Research Paper   **Management**

Challenges of Human Resource Management in 21St Century

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ABSTRACT

Challenge is always offset by opportunity. Today's widespread market volatility, coupled with layoffs, talent shortages and rapid shifts in technology, points to heightened challenges for human resources (HR) organizations. Over the next decade the HR profession will face a wide range of issues, which can be consolidated into a list of major hurdles. As a starting point, one of the most important challenges for an organization is becoming an employer of choice. This involves creating an environment where people want to come and work, contribute while they are there and stay long enough to make a difference. HR's success in surmounting its challenges is evidenced by ROI not only in terms of money, but also in efficiencies, effectiveness and organizational best practices.

All great companies look for the best ways to perform HR-related tasks. However, thinking about HR only as a department obscures HR's enterprise-wide function, which permeates the entire organization. Just as finance touches every area of a business — usually in the form of a budget — human capital is an entity affecting the enterprise in its totality. Therefore, instead of considering HR as an isolated department, great companies shift their focus toward enterprise-wide people processes, of which HR is an integrated part.

Technology has changed everything with great extent, the methods of production, the process of recruitment, the training techniques, and new equipment etc. Now HR Managers should prepare themselves to face challenges of 21st Century and find out solutions. And they should convert challenges into opportunities. In this paper I have discussed not only those foremost & common issues and challenges which are confronting today Organization like Globalization, diversity at workplace, Technology etc but also eight critical issues which I feel most difficult challenges in front of HR Management and can convert into opportunities. To overcome these issues and challenges the HR mangers will have to build a standard structure that allows managing all different workforce alternatives. This way the organization maintains their competitive advantages. This Paper will examine eight critical trends. These trends will continue to present both challenges and opportunities for the HR.

KEYWORDS :

Introduction

The modern business can not effectively operate in the business world if the human force is not well equipped with the latest technology and techniques. This is the responsibility of the human resource manager to properly train the work force and to see what is the basic need for the human force to achieve the competitive advantages of business in 21st century. Great debates on this topic going on form several years and no doubts human is an important part of any organization but due to rapid changes in the business world, globalization, change in customer taste and habits, new techniques of production, human in the organization now facing different kind of problems, to cope this situation the today's HR manager also facing a variety of issues and challenges that how they can best mange and solve all these issues and challenges with splendid ways. HR manager facing a variety of challenges to meet these challenges for the future, tomorrow's HR manager or department must be much sophisticated than their predecessors. Because a one international or multinational organization can not perform their activities well when their HR manager knows the diversity of technique to hack it with these issues and to how they can prepare a unobjectionable force for the organization to face the rapid competitive business world and to operate in the situation. All the organizations should prepare their human resources keeping in view the global environment or market place to ensure competitive advantage. Human resource manager will have to build or developed such a frame work that allows flexibility to develop such a workforce that will be the work force for tomorrow. The main aim of the paper is to address the HR issues and challenges in the light of variety of literature work by different authors. I feel that even if workforce diversity, Globalization and Technology etc are the biggest challenges in front of today HR manager but he / she should find the way how to overcome that challenges and convert challenges into opportunities. For making it in practice he / she should work on employees' maturity and adaptability. Following are the eight challenges which if today's HR manager take it seriously and work on it then more or less employee issues will sort it out. I have discussed 8 major HR issues in 21st Century and all the sub points of the same are way outs for that issue. It is simply conversion of challenges into opportunities.

1) Facing the Primary Challenge: Being the Employer of Choice

Becoming and remaining an employer of choice is the top-ranking HR-related challenge organizations face today. Establishing employer-of-choice status is HR's responsibility, and if HR does this well, all other practices become subordinate to this goal. The most important objective on the people side of the business is establishing a place where individuals want to work and remain working. HR should be concerned with providing potential current and even past employees with this environment. Employees need a culture, a place in which to grow and feel good about their surroundings.

Delineating the Corporate Culture: Corporate culture is a dramatic force behind every employer of choice. Unique to each organization, culture has many drivers, such as the organization's leadership or the product or service produced. In cases when there are mergers or acquisitions involved, cultural redefinition might be required. At the very least, HR should be the designated keeper of the corporate culture. At its best, HR can be instrumental in creating or maintaining a culture that is truly great. HR must first clearly identify the kind of culture the company should have, and then define that culture for the workplace and support the environment that emerges. An identifiable culture attracts employees, gives them a sense of purpose and offers a basis for participation in decision-making. Inevitably, culture changes as a company grows and its mission evolves. It is HR's mandate to capture that culture and assure its alignment with corporate goals and objectives.

