

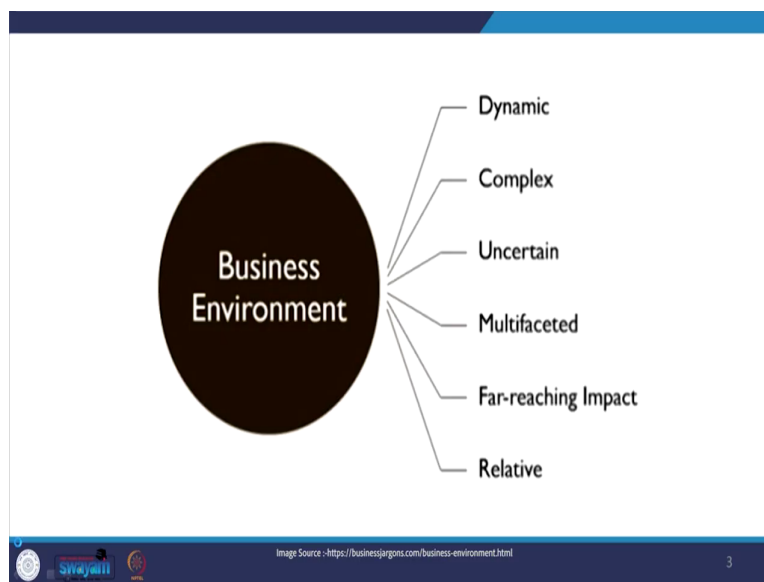
**Talent Acquisition and Management**  
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**Lecture - 53**  
**Management in The New Economy**

In the knowledge economy, it becomes very important how we are talking about talent management. So, the days have gone when in the economy we were talking about the machinery and capital only and manpower or the human capital was not that much recognized.

But now we talk about the new economy and in the new economy that knowledge is the power. What Shri Krishna has told to Arjuna is a gyanmeva Shakti, knowledge is power. And therefore in that case, it becomes very important that we study this particular subject in this particular context. So, it is the introduction; nontraditional workers and their characteristics; nontraditional workers benefits and drawbacks; organizational reasons for employing.

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So, in the business environment we know it is very dynamic. And as we have just watched, how in this century we are facing the different types of challenges and especially the health care challenges are there and it will definitely affect the business environment. And if we are not very cautious and sensitive about the social, political, economical, legal, and technological aspects; then in that case, it will be very difficult to run a business successfully.

So, if you want to run your business successfully, your organization successfully; you have to keep a watch on the dynamism of the business environment. But as we see that in this dynamic there is vibrancy, but it is making it more complex. So, complexity is also there in this particular profession or in this particular style of functioning.

So, how is this complexity that we have to resolve and make it smooth. So, but the complexity is the part of business; every time there will be new challenges and then we have to see the solution for that particular problem. Then the unnatural uncertainty is there; as I mentioned about the different dimensions about the spelt approaches social, political, economical, legal, and technological.

Now, we also talk about the internal customer, external customers, and supply, man, machine, material, money, method, minutes. So, it is multifaceted, you cannot just focus on the single dimension and then you can work on that; no, if we have to be capable, developing that capability, so that in this multifaceted business environment also we can smile.

Because there are different situations and in those situations also, we are capable of doing our business. Then there is free reaching impact. So, in the case of the far reaching impact, it becomes very important; that is how you are having the outreach.

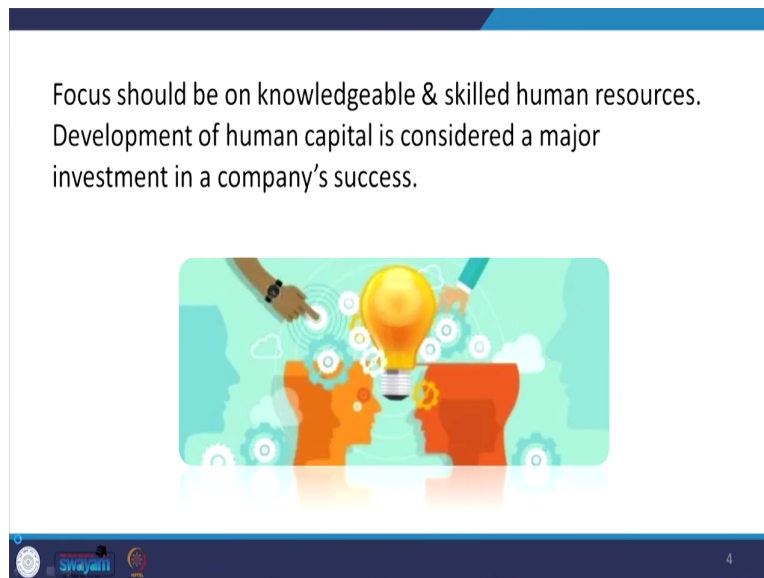
So, if they outreach the society, simply like a very old example is about the branding. So, for this the far reaching impact; if you are talking about the branding, then this branding will be the main dimension, main factor. So, what is affecting society? But now we are not talking; as our prime minister says that we have to think globally and act locally, so that glocal mindset will work. So, it is very important that we are having that far reaching impact on our business also.

