

1 IMPACT OF CHANGING GLOBAL DYNAMICS : PROSPECT AND HUMAN RESOURCE DEVELOPMENT IN INDIA

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Abstract

Global competition is rapidly becoming the norm in which nearly all business organizations must compete in one fashion or another. The complexity and value of strategic global human resource management (SGHRM) will continue to compound in significance as globalization becomes the predominant form of business. Both practitioners and researchers grapple with understanding the global phenomena and the resulting impact on the entire human resource management system.

The economic centre of gravity is shifting from the developed markets to the developing markets. This is a huge opportunity for the Asian economies and India in particular. But underlying the growth in economic capital has to be an equally strong foundation of building the intellectual and human capital of the nation. This means investing in our people. We need to impart skills, training and education at all levels to match the needs of a changing India.

Key Words: *Strategic Global Human Resource Management, Liberalisation-Globalisation & Privatisation, Organisation Structure Design.*

Introduction

Global competition is rapidly becoming the norm in which nearly all business organizations must compete in one fashion or another. The complexity and value of strategic global human resource management (SGHRM) will continue to compound in significance as globalization becomes the predominant form of business.

In essence, the uncertain global market will only continue to grow and, along with it, many issues for SGHRM. The human element in global organizations becomes increasingly important in this setting and both global co-ordination and control of the workforce will affect corporations' strategies. These global employees may also provide the necessary core competency with which to maintain global competitiveness.

The human resources management deals essentially with complex human phenomena. The use of quantitative data to research and understand human resource development is necessarily limited

by the availability of 'hard' data on which to base decisions. To overcome this flaw, global research in particular has advocated a cross-fertilization of both quantitative and qualitative research.

LPG has ushered in the much needed changes in India like inflow of capital and technology and opportunity for growth. It has had a two-fold effect on Indian industry i.e. generation of employment in response to the exigencies of new technology and Industrial restructuring, which has resulted in a paradigm shift.

In an increasingly interdependent world, India is no longer isolated from global trade as a result of removal of many self-imposed barriers. Some priority sectors targeted for growth are telecommunications, education and infrastructure.

In recent times, India has witnessed a sunset era for some traditionally strong industries, e.g., textiles and engineering. On the other hand, it has witnessed a sunrise phase for some specified industries such as petroleum and the services sector, particularly IT and, to some extent, financial services. Some professionally managed industries in the services sector have grown considerably in recent times, e.g., IT, hotels, travel and tourism.

HR strategies to manage the educated and skilled categories of employees are radically different. Moreover, these strategies have to be designed and developed quickly to ensure that the competition does not take away opportunities. This is true both in the case of the public and private sectors. Thus, re-orientation of employee attitudes and discipline become necessary. The case of banks and insurance companies, in the public sector, putting up huge resistance to change and to the entry of new players, especially MNCs, shows the need for reorienting employees to overcome their complacency and to work towards greater efficiency and productivity.

Today, Indian organizations stand at the threshold-the shackles of the past have been loosened, but not broken; while a clear vision of the future remains elusive. It is up to Indian industry to gear up to face the challenges of tomorrow.

The Indian corporations and organizations of tomorrow will have different paradigms for operating in their internal and external environments. Changes in internal structures and ways of working will be especially important for human resource professionals. The old hierarchical 'command and control' pyramid will give way to matrix structures, which will enable better integration of work and better flow of information. Training and other inputs for human resource management could also be delivered in a whole new way as geographical and cultural boundaries gradually melt away. Further, IT will dramatically change the way corporations conduct their business. According to Stan Davis, a futurist, 'The first half of information economy was about using computers to crunch huge amount of data. The second half will be about using computers for connectivity'.

Assumptions for the future workplace which may come true :

- A majority of people worldwide will be connected through the IT infrastructure.
- Connectivity is the new frontier on the information high-way, and will revolutionise the world of business. Connectivity is the ability of various technologies to connect with one another and through that process, people. It has the power to overcome traditional barriers and lead to an entirely new way of learning, communicating, working and living.