Using Branding to Promote Culture: Branding promotes culture. In the past branding was assigned to public relations or marketing, but it is indeed an HR function because of its power to attract and retain employees. Working together with marketing, HR must develop a compelling brand image for the workforce. Great companies do not create an external brand for customers and an internal brand to attract employees. Instead, they leverage their external brand for internal recruiting. Southwest Airlines is an excellent example of this — it advertises around low-fare, no-frills, humorous service, and its employee population loves to have fun with customers. Southwest does an excellent job of branding for its customers and leveraging that same image to draw like-minded employees.

Staying Attuned to Changing Demographics: The workforce has changed and will continue to do so. Employers of choice recognize and understand the dynamics of the "new workforce," where for the first time four distinct groups of workers labor together under one virtual roof. The over-50 baby-boomers lend themselves to loyalty and sacrifice, those in their 40's believe hard work will take them to the top, 30-somethings seek a balance between work and home, and

new workers in their 20's are realists wired for technology. However, today's employees are even now experiencing a metamorphosis. The role of women and other minorities is expanding, median age is increasing and there is a rise in the contingent workforce. Organizations are changing as well, creating widespread shifts in work attitudes across age groups. HR's task is to stay attuned with the changing workforce and changing company values and make sure company culture is appropriate to the desired workers.

2) Winning the War for Talent

An employer of choice has already come a long way toward winning the war for talent, which is another significant HR challenge.

Recruiting and Retaining over Time: Given suitably competitive offerings with respect to   compensation, culture is an organization's number one recruitment and retention tool. In an employer-of-choice environment, it is not necessary to pay top dollar if other key factors are in place. Great companies know not to stop seeking the best talent in a downturn. When the stock market is down, many people are afraid to invest — but that is the best time to do so. The job market is similar. Great companies make every employee in the company a recruiter. At a cocktail party, someone who is energized about his company and discusses it in a positive light promotes that company. Cisco is a good example of top quality referrals. Because Cisco's employee referral program generates 60 percent of all new hires, the company realizes great savings on the high cost of recruiting and simultaneously finds prospects with good personal references.

Understanding the Workforce: there is an economic slowdown now, but in the next 10 years demand will outstrip the supply. During a downturn, if companies that are not hiring eliminate their focus on recruitment, they can miss golden opportunities to secure the high performers who might be instrumental in the future. Winning the war for talent requires knowing the workforce. For example, by 2050 there will be fewer people available to work, and the majority of these will be older than 50. The contingent workforce will also be more critical in the future. Therefore, why not innovate by creating a temporary or part-time environment in which the 50-plus population will want to work? What about giving the new mom or dad the opportunity to balance hours at work and at home? Give flexible working hours for them.

3) Using Technology as a Facilitator

Meeting today's HR challenges would be impossible without technology, a critical practice   in and of itself. Most people want to work for companies that have good technology. For example, college graduates accustomed to using the internet for their work, research, thesis, and case studies expect the latest technology on the job. Given the widespread availability of technology, a company lacking in this component will not qualify as an employer of choice for the emerging workforce.

Entering the Portal Gateway: Critical to the employer of choice, portals provide organized, efficient access to the customized content, knowledge, reporting structures, analytics capabilities, and transactions each employee needs. An enterprise portal is the gateway to all company functions and offers personalized, role-based access with respect to who employees are, where they are located, what they do, and why they do it. Third-party sources of content such as salary surveys or job boards can also be accessed through a portal. One of the most compelling aspects of portal technology is that it serves as a primary HR tool for establishing image, culture, and branding. Role-based portal designations allow HR to push out messaging to specific groups, and all recipients see the same information simultaneously. Distributed information can include balanced scorecard data, total reward and incentive status updates, company news and promotions, quotes-of-the-day, and other culture- based messaging. More than any other form of technology, this communication tool helps replace the concept of HR as a department with a true sense of the pervasive, enterprise-wide nature of human capital.

Establishing Self-Service and Collaboration: People want to work for and stay at companies that empower them to do their jobs, and self service and collaboration do exactly that. Employee self-service makes HR and other work-related transactions easily accessible 24 x 7, granting increased workforce autonomy and lightening the HR administrative load. Analyzing All the Data Analytics statistically measure what is and why and also provide data as to what should be, what could be, and what will be. By drawing from a central repository of all pertinent internal and external company data, workforce analytics enable organizations to model, simulate, report, compare and leverage the metrics most important to HR and the entire organization.

