

ADAPTIVE CAPABILITY OF HR TOWARDS REVIVAL AND TRANSFORMATION OF INDUSTRY

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Abstract: *Today's business revolves largely around people, not capital. This is of great importance especially in 'people businesses' like software companies with relatively high people costs and low capital costs. Humans and the potential they possess drive an organisation. Today's organisations are continuously changing. Organisational change impacts not only the business but also its employees. In order to maximise organisational effectiveness, human potential - individuals' capabilities, time, and talents - must be managed. Human resource management works to ensure that employees are able to meet the organisation's goals by motivating them to do better continuously. Hence, proper treatment of the human resource – employees in an organisation should be given priority. Where an extensive range of HR policies exist and are well known, managers are provided with the tools, techniques and procedures to use in people management. These then can be expected to modify or influence the relationship between managers and their subordinates. Employee commitment to the organisation will be influenced by their perceptions of these practices as well as their relationship with their managers. They have been subjected to intense pressure to cut down costs while keeping the standards and quality of services high. In such a scenario, the stage is set for path-breaking reforms and candid innovation to keep both factors of production, that is, employees and employers satisfied.*

This paper discusses in detail the importance of innovative Human Resource Management techniques and practices that have deemed importance in the current economic scenario. It also discusses the importance and functions of a Human Resource Manager and the prudent steps that he/she can take in order to increase organisational effectiveness.

Keywords: HR Adaptability, HR Revival

INTRODUCTION

Human property assumes enormous significance especially in terms of intellectual property and its rights. Humans are an organisation's greatest assets; without them, everyday business functions such as managing cash flow, making business transactions, communicating through all forms of media, and dealing with customers could not be completed. Humans and the potential they possess drive an organisation. Today's organisations are continuously changing. Organisational change impacts not only the business but also its employees. In order to maximise organisational effectiveness, human potential-individuals' capabilities, time, and talents-must be managed. Human resource management works to ensure that employees are able to meet the organisation's goals by motivating them to do better continuously. Hence, proper treatment of the human resource – employees in an organisation should also be given priority.

However, with impending pessimism about the global slowdown and its impact in countries like Brazil, Russia, India and China, employees all around the world are either facing or looking at a probable 'pink slip' (discharge notice). Multinational companies, too, are announcing plans of downsizing. Consequently, Human Resource departments in all companies are under the scanner. They have been subjected to intense pressure to cut down costs while

keeping the standards and quality of services high. In such a scenario, the stage is set for path-breaking reforms and candid innovation to keep both factors of production, that is, employees and employers, satisfied.

HUMAN RESOURCE STRATEGIES

Due to increasing competitiveness and pressure to cut costs rapidly, there emerges a need for a more coherent approach to managing people. In doing so, companies seek to address two vital questions critical to the establishment of such objective:

- What kinds of people do you need to manage and run your business to meet your strategic business objectives?
- What people programs and initiatives must be designed and implemented to attract, develop and retain staff to compete effectively?

Such a decision can vary from organisation to organisation depending on the beliefs, values, norms, management style, organisational structure, job roles, reporting lines, skill levels, staff potential and management capability that determine the character of every organisation:

Such a strategic planning is required because the managers normally neglect some crucial aspects while giving importance to only one or two aspects of management and

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forget the others. So, it is crucial that the planning is done to align the manager's focus with the organisational objectives.

CURRENT SOLUTIONS EMPHASIZED BY INFORMATION TECHNOLOGY COMPANIES

The current solutions to the market situation drafted and followed by the industry are as follows:

- Reduce the number of employees in the organisation
- Strategic initiatives to increase the productivity and efficiency of the whole organisation
- Redesigning the compensation scheme
- Cancellation of several benefit schemes
- Saving on Training and Development Programs

CRITICAL ANALYSIS OF SUCH 'RECTIFICATION MEASURES'

Although nobody disagrees that such measures are indeed time-proven and effective while being easy to implement, these 'rectification' measures are often derogatory to the general health of the organisation.