- There are various factors on which the growth and expansion of connective technology will depend: its accessibility, its acceptance by different cultures, the ability of people to use it, and the willingness of governments to allow it to develop.
- The basic organizing unit in the workplace will be one individual engaging in business, through connective technology, with other individuals.
- A learning culture will be fostered by the technologies that will serve, entertain, and help people do their work. Learning will be a basic workplace skill. Geographical barriers will disappear due to IT which will facilitate interactive learning. This is especially relevant for the organization as it will enable different individuals within an organization to be connected with each other and with other organizations. As a result, there will be exchange of ideas, sharing of information and, hence, learning.
- 'Power' in the organizations of future will not be at the centre of a circle at the periphery where people interface with the market-place using technology, thus giving rise to flat structures.
- Culture and language will still move between the poles of traditionalism and modernism, but the far ends will come closer to the centre. However, people will not give up the language that conveys their particular way of thinking. There will be a universal business culture where companies will operate across nations, but will retain their culturally distinct forms of decision-making, teamwork and information sharing (Plott et al 1996).

Global Solutions in Human Resources

In a constantly changing environment where comparative advantages are fewer and fewer, effective management and development of human resources has gained strategic importance when facing competition. Therefore, the ability of enterprise to attract, retain, develop and motivate talented employees must form part of strengths.

According to Hutchings, those same forces are blurring the distinctions between issues we used to deem either international or domestic, as affecting the public or private spheres, and that the issues that are of most concern are simultaneously global and local.

Human Resources Management Consulting

Human Resources Management Consulting consists of analysis, diagnosis and implementation of changes to the organizational structure and the application of tools to facilitate the development of an organization that is both flexible and adaptable to the ever accelerating pace of change. Starting with a systematic study using proven methodologies, the experts develop a diagnosis that provides the recommendations necessary to adapt the structure, management and operational capabilities towards business strategy. Through evaluating the strengths and weaknesses of organization at the structure, management team and operating team levels as well as corporate culture and human resources can be effectively redeployed.

Human Resources Management Tools :**Organizational Structure Design**

Dynamics of market change, actions of the competition, emerging trends and demands of internal forces within the organization itself require continual reviews of organizational structures. The design of a new structure, can help the company to adapt its organizational model and align it to new objectives and strategies. This new model will enable the organization to adapt staff members, functions, processes and dependency relationships to the business plan. It will also help to evaluate technical and psychological factors to identify those best suited to the requirements of the position and organization itself. To evaluate the performance in-depth study of personnel characteristics, abilities and attitudes necessary for optimal performance.

Human Resources Evaluation

The Human Resources Evaluation process, helps the organization to appraise how staff members perform their functions, analyzing to what extent they suit the structure and are compatible with the current style of work. In addition it also helps to analyze their ability to make decisions and apply the knowledge, tools and capabilities required by business enterprises. On this basis and with the goal of effectiveness in mind, to recommend the change from a redeployment of existing human resources and continuing education plans to recruitment, search, reassignment and personnel severance.

Job Analysis and Description

With the Job Analysis and Description service, the professionals can help to prepare a manual to enable the organization to orderly manage and rapidly make decisions regarding hiring, personnel relocation, training and termination requirements.

Job Position Evaluation and Categorization

The Job Position Evaluation and Categorization service offers a clear and objective appraisal for each position, enabling the design of an equitable and market competitive remuneration scale.

Staff Performance Evaluation System Design

The team of specialists can help to design a Performance Evaluation System to provide an objective evaluation of employees of the enterprise and facilitate decision making regarding promotions, remuneration and salary adjustments, as well as surveying management information and training needs.

Variable Remuneration System Design

Implementation of a variable remuneration system for personnel based on achievement of strategically defined performance indicators will enable the enterprise to manage the salary structure in a rapid and organized manner. Results can be measured at overall, sector and individual levels to increase the probability of achieving improved performance.

