

The Liaison between Strategic HRM Practices and Revolution in Organizations

Appasaheb Shivappa Bannenavar^{1*} Dr. Ashutosh Verma²

¹Ph.D. Research Student, MUIT, Lucknow

²Research Guide, MUIT, Lucknow

Abstract – Human resources are regarded as one of the most important sources of today's firms. Human resources management is more important than other competitive sources because these people use other assets in organization, create competitiveness and realize objectives. Thus firstly, organizations must understand the expectations of their workforce in order to achieve the desired performance. The realization of the expectations of employees will enable the desired behavior of employees in the organization. Some of the desired outcomes of the organization in managing their workforce are: competence, cooperation of employees with managers, cooperation of employees between them, showing the capabilities of employees; motivation, commitment and satisfaction; attitude and presence; employee behaviors. The overall goal of performance management is to create a culture as high performance in which individuals and teams to take responsibility for the continuous improvement of business processes and their skills and contribute in achieving the targets set by managers. In particular, management performance can be expressed as the approximation of individual objectives of employees with organizational objectives provided that employees support the culture of the organization.

Keywords: HRM, Revolution, Organizations, Important, Workforce, Performance, Employees, Behaviors, etc.

----- X -----

INTRODUCTION

Today in the world, global competition is the basic element to define firms' strategies as a result industrial economy has been experienced to pass toward to knowledge economy. As being a competitive market development day by day it's very difficult to enhance sustainable growth for the firms' side. All researchers and practitioners are aware of the advantages and disadvantages of a competitive work environment and try to find ways for adapting to competitive conditions. These efforts have mostly focused on human resource management practices in the last two decades especially with the emergence of strategic human resource management approach. There is a considerable difference between the prospects or prescriptions in favor of the "investment in man", and the practices of the companies. Human resources function is well developed and completely recognized, its importance is increasing, but nothing makes it possible to think that the most traditional constraints and priorities were confused: the control of market, requirements of finance and short-term profitability, surveillance of competitors, the possibility of recruiting a well-educated labor under advantageous conditions: many factors invite to found the idea of "strategy of human resources". The relationship between

perceived sufficiency of Human Resource Management practices, person organization fit, and person-job fit has not been examined before. In the present study, it is theorized that perceived sufficiency of HRM practices contributes to actual and perceived person-organization fit and perceived person-job fit.

REVIEW OF LITERATURE:

HRM practices are perceived as sufficient; the employee will have a better sense of fit with the organization and the job. In addition, the other hypothesis asserts that anxiety will influence the positive relationship between perceived sufficiency of HRM practices and person-organization fit and person-job fit. That is, although HRM practices are perceived as sufficient, persons with high anxiety may not have a better sense of fit with the organization and the job. It is a necessity that the strategic approach to human resources issues to be addressed in modern organizations. Changing internal and external environmental conditions and new problems emerging and complex understanding of management-organization is the most important source of competitive advantage must not forget to give strategic importance to man. Into almost every

part of the world as a result of globalization, operations, growth, downsizing, mergers, restructuring and corporate responsibility as the lives in the process, introduced concepts such as active and working every day to try a new technique in the management of human resources in organizations, management is becoming a very big importance and priority. Therefore, human resource management issues to be addressed at the highest level in the organization and management of strategic decisions are required. People in all matters related to the organization as a whole is brought together and integrate in a way compatible with its surroundings. Managers with strategic decisions and practices focus on results and it should reflect the thoughts and actions. As the technology presents new solutions to the organizations, HRM departments start using cutting-edge technology solutions in the market. Purchasing the best-of-breed tool in the market seems the best solution. However, using tools directly commercial-off-the shelf brought new problems rather than informing the business processes. Human resource management literature has generally focused on the constructs of commitment, job satisfaction, and organizational effectiveness. The fit between persons and organizations, and persons and jobs is a neglected area. However, when one considers the intended goals of HRM practices, a sense of fit may be suggested as an expected target. Thus, it seems worth studying whether the positive views of employees about HRM practices makes a difference in terms of their fit with the organization and the jobs that they undertake. Previous studies have revealed that person-organization fit has significant effects on organizational commitment, performance, positive work attitudes, turnover intention, and the like. But the antecedents of person-organization fit have not been studied as frequent as the outcomes of person organization fit. Among the few antecedents that have been studied, organizational entry and socialization can be mentioned. The present study aims to make a contribution to the literature by examining the perceived sufficiency of HRM practices as an antecedent of person-organization fit.