So, its impact is how far; far means it is global. Then the relative is there and therefore, in that case we will find that this business dynamism is becoming more and more dynamic and uncertain and complex. But who will handle this? Your talented employees.

So, if these are the traits, but still the business is growing, flourishing. So, what is the reason? Reason is the manpower which you are having; that manpower is very highly motivated. Manpower is also dynamic, manpower is knowledgeable, manpower is experienced, manpower is skillful, manpower's attitude is to accept the challenge. If these dimensions are

there; then definitely in that case you will find that you are able to handle the business environment.

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So, what is to be done? Focus should be on knowledgeable and skilled human resources; because of this complexity, it is a chakravyuh. And you have to enter and exit from the chakravyuh; then definitely you are supposed to be knowledgeable, first and foremost is the knowledge.

So, what are your sources of knowledge; from where you get the particular knowledge? If the knowledge level is one, two, three, four and five, five knowledge levels are there. If the knowledge level of the five levels is right, then you have to reach level 5.

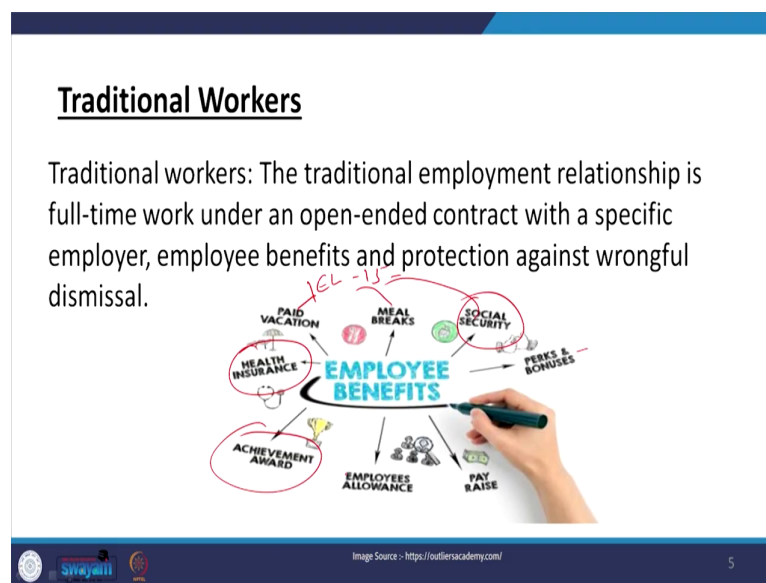
So, your employees should be trained; they should be ready, ready for accepting the challenges. So, they should be competent and therefore; but how will they be? What is the competency? So, that is knowledge and skills. Now, skills we will see in different dimensions.

So, skills are also required and those skills will be the technical skills, human skills, conceptual skills, analytical skills, and designing skills. So, all these skills when your manpower is having, then nobody can stop your organization to grow. Development of human capital is considered a major investment in a company's success; because the dynamism of the business environment will be handled by your manpower, that is sure.

So, you may use the technology, but technology; the man behind the technology he is more important, that we should not forget. And therefore, what is required; to develop knowledgeable and skilled manpower.

If your manpower human capital is knowledgeable and skilled. So whatever the challenges come; whether the corona comes or any natural calamity comes, then in all the cases you will find that it is your knowledgeable and skilful workforce that will handle the situation.

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Now, we will see the traditional workers. Who are the traditional workers? The traditional employment relationship is full time work under an open ended contract with a specific employer, employee benefits and protection against wrongful dismissal. So, I would like to mention the labour laws and the industrial relations.

Like here you will find that it is a paid vacation. So, under which clause there is a paid vacation? So, paid vacation is under the factories act, factories act 1948; you will find there is a provision of EL, Earned Leave. For 15 days actually working, there will be the one earned leave. So, that is the (Refer Time: 08:19).

This is also meal breaks, that is a spread over; how long one can continue and after that there should be the break, that is also under the factories act. Health, safety and security is there. So, here these and these are the protections; protections against any wrongful dismissal.