The services in the area of Human Resources Management can further assist in:

- Human Resource Strategic Planning
- Evaluation of executive potential and functional responsibilities
- Design and implementation of career paths

Personnel Search

Every enterprise faces development and organizational change as a consequence of its own evolution to address and respond to market challenges. To attain this, the enterprise must possess an adequate strategy, and principally, the appropriate human resources to meet established objectives in a satisfactory manner.

In this respect, the professional team can provide assistance in the search for individuals having the best profiles suited to the requirements, utilizing a proven technology in the local environment. Once the best candidates in the market are identified, the applied methodology includes:

- Background evaluation through a critical analysis of their résumés
- Technical evaluation performed by specialists who are duly trained and experienced in the activity area of the professional being selected
- Evaluation of personality, potential and ability carried out by professional psychologists who are highly proficient in the use of reliable and proven evaluation tools
- Labor psychological reports on individuals subject to evaluation and joint analysis of results
- On-going advice throughout the interview and final selection phases

After hiring the most suitable candidate for the job position, the consultants continue to provide support and other services. The Personnel Search service is objective, quick, timely and guaranteed and opens access to the broadest market of potential candidates, utilizing reliable procedures to identify the best candidates and experienced professionals to evaluate them.

Outplacement: Counseling and labor re-insertion

All dismissal situations generally produce tension between the parties involved. Precisely due to this, the main objective of outplacement service is to reduce anguish and uncertainty both for the individual making the dismissal decision and the person affected by the said decision.

With this approach, Outplacement service benefits consist of facilitating the severance procedure, improving enterprise-employee relations, providing professional support and labor market advice.

Responding to individual requirements of both employers and employees, it provides technical and psychological support as necessary to handle the severance / re-insertion process in the best possible manner.

The team's work includes a series of interviews with employees involved in the outplacement process to inform them of the situation, to evaluate the actual chances of re-insertion and to show them

the features of the professional personnel search process. Strong and weak aspects of the individual's training and labor experience are identified, as well as the areas of interest and labor motivation.

In addition, it helps to advice on résumé preparation and on participation in search interviews, so interested individuals may present themselves for staff search requests by enterprises and/or consultants in the local market. Helps them become confident in themselves to enable their future employment search activities in an autonomous manner.

Likewise emphasize that the firm actively presents employees under outplacement procedures to personnel searches engaged by themselves, both locally and regionally.

Training Program

Specially focused on functional managers and professionals at any level in the organization willing to specialize in subjects connected to management dynamics of the business, the Training Program for Human Resource Development consists of independent thematic modules that can be adapted to fit the specific needs of the organization.

In addition, the multidisciplinary characteristics of the program connect participants to a representative group of large and medium-size companies, in both public and private sectors, with the consequent enrichment in the flow of information and case analyses through modules including:

- Effective Communications
- Motivation
- Leadership
- Collaborative Negotiation
- Labor Relations
- Personnel Search
- Teamwork
- Time Management

CONCLUSION :

The economic centre of gravity is shifting from the developed markets to the developing markets. This is a huge opportunity for the Asian economies and India in particular. But underlying the growth in economic capital has to be an equally strong foundation of building the intellectual and human capital of the nation. This means investing in our people. We need to impart skills, training and education at all levels to match the needs of a changing India.

Human capital is the pivot around which the long term transformation of our economy has to be shaped. We need to enhance public-private partnership to further strengthen the systems and standard of education so that it serves all classes of society. A close partnership between government, educational institutions and industry can change the entire ecosystem and drive it towards uplifting the skills and capabilities of the nation and achieve this with a scale that is required for growth ambition.

Employability of young population is a key prerequisite for employment generation.

It is observed that the India's institutional advantages over Asian countries noted earlier: a well-developed private sector; a relatively entrenched legal system; a stable democracy and freedom of speech. It concluded that India's prospects depend on implementing difficult reforms in five pivotal areas: deregulation of labour markets and an end to the small-scale sector; revitalization of agricultural growth; increased investment in infrastructure; elimination of fiscal deficits; and, finally, across-the-board privatization and further trade liberalization

Whether or not India, in the next two decades will be economic powerhouse in the world in various fields depends also on finding right strategies for Human Resource Development.

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