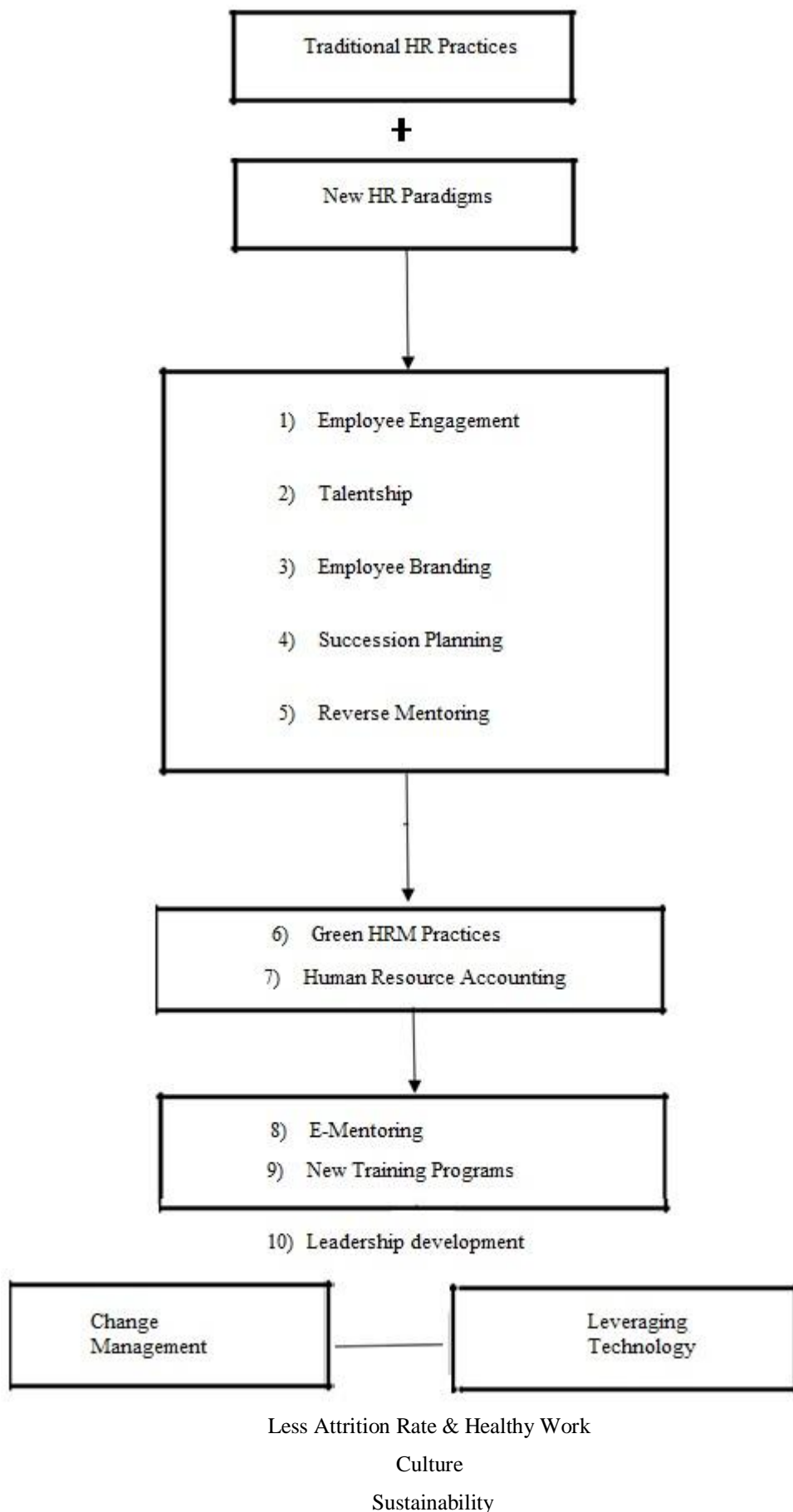
2. InMobi (Employee Branding) –InMobi does not want Compensation to be the main reason for Employee Attraction, in fact they want to create a sustainable solution for the same. InMobi took cue from several global organizations and introduced many employee friendly policies, such as, referrals were rewarded with vacations, iPhones, and Royal Enfield rather than cash awards, supervisor's approval not required for up to six days leave, freedom and flexibility in the maternity leave, everyone getting a 100% bonus, doing away with performance appraisal systems and international travel expense policy, giving out \$800 annually as a 'learning wallet' and \$200 for changing their handsets, supporting employees who quit and start a new venture by offering them office space and resources, and many more. InMobi got great results also after the implementation of above mentioned policies. The attrition rate and recruitment costs reduced to a larger extent (Source -People matters magazine)

3. Infosys (Lister Initiative) –Under this initiative, Infosys will identify top performers among the employees. Those selected employees will be mentored by senior level executives. The main motto of Infosys behind this initiative to retain top performers and to have a fast track career path for them. Those top performers will be future chief executives of Infosys.

4. Bharti Airtel (Reverse Mentoring) –Reverse mentoring is a concept in which the senior people are mentored by their junior counterparts in the areas like- social media, digital technologies, digital platforms, information technology etc. In Airtel, the young executives are mentoring seniors in the fields of networking, switching, network security and other digital platforms. This will help to create a healthy bond between the seniors and juniors in Airtel. Productivity will increase and there will be a healthy work culture.

5. HCL (Succession Planning) –HCL for the last so many years is paying lot of attention towards Succession Planning. It involves nurturing and developing employees from within an organization. It will reduce attrition rate, and the recruitment costs. It paves the way for future leadership needs, talentship and talent development.