Perks and incentives, so there is the payment of wages act, payment minimum wages minimum wage act and payment of wages act, payment of the minimum wages act and then their payment of bonus act. So, therefore, and so many other provisions are there in different acts, which are providing the perks and bonuses.

So, on the bonus act, payment of bonus act 1965, so this bonus is there. Pay rise, companies increment in all, understanding order act right, that is an increment. The service conditions, service conditions are there. So, therefore, the pay rise is there; annual increment is to be given.

Employee allowance, again the compensation and benefits; achievement award, that you can consider it as a welfare, achievement award, his recognition, employees recognition, employees welfare. So, this is the health, this is the safety, and this is the welfare. So, under the factories act you will find, that is whenever we are talking about the employee benefits; these are the minimum benefits, otherwise I will tell you, because the world has gone beyond all these acts.

In the acts, it is the minimum facility; but if you want to capture the human capital for your growth as we have seen, that is the human capital which takes the organization up. The decision making, that is a choice; that is how to make the choices hm, it is a question of choices that is what we choose.

So, therefore, it is always related to the employee benefits; what type of the benefits do you have? So, these are the minimum and the maximum that you will find; the best employers and best employers there are the meals available at the workplace, there the breaks are available, virtual working hours are there, family is taken care of by their welfare services.

Then the children's education allowance, childrens studies that has been also taken care of, right. Earlier when it was the personal management and it was not the HRD. So, at that time it was a personal matter of the employee; that is his child is admitted in the school, it is a personal matter of the employee, organization has nothing to do with that but those concepts have gone.

Now, the HR department and the welfare departments and administration and HRD all are working taking care of; that their human capital is protected properly, health care issues

protected properly, education issues protected properly right, family matters protected properly.

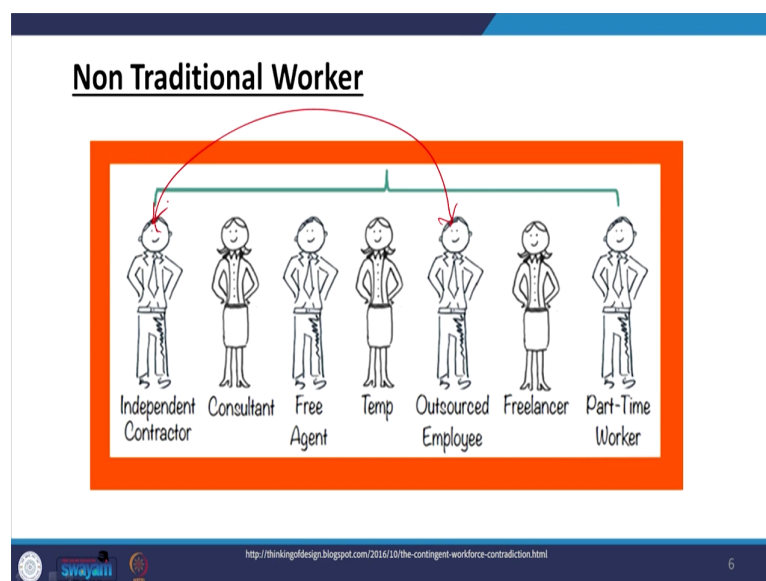
So, if there is any service or assistance that is required if somebody is sick in the hospital and then any service assistance, the organization is ready to provide that assistance; because now the concept is of a family. So, it is a family. And therefore, in that case there will always be the protection; protection will be there against the wrongful dismissal.

So, industrial disputes act. So, that is also the protection against the wrongful dismissal. But however, what I am talking about is the minimum wages act, the industrial dispute act, industrial training order act, gratuity act right all these acts.

But all these acts are for the traditional workers. And they are more manufacturing oriented; because when these acts were made, then most of the influence was of the textile industries. So, I have worked as a labour officer in the textile industry. So, therefore, in that case I know this is all right.

So, 30 years back when I was executing these laws in my cumching mill; so then that time, it was the minimum. So, today when I see that whatever facilities are there under the act, they are the minimum which one employer can bear and has to bear.

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Now, the time has changed, they are the nontraditional workers. So, who are the stakeholders in the nontraditional workers? You will find there are many characters in the nontraditional

workers; like the independent contractor is there. Here I will also connect these independent contractors with the outsource employee.

So, earlier also there was a contractor, but the contractor was providing the labour and all are doing the work inside the factory premises; but now it is an outsourced employee. So, there is nothing like this that you will have all the employees on your master role; master role means that is the regular employment to those employees, those workers, those who are doing the jobs.