Analyzing All the Data: Analytics statistically measure what is and why, and also provide data as to what should be, what could be, and what will be. By drawing from a central repository of all pertinent internal and external company data, workforce analytics enable organizations to model, simulate, report, compare and leverage the metrics most important to HR and the entire organization. Workforce analytics also help measure HR effectiveness, support processes for addressing gaps in skills and labor, derive metrics for trend and benchmark analyses, assist with talent development, provide compensation and retention planning tools for proactive analysis, and much more. The time is now to leverage analytics.

4) Recognizing the Workforce as a Profit Center

Historically undervalued, human capital is in reality a strategic asset.

Accounting for People: a Necessary Expense? : Like assets and liabilities there should   be balance sheet for human capital. What are expenses and what are gains. For example, a company might employ the fewest people at the lowest cost simply to enhance the income statement. However, this "enhancement" is a hidden stress on overall performance. When you have low overall performance your profit level will also go down. So overall you are going to face loss.

Quantifying the Intangible: An intangible means human capital, structural capital, customer capital, and organizational capital etc. But contribution of human capital is so far the biggest portion. Great companies are using HCM to leverage human capital by tying individual performance to key organizational objectives and are seeing the difference in corporate profits — the workforce is indeed a profit center. HR responsibilities include many specific details involving compensation, workforce trends and so on. However, it is critical that HR can answer questions such as: Who are our top performers and how can we retain them? Who are our high-potential employees and how can we develop them? Who are we at risk of losing and how can we reduce that risk?

5) Contributing as a Strategic Business Partner

Although there is emphasis today on getting HR out of record keeping and making HR more strategic, a lot of HR people are not equipped for this. Often a company wants an HR representative to think like a businessperson but does not give them the respect, time, tools and other provisions to do so. HR's role as a strategic business partner comes from both the company and HR's own initiatives. One factor that supports HR in functioning better in the business world and becoming a key business partner is appropriate use of the right technology. Technology can help HR assess opportunities, manage risks, take action, and communicate with employees.

6) Cultivating Leadership: e-Learning and Development

Loyalty to a single company is rapidly becoming a thing of the past. While culture attracts a new hire, the reason an employee stays on is because the working environment is challenging and meaningful, engendering growth and development. The number one reason an employee leaves a company is lack of respect of the immediate supervisor. The culprit is the aging workforce, which causes organizations to promote younger individuals before they might be ready to be managers. Organizations can address this retention issue on both the employee and managerial sides by creating an environment that continuously fosters learning and development. This helps train supervisors to be effective and provides learning employees eagerly embrace. Instead of secluding a new hire in months of constant training, this environment lets employees learn as they go using supportive tools and technology. Individuals recognize that continuous learning and nurturing of skills are vital to productivity and professional satisfaction. People seek opportunities to stretch themselves while employing their unique abilities, choosing jobs and projects that provide them with the best learning experiences and opportunities to excel."

7) Thinking Globally, Complying Locally: Even small organizations deal increasingly with customers and employees on a global basis. Great companies know how to think globally and comply locally. They act like a global organization, yet an understanding of the local environment permeates every relationship. Education and awareness of local environment make all the difference, especially in the following areas:

Legal and regulatory issues: It is important to be familiar with laws and regulations in locations where the organization has a presence.

Data security and data flow: Organizations must not only obey regulations with respect to data, but they must also be aware of how sensitive and important the security of personal data is in most of the world.

Culture: Each country has a differing set of cultural values apart from company culture. It is very important for smooth global operations that HR understands discrepancies between country cultures and company culture and implements the appropriate processes.

8) Incorporating Flexibility and Adaptability
For years companies have been moving away from hierarchical, structured environments because they are neither effective for organizing nor comfortable for employees. HR needs to mirror this movement by allowing employees — particularly managers — to be flexible, adaptable, before doing anything else, HR must create a flexible environment where top prospects seek to be employed. This is a place where employees look forward to coming to work, enjoy working while they're there, feel they play an important role in the company, and want to stay because the company is continuing to develop them and care about them.

Conclusion:
In great companies today, HR ties in all the ingredients for success and leverages technology to capitalize on economic and organizational change. Successfully turning HR challenges into opportunities to become an employer of choice creates a dynamic place where people want to work and choose to remain with the organization for long period. Efficiency, effectiveness, and monetary returns are characteristic of the employer of choice in the 21st century. Nutshell when HR works enthusiastically by keeping all the practices in mind, competitive advantages can thus be accomplished, the value of human resource can be improved, organization efficiency can be enhanced, and the organization will sustain to survive.

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