Although it was commonly accepted that HRM practices had formally started with industrial revolution, the fact is that the roots of HRM lie deep in the past. Just as the employees who shared the tasks that have to be done in modern organizations, humans in ancient societies also, divided work among themselves. So it can be said that division of labor has been practiced since prehistoric times. Tasks were allocated according to skills such as the ability to find food or plants, track animals or cook but the major contribution to the development of the HRM systems is provided by industrial revolution in the 1800's. The terms of human resource management (HRM) and human resources (HR) have largely replaced instead of personnel management (PM) in the processes of managing people in the organizations. While human resource management is defined as a strategic and

coherent approach for the organization's most valued assets behind on the workers, there is no upon description of it. Personnel department is mostly to manage the paperwork around hiring and paying people.

1- Scope of HRM: As HRM has tools of a system which attracts, develops, motivates, and retains the effective functioning related with the people managing; the scope of HRM is very wide. Researches in behavioral sciences show that new trends in managing workers and advances in the field of training have expanded the scope of HR function in recent years. The Indian Institute of Personnel Management has specified the scope of HRM thus (Truss, 2001):

- Personnel aspect: This is concerned with manpower planning, recruitment, selection, placement, transfer, promotion, training and development, lay off and retrenchment, remuneration, incentives, productivity, etc.
- Welfare aspect: It deals with working conditions and amenities such as canteens, creches, rest and lunch rooms, housing, transport, medical assistance, education, health and safety, recreation facilities, etc.
- Industrial relations aspect: This covers union-management relations, joint consultation, collective bargaining, grievance and disciplinary procedures, settlement of disputes, etc.

The main aim of the human resources management is using the salaried staff in an organization effectively and salutary for the organization's benefits. Thanks to this productive work environment, organization can reach its goals and continue its functions.

Today, operating organizations continue their existence for different goals according to organization's type and aims. These organizations can be classified as private, non-governmental and public establishment. While the preferential aims of the public establishments are fulfilling the public's needs, private establishments' aim is earning profit. Non-governmental (civil) establishments' aim is fulfilling the public's needs and carrying on their business like public establishments (Akçakaya, 2010). These three kinds of establishments' common aim is giving quality service. There is an important issue to be considered here: All these three organizations need a common ground. This common ground is human resource. No matter how strong the financial resources of an organization, probability of success will be low if the human resources do not have sufficient activity. Low effectiveness of human resources means that the organization slogs on

reaching the targets set for the future and profitability level.

2- Affecting Factors on HRM: Traditionally, the personnel function centered on control and direction of employees for achievement of predetermined goals. The Human Resources Approach, in direct contrast to this, recognizes the worth of human being in the realization of corporate goals. It takes a supportive and developmental route to achieve results through the cooperative efforts of employees. When opportunities for growth and enhancement of skills are available, people will be stimulated to give their best, leading to greater job satisfaction and organizational effectiveness. The manager's role, too, has undergone a dramatic change over the years. From control and direction of employees, he is expected to move toward clarifying goals and paths and creating a supportive and growth oriented environment, where people are willing to take up assigned roles willingly and enthusiastically (Kumar, 2009). The effective use of people is the most critical factor in the successful accomplishment of corporate goals. To be effective, therefore, Human Resource managers need to understand the needs, aspirations, and concerns of employees proactively, face the challenges head-on and resolve issues amicably. They are expected to successfully evolve an appropriate corporate culture, take a strategic approach to the acquisition, motivation and development of human resources and introduce programs that reflect and support the core values of the organization and its people.

This is easier said than done in view of constant changes in environment characterized by the following things.

Size of Workforce: Corporate have grown in size considerably in recent years, thanks to global competition in almost all fields. The size of the work force, consequently, has increased, throwing up additional challenges before HR managers in the form of additional demands for better pay, benefits and working conditions from various sections of the workforce constantly.