- The employees are working in an atmosphere of intense stress in the IT industry which is already infamous for its stressful nature. The workspace atmosphere is charged with negative emotions and employees are liable to getting frustrated easily.
- The line managers are always on the look out for inefficient subordinates to fire and meet his retrenchment targets.
- Everybody knows that if one person does his job well, the other person's chance of losing the job becomes proportionately higher. Hence there is a dearth of requisite co-operation in an atmosphere of negative competition where an employee tries to pull/slow down his teammate/colleague.
- Due to such faulty standards of 'solutions' set by the market leaders, there are many instances where good performers get retrenched for no fault of theirs. Thus the company, in such perilous circumstances where each productive employee is invaluable, is cutting off its flesh and blood instead of fat.

APPLICATION OF "CREATIVE HUMAN RESOURCE MANAGEMENT"

Strategic approach to HR in the recession

The recession is the correct opportunity to implement Creative Human Resources Management where the Human

Resource Management Function is asked to bring new ideas, to change the HRM Processes and to develop or change the procedures. And this effort has to be cheap or it has to cut the costs of the organisation. The manager needs to think 'out-of-the-box' and has to multi-task. He should also focus on other disciplines other than Human Resource and pass on his recommendations to the higher authorities.

The HRM Function has to focus on unpopular innovations during the recession as the role of Human Resources during the recession is to save money to the organisation.

- Identifying the real key employees and to keep them in the organisation
- Identifying the real top potentials and to strengthen their development programme
- Seeing the problem from multiple field views and strategizing accordingly.

On the part of the Human Resource Manager

Long Term Strategies: Production and system based solution

IT companies are continuously focusing on cost cutting measures. There are cost cutting measures in all possible things like employee salary, canteen, AC, electricity usage, extra resources(human), hiring freshers instead of high paying employees, unproductive people, stationary usage etc. However their key fund leakage remains unchecked. What companies should really do is to start using Open Source products, which will save lots of money forever.

There are many other Free & Open Source software which can be used for PMS (Project Management System), CRM (Customer Relation Management), CMS (Content Management System), Office suite, Email Clients, Messengers etc. These are available free and can be customized with respect to requirement & industry type. They are free to distribute, tied under GPL licensing. There is ample help available over internet about this, there are lot many consultants who can help in using and implementing Free & Open Source software.

Short Term Strategies

- Have people statistics at your fingertips
- Read the business press everyday
- Justify and evaluate your spending
- Check your contractual and legal obligations
- Communicate extensively with employees

Reach out beyond HR - think economics

HR Managers in large firms in today's business climate have to start at the very top of the strategic process. We are on the cusp of the most dramatic shakeup in business conditions in 70 or 80 years. And, unfortunately, we will be lucky if it is only a recession.

One of the first practical things the human resource manager should do is to help people in the company understand why the credit crunch happened, why it is so serious and what it means in terms of their employment.

Think beyond defense lead

Human resource managers should entrust their faith on the creativity, the wit, the curiosity, and the plain initiative of the ordinary people of our country, and look particularly to the spectacularly self-driven and honest new generation who are just coming into junior management positions. The Human Resource manager should get the experienced veterans to show clear leadership while encouraging the fresher to do the job better.

The Human Resource Manager should look forward to support leadership in this climate

- (i) He should focus on his basics. He should be in time for the strategic meetings and facilitate full discussion. His job is to stop groupthink, and to keep the conversations grounded and positive. Negative thought leads to tunnel vision. Positive thought about collective action generates creativity and sustains morale and the human resource department should look forward to promote that.
- (ii) With or without these commitments, ask employees to engage in scenario planning on their own account.
- (iii) Facilitate more interactions between the employees to stop cold wars and better security.

