

Advances in Strategic Human Resource Management
Prof. Ashish Pandey
Shailesh J. Mehta School of Management
Indian Institute of Technology, Bombay

Strategic Human Resource Management (SHRM) and People Competency
Maturity Model
Lecture - 01 C
Contributions of and Trends in HR Function

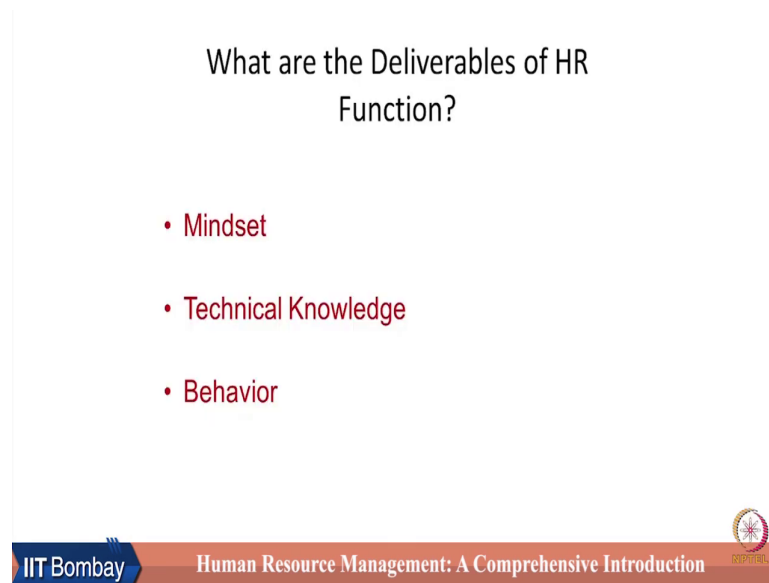
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Generic Strategies		
Generic Strategies	Management Process and Systems	Competencies and Resources Required
Cost Leadership	<ul style="list-style-type: none">• Efficiency driven• Generally economies of scale• Process Excellence	<ul style="list-style-type: none">• Tight cost control• Tight management control system• Structured organizational responsibility
Differentiation	<ul style="list-style-type: none">• Innovation driven• Generally unique capabilities driven• Engineering excellence	<ul style="list-style-type: none">• R&D and its strong coordination with marketing• Incentives for value adding innovation• Flexible and agile organizational system
Niche or Focus	<ul style="list-style-type: none">• Combination of above towards a particular segment	

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The next question is, if we have to assess the contribution of HR function to the whole organization what will be the parameters? What are the deliverables of HR as a function?

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What are the Deliverables of HR Function?

- Mindset
- Technical Knowledge
- Behavior

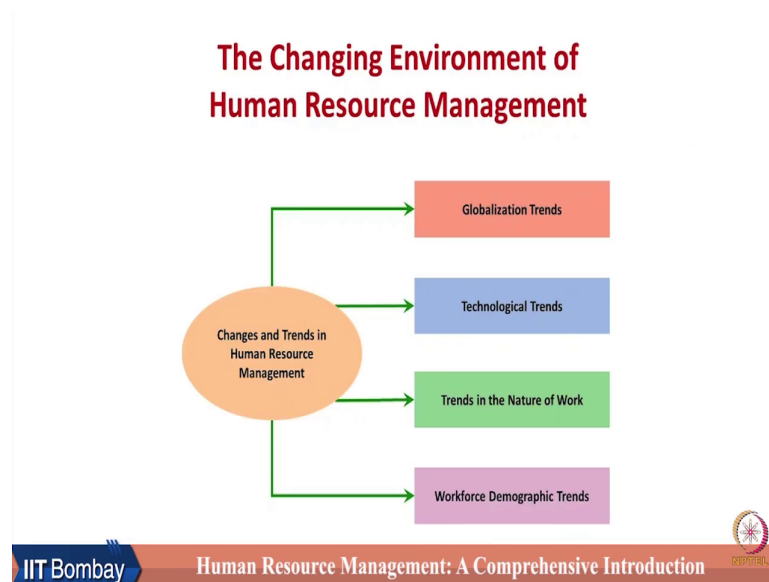
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Like marketing deliverable is to market the product, like production department has a deliverable to produce the product and services in the most efficient way. In the same manner, what are the deliverables of HR function? So, deliverables for HR function are considered to be a mindset, technical knowledge of the employees and behavior of the employees. Mindset is the combination of attitude, belief, commitment, motivation, morale of the employees.

Technical knowledge is related to the specific technical knowledge and general technical knowledge required to function in an organization. And technical knowledge is not only related to the production or innovation, it can also be related to following the safety norms. Or it can be also about following the simple processes and systems.

Then, comes the behavior, organization member should behave in a way which is good for the team and for the organization.

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The role of HR is being influenced by some of the major changing elements in our environment. These changing elements or trends can be clubbed in the 4 broad streams globalization trend, technological trends, trends in the nature of work and work force work force demographic changes.

Globalization, we all know is about sales or manufacturing of the services and product in the country outside of the outside of the country where the company was established. We know that globalization has been a major change force in last 80 years a World Trade Organization

was formed to promote globalization or global trade. Intellectual property is also part of this global trade.

There are some regional blocks also constituted to promote the inter country trade and exchanges like North American Federation or European Union. Globalization has increased competition and has given most and has given immense choices to the customers. As a result of that, customers are becoming more and more demanding and that is putting pressure on the employees to offer their best and better always next time.