Composition of Workforce: The workforce composition is also changing over the years. The rising percentage of women and minorities in the work force is going to alter workplace equations dramatically. Demands for equal pay for equal work, putting an end to gender inequality and bias in certain occupations, the breaking down of grass ceiling have already been met.

Employee Expectations: "Instead of attempting to force employees to conform to 'corporate mould' future managers may well have to make more allowances for individual differences in people."

3- Human Resource Management Functions: In general, human resources management aims to increase contributions of employees in organizations. Those contributions are new ideas, productively working and success. Human resources management should be responsible for social aims. This means human resources managers should behave fairly to social ethical norms and at the same time they should minimize the negative forces on organizations because of their demands from organizations. Human resources management is also responsible for organizations this it can be guessable from the concept. Their aims firstly establish fairly and higher standards of working places for every worker. Robinson defined HRM role is the provision of assistance in HRM issues to line employees, or those directly involved in producing the organization's goods and services. Acquiring people's services, developing their skills, motivating them to high levels of performance, and ensuring their continuing maintenance and commitment to the organization are essential to achieving organizational goals. The authors proposed an HRM specific approach as consisting of four functions- staffing, training and development, motivation, and maintenance. In addition, Bratton and Gold (2003) define HRM as the strategic approach to managing employment relations which emphasizes that leveraging people's capabilities is critical to achieving sustainable competitive advantage. This is achieved through a distinctive set of integrated employment policies, programs and practices. The authors presented HRM functions as planning, recruitment and selection, appraisal and performance management, reward management, development, employee relations, health and safety, and union-management relations.

Human resource management that is should be evaluated on the basis of business as a whole and the human resource management functions cannot be considered independent from each other (Taylor 2009). As it is mentioned before, Human Resource Management in accordance with the organization's culture, accurate and up-to-earth as part of a specific strategy of the organization to continue its activities is an inevitable necessity. Doubtlessly, the basic functions of Human Resource Management should

be processed in the context of the strategies because both at the point of corporate sustainability and corporate activities they undertake an active role in the successful sustainability are accepted (Dessler, 2009). In human resource management, to provide the sufficient number of employees timely a plan should be made considering the organization's present potential, development trend and strategic targets. It is called as human resource management which aims using the present human resources wisely, supplies the future human resource needs in terms of quality and quantity. According to Nagi (2008), when there is a need in the organization, human resource management is an operation which provides the proper employees for the organization. Human resource planning is a process in which the employees are evaluated from the entrance to the exit of the work. Human resource planning should be determined according to organization's vision, mission and strategies. The required number of the employees, their quality, how and to what extent they should work is connected to the human resource management. With the planning, human resources are prevented from being less or more than the necessary.

4- Relationship between Organizational Effectiveness and Human Resources Management:

Most of the early reviews of the literature were published by notable industrial psychologists. As a consequence, these reviews tended to emphasize applied individual-level issues, such as employee testing, training and motivation. Gilmer's discussion of situational variables explicated the importance of matching personnel strategies with organizational strategies. Further, Gilmer invited researchers to design measures to assess the relationship between "individual personalities" and "company personalities". Some researchers have proposed that evaluations of effectiveness should be based on financial measures (e.g., profit) and for years, human resources issues have been secondary to such measures (Sagie, 2010). Today, many CEOs agree that profit alone is not enough to hold the enthusiasm and loyalties of employees or to call attention to the vital elements of a business that must receive attention if it is to perform effectively. Under the threat of exit, organizations now recognize that they must fulfil responsibilities to many constituencies, including employees. An organization is created in which the human resource management practices of the past no longer fit. Organizations are faced with a situation that cries out for new solutions to the thorny challenges of integrating business and people needs (Francis, 2006). Human resource management practices enhance organizational effectiveness and performance by attracting, identifying, and retaining employees with