COLLECTIVE EFFICACY

Collective efficacy is simply our belief in each other's competence. The human resource department should facilitate social network so that the workforce gets to know each other, beyond their immediate workgroup, and begin to appreciate the depth of talent available inside the organisation. Such insight generates the energy for the extra mile, the extra idea, the extra five minutes of patience, and ultimately the thriving that they hadn't thought possible.

In Hindi, they say: "*Taali ek haath se nahi bajti*" (You can't clap with one hand)

Similarly the efforts of the Human Resource manager remain incomplete till the human resource themselves co-operate and put that extra bit of effort to help the management and obviously themselves.

ON THE PART OF THE HUMAN RESOURCE/EMPLOYEE

The Human Resource manager should take into account the inexperience of the employees in handling such a situation and advise the employees on the following tactics:

- a. **Discuss with Boss:** The employee should talk directly to the immediate manager about how to improve job performance: The employee, in case not confident and inexperienced should sincerely ask for advice from the immediate boss about his/her situation. They should be asking for the truth. Because the manager himself is likely under a lot of stress, too, so finding ways to help him/her and make him/her look better means the employee is less likely to be sent packing.
- b. **Learn Other People's Jobs:** One of the best ways to keep the job during a recession is to increase the value to the employer. If anyone can do the work of two, or even multi-task, he has a better chance of outstaying his peers. The workforce must cross-train for greater strength and resiliency. It is also important that having picked up some new job skills or strengthened old ones, let people know. The employee needs to show other people how his/her strengths can be utilised in other departments, capacities, or fields.
- c. **Be Profitable:** The employee must be clear how his/her work either makes the company money or cuts costs or both. He must talk to trusted friends, co-workers and even the boss. Letting one's boss know that he/she is trying to improve the job performance and contribution to the bottom line reminds them of how essential he/she is. The employees should be certain that the results focused on are the ones the boss and company value most.
- d. **Toot Your Own Horn - Loudly!** : The employee should not stay quiet about job performance and contributions. Personal efforts to move the company forward – staying late to complete a project, having a great call with a client, training someone else in a new skill or improving one's output – should be highlighted before the boss. Resourcefulness and willingness to work hard are attributes most managers want to keep in-house.
- e. **Rise Up and Take Command:** Slowdown is a good time to take charge because if the employee survives he/she'll be a time-tested veteran who helped lead everyone through the worst of times. Thus his/her job could be more secure and well-paid than ever.

CONCLUSION

The current human resource practises followed during the time of recession in the industry are highly inconsistent with the policies of teamwork, security and cooperation that these companies so strongly advocate in the normal course of action. However, during the period of recession, the hollow human resource principles are exposed as the same motivators of the work force turn predators naturally striking panic and fear among the employees. Naturally, their output reduces significantly and unethical practices like backstabbing, negative competition etc. creep up. It is ironical that at the time when the organisation is taking certain steps to increase overall productivity, the steps that it is taking are actually lowering productivity.

In sharp contrast to the traditional view that pay-cuts and downsizing are the only ways to react in a recession scenario, we have, in this paper, projected Creative Human Resource Management as the one-stop solution to the challenge offered by the crisis. It is essential to upkeep the principals advocated by the company at all times. Creative Human Resource Management is consistent with the driving principles of togetherness, team-spirit, co-ordination etc. which increases the confidence of the employees and encourages the work force to work in pursuit of team goals.

It entrusts human resource managers with the responsibility to counsel the employees and advise them on how to react in the current scenario. It also encourages human resource managers to see retrenchments as a last-ditch option. Creative Human Resource Management instructs human resource managers to move outside their comfort zone and examine other areas to cut costs in doing which they can take employee opinion and use discretionary powers.

Consequently, Creative Human Resource Management fulfills the main characteristics of a good Human Resource

Management system by creating positive work culture in a negative environment. But mainly, Creative Human Resource Management increases the productivity of the company at the time of its greatest need while upholding the interests of the employees. In short it is like having your cake and eating it too.

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