Then, there are some technological trends. Today's time is perhaps most interesting time in terms of technological developments and how the different technological developments are affecting all spheres of life. So, naturally, HR function is also bound to be affected by the technological trends. Just one example, a few decades ago or say just one decade ago most important source for recruitment used to be the manpower consultant or recruitment consultants.

Now, can you think about who is the most reliable sourcing consultant for the organizations? That is not an animate organization that is LinkedIn. LinkedIn has become one of the most sought after source, one of the most reliable source for identifying the potential recruits.

Similarly, artificial intelligence and robotics are changing all aspects of the HR function. We can take example of a Indian company called ZingHR. They offer the cloud based HR services to their clients. And now they have also connected their function through based on AI and robotics.

As a result of this, they are creating a self-learning system. These are just examples of some of the technological trends which are affecting all aspects of the HR function, whether it is related to performance management system, recruitment, training and development, compensation management etcetera.

Nature of work is also changing in conjunction with the change and development of technology. Organizations like Ola, Uber, Elance, these are the organization of the so called

employees which are not employees in a conventional sense. These employees choose the working hours for themselves and they are loosely connected to the core organization. This is the change of the trends in the nature of work.

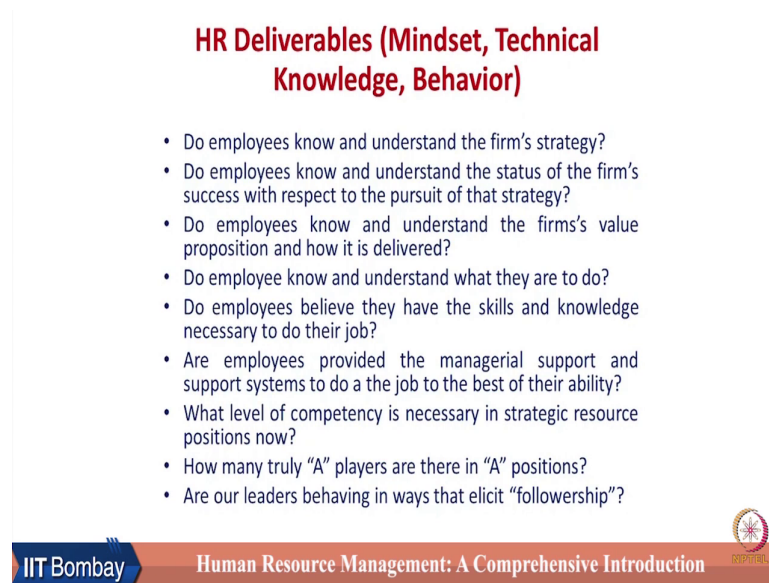
Now, we see so much emphasis on working from home using technology, particularly the information technology to work from home. We are also seeing the work force demographic trends are changing. In any society, population follows a particular trend. Currently, India is a young society. The average age of India is about 28 years, but it is not going to remain same. In next 7, 8 decades, the average age will be much more of India in comparison to what it is today.

In that situation, we will require a different kind of HR systems and processes to support the aging work force. This situation is already there in Japan in many European countries. This is one kind of the change in the demographic trend, which will keep coming in few decades or which will keep coming in different forms in different societies.

Currently, we are also talking about generation X, generation Y or called millennials and their entry into the work force. They are different in terms of their aspirations, in terms of their exposure. And as a result of that, their expectation from work, workplace and supervisors are different from the people of the earlier generation.

This can be understood as a challenge or must be understood as a inevitable trend in the work force. So, these are the important trends which are affecting the human resource management function.

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HR Deliverables (Mindset, Technical Knowledge, Behavior)

- Do employees know and understand the firm's strategy?
- Do employees know and understand the status of the firm's success with respect to the pursuit of that strategy?
- Do employees know and understand the firm's value proposition and how it is delivered?
- Do employees know and understand what they are to do?
- Do employees believe they have the skills and knowledge necessary to do their job?
- Are employees provided the managerial support and support systems to do a the job to the best of their ability?
- What level of competency is necessary in strategic resource positions now?
- How many truly "A" players are there in "A" positions?
- Are our leaders behaving in ways that elicit "followership"?

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I would like to point out some of the questions, some of the pointed questions and each HR has to answer these question to put up what value they are bringing to the business organization.

Do employees know and understand the firm's strategy? This is first question. HR must answer to itself and to the business leadership. Do employees know and understand the status of the firm's success with respect to the pursuit of that strategy? Do employees know and understand the firm's value proposition and how that is delivered in the market place?

Do employees know and understand what they are to do, what is expected from them? Do employees believe they have the skills and knowledge necessary to do their job? Are

employees provided the managerial support and support system to do a job to the best of their ability?

We all know that India is enjoying the demographic dividend, meaning having a large pool of skilled man, large pool of the youth population, a working population. But that is not sufficient. The youth population also have to have strong skill sets which are relevant in the market place. HR has to keep asking within the organization, do people have appropriate skills and competencies to deliver what is expected from them?

Last, but not the least, what level of competency is necessary in strategic resource positions now? How many truly “A” players are in the “A” positions? Do we have the best people populating the most critical positions in the organization? Are our leaders behaving in the way that elicit “followership”?

Nothing inspires more to the employees than leader’s behavior. So, HR need to look at the leaders as well as employees in terms of their behavior, their mindset and the competencies.