knowledge, skills, and abilities, and getting them to behave in a manner that will support the mission and objectives of the organization. Thus, the effectiveness of HRM practices depends on how it engenders the appropriate attitudes and behaviors in employees, in addition to its implementation. Today, HR departments are expected to contribute to organizational performance, and many organizations now believe that the success of the strategic management process largely depends on the extent to which the HR function is involved. Studies at the last decade have reported rather large effects on such outcomes as employee turnover, productivity, quality, profits, and even stock prices. Trouble is, for a variety of methodological reasons - including unreliable measures of HRM and OE, common method variance, poorly specified models, and cross-sectional rather than longitudinal research designs - these estimates strain credibility to the point of incredulity. Over time, employees who feel neglected will seek alternatives and may withdraw either through increased absenteeism and turnover or decreased commitment. This may threaten the firm's survival or at least hinder its success as other sources of competitive advantage such as scale economies and protected markets wane - "what remains as a crucial, differentiating factor is the organization, its employees, and how they work" (Haines, 2008). It is important that a firm adopt HRM practices that make best use of its employees. This trend has led to increased interest in the impact of HRM on organizational performance, and a number of studies have found a positive relationship between so-called "high-performance work practices" and different measures of company performance. Furthermore, there is some empirical support for the hypothesis that firms, which align their HRM practices with their business strategy, will achieve superior outcomes.

CONCLUSION:

Human resources with developed talents and creativity who are able to reach and utilize information constitute the main power of competition in the world market. Those companies and institutions that make investments on human resources and attempt to create working conditions that are compatible with their requirements and wishes are the ones who reach success. The employees are the biggest support that institutions need during renovation periods. Institutions that were able to please their employees in the past and were able to implement loyalty and trust, can endure difficulties more easily. The main purpose of human

resources management is the employment of human resources in the most efficient and productive way. Nowadays; the success of institutions is evaluated by their communication. Communication is the power of competition in production and service. Sharing information with the all the employees and managers, production of information, its distribution and reflection to daily life and service constitute the main structure of communication inside the institution. Human resource management is one of the necessary needs of today's business. Human resource management department has a very important role for supply of the human being to main resources of companies. Human resource management department has fundamental role for personnel recruiting, orientation and performance appraisal and so on. The performance evaluation within this process, it's not only for evaluate of employees performance therewithal it's important to get strengthening of the bond between employee and employer. Performance evaluation is one of the important matters for companies getting successful. If the companies can use to performance evaluation correctly, it's bring to successful performance management and then bring success of the company. The aim of this study to give some information about human resource management and underline important of human resource department is then make prelude to performance evaluation and give some information about performance appraisal process.

REFERENCES:

- Akçakaya, M. (2010). İnsan Kaynakları Yönetimi İnsan Kaynakları Planlaması Norm Kadro Uygulaması, 1. Baskı, Turhan Kitapevi, Ankara, p.17.
- Bratton John and Gold Jeffrey (2003). Human Resource Management: Theory and Practice third edition London: Palgrave Macmillan
- Dessler, G. And Varkkey, B. (2009). Human Resource Management- Concepts, Competencies and Application, 10th ed. Dorling Kindersley (India) Pvt. Ltd.
- Francis, H. & Keegan, A. (2006). The changing face of HRM: in search of balance. Human Resource Management Journal, 16(3), pp. 231-249.
- Haines, V. Y. & Lafleur, G. (2008). Information technology usage and human resource roles and effectiveness. Human Resource Management, 47(3), pp. 525-540.
- Kumar, A. (2009). The Strategic Role of Human Resources Management. <http://www.slideshare.net/kumaravinash23/shr-m-2634998>
- Nagi, E., Law, C., Chan, S., Wat, F., (2008). "Importance of internet to human resource practitioners in Honkong" *Personnel Review*, Vol. 37 No. 1, pp. 66-84
- Sagie, A. & Weisberg, J. (2010). The transformation in human resource management in Israel. *International Journal of Manpower*, 22(3), pp. 226-234.
- Taylor, J. C. & Stern, Gary M. (2009). *The Trouble With HR: An Insider's Guide to Finding and Keeping the Best Talent*. ISBN 9780814413449. American Management Association. New York, p. 65.
- Truss C (2001). Complexities and Controversies in Linking HRM with Organizational Outcomes, *Journal of Management Studies* 38(8): pp. 1121-1149

Corresponding Author

Appasaheb Shivappa Bannenavar*

Ph.D. Research Student, MUIT, Lucknow

E-Mail – asbanne1947@gmail.com