Objective 2: Framing a HR model for organizational effectiveness and efficiency



VII. EXPLANATION OF THE MODEL

Traditional HRM practices should be merged with new HR paradigms. The reason for this that, in current business environment it's very important to compete with your competitors and change with the changing technologies and platforms. Organizations must leverage technology with the traditional HRM practices. This will help organizations to perform work more efficiently and smoothly. New HR paradigms will help organizations to reduce the attrition rate and save intellectual resources. We have seen in current scenarios that most of the employees shift to other organizations for good positions and compensations. The company is the real loser in that case because they are losing their potential employees. New HR paradigms will surely help organizations to curb attrition rate and save potential resources which can give them more productivity in the future because organizations have spent a lot of money in their induction, orientation and training programs. E-Mentoring, Video training, E-recruitment will increase green culture in an organization.

Green HRM practices along with green culture make organizations and their employees motivated, disciplined and sensible towards their organizational goals and environment. Less attrition rate will give rise to sustainability and healthy work culture in the organizations. Less attrition rate will also increase organization's operational profits, growth rate and revenues. We have seen in our examples that how TCS has been able to control attrition rate by providing effective and efficient training programs for their employees. They have paid a lot of emphasis on their training and development programs. According to CEO of Starbucks while giving interview to a leading newspaper, employees can make or break a company. Howard Schultz (CEO Starbucks) along with senior management has devised new training programs for their employees. According to them, it's very important for any organization to devise effective training programs so that the employees can deliver their best and enjoy their work. Starbucks is also providing cross cultural training to their employees so that they will be aware of the traditions, customs and languages of other countries. Starbucks is also providing benefits like- stock option, medical schemes, special insurance, leaves, family vacations etc. for both permanent as well as non-permanent employees. This initiative by Starbucks has increased the motivation levels of employees and has created a healthy work environment.

Objective 3: Importance of technology in Human Resource Management.

Today technology is playing a very important role in the development of human resource management. Now with the help of talent websites, organizations are recruiting desired and efficient candidates for various job profiles. It is also saving a lot of recruitment cost. Video job interviews are becoming popular for interviewing candidates. This paradigm shift in the interview process is giving rise to Green HRM practices.

In the past, HR departments have relied on legacy HR software to complete tasks and/or store information. Now with the help of Cloud ERP HR solutions, all the data, information and records are stored at a one place in an integrated manner. The security of the data is also more in cloud based HR solutions. Information Technology is helping human resource professionals to train new staff members in a more efficient way. E-Mentoring, digital learning, video lectures and digital certifications are new trends in the learning and development process of an organization. Technology is also enhancing the performance appraisal system through online feedback mechanism and examine employee performance through metrics.

CONCLUSION

Sustainability has now become an important factor for organizations. Strategic HRM practices will help organizations to sustain and grow. Strategic HRM emphasizes organizational codes of ethics, managing the societal impact of business decisions, philanthropy and the role of the human resource professional in improving the quality of life of employees, their families and the community at large. Organizations must leverage traditional HR practices with technology to survive in the cut throat competition. Change management is definitely the reason for the paradigm shift in the HR practices. In today's time, employee satisfaction and employee retention is the top most priority for any organization. They are also spending huge amount of money on their training and development. New HR paradigms will help organization to curb attrition rate and retain their top talent.

REFERENCES

- [1]. Ali, A. (2012). Significance of Paradigm Shift from "Management to Leadership"-A Review of Literature. International Journal of Academic Research in Business and Social Sciences, 2(10), 499.
- [2]. Anand, P., & Saraswati, A. K. (2014). Innovative Leadership: A Paradigm in Modern HR Practices. Global Journal of Finance and Management, 6(6), 497-502.
- [3]. Duke II, J., & Udono, E. N. (2012). A New Paradigm in Traditional Human Resource Management Practices. Journal of Management and Sustainability, 2(2), 158.
- [4]. Jha, Shashi Ranjan Kumar., & Anand, Vishal. (2014). Human Resource Management: Paradigm Shift in the Public-Sector Banks in India. IOSR Journal of Business and Management (IOSR-JBM), Volume 16, Issue 4. Ver. III (Apr. 2014), PP 01-06.

- [5]. Kramar, R., & Hariadi, M. F. (2010). Human resource management, performance and organizational sustainability: a new paradigm. In MIC 2010: Social Responsibility, Professional Ethics, and Management; Proceedings of the 11th International Conference, Ankara, 24–27 November 2010 [Selected Papers] (pp. 451-466). University of Primorska, Faculty of Management Koper.
- [6]. Mazurkiewicz, A. (2014). Talent Management as a New Paradigm in Management Science. *Journal of Positive Management*, 5(3), 15.
- [7]. Masilamani, R. J., & Jayaraman, M. (2011). A New Paradigm for HR Management-Job DSTs as Ideal Enablers. Available at SSRN 1804449.
- [8]. Narayan, R. (2010). Human resource accounting: A new paradigm in the era of globalization.
- [9]. Nagendra, A. (2014). Paradigm shift in hr practices on employee life cycle due to influence of social media. *Procedia Economics and Finance*, 11, 197-207.
- [10]. Palani, K. Challenges of HRM IN 21st Century: A new paradigm for Corporate Excellence.
- [11]. Sharma, P., Sharma, J., Shukla, R., Verma, N., & Shukla, P. (2010). HRM Innovation Strategies in Recession: A New Paradigm. *International Journal of Economics and Business Modeling*, 1(1), 29.
- [12]. Singh, A. K. (2010). A study of HRM practices and organizational culture in selected private sector organizations in India. *Acta Oeconomica Pragensia*, 2010(4), 64-80