So, here you will find that the job is given to a contractor; the contractor is outsourced and an outsourcing is done and the outsourcing employees are there. However, the responsibilities remain with the principal employer; but getting worked done and all these aspects that will be taken care by the contractor. So, this outsource agreement is becoming very important.

Now, the consultant; I will be discussing with you that it is a special role of the consultant also, so that consultant is becoming very important. Nowadays, a problem solver is not working in the organization; it can be hired, the expert can be hired from outside.

So, whether it is a law matter or whether it is a financial matter or it is a medical matter or it is related to the HRM. So, everywhere the consultants are there and then you can take the services of a consultant. Earlier also consultants were there, but they were not that much dominant; the organization was doing itself.

Very few organizations were having the consultant; otherwise their HR executive was doing all the jobs of the HR. Now, not like this, they will outsource and somebody will solve and then charge and then the problem will be solved; no, no it is the HR head only, who is supposed to be the expert of his area.

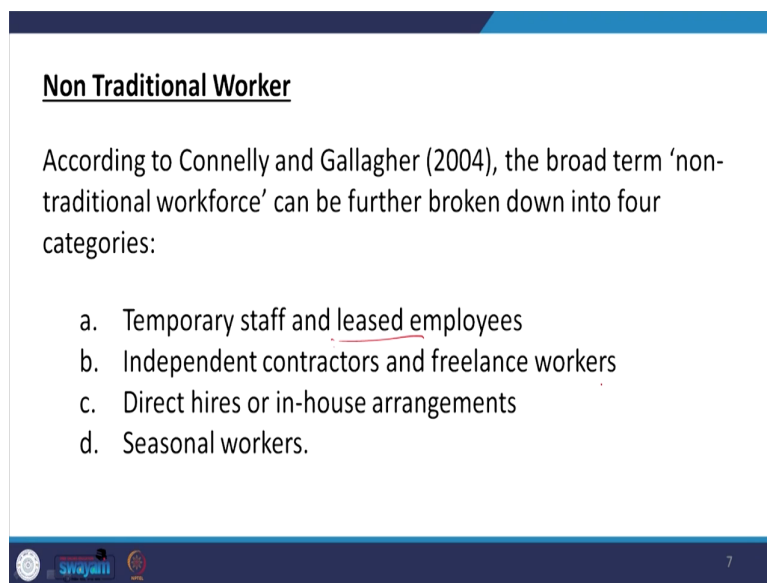
So, therefore, he will become a consultant. There are also free agents. So, therefore, they will charge; but they will do your duty. So, we will find it in the organization, there will be the free agents who are also working. Then temporary workers, for a period of time.

For example, there is festival season and you have to achieve the targets. So, for a short period of time, you are required to employ more employees. So, to employ more employees, what will you do? You will have the temporary workers [FL]. So, therefore, in that case, the temporary workers are there.

I already mentioned that, job is given to somebody, some organizations, some group and then they are doing the job for that master company. Then the freelancer. So, whenever there is a need, call them; they will do their jobs, they will go away. So, there is something like regular employment.

So, freelancers are there. Then the part time workers; as we have seen the full time workers are there, regular employees are there, and there here you will find the part time workers are there.

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**Non Traditional Worker**

According to Connelly and Gallagher (2004), the broad term 'non-traditional workforce' can be further broken down into four categories:

- a. Temporary staff and leased employees
- b. Independent contractors and freelance workers
- c. Direct hires or in-house arrangements
- d. Seasonal workers.

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So, these are the nontraditional workers. According to Connelly and Gallagher 2004 paper, the broad term nontraditional workforce can be further broken down into four categories; temporary staff and leased employees, this lease is becoming very popular.

I would also like to remind you about the economic recession of 2008-2009. So, there was no business; so but they were having the manpower. And you will be surprised to know that manpower was leased to the competitors; because paying the salary for those employees was not possible for the organization.

So, in spite of the termination of the jobs; they were leased for 2 years, 3 years, 1 year. And by 2011, they were back. So, 2009 to 2011 whatever disturbances were there, that was handled by these companies by leasing the employees.



Independent contractors. So, that's just one to one and the freelance workers are there; those who have a particular issue, they will come, they will solve and they will go away. Direct hires or in house arrangements are there. So, therefore, regular employees, direct hire or the in house arrangement.

So the organization is responsible for them. Organization is responsible for the rest of the employees also; for the indirect reason that their employment does not escape the employer to guard their safety and health issues right, that is required to be done. So, there was no problem.

Then the seasonal workers, seasonal workers as I mentioned there is a festival and during the festival there will be requirement of the employees; that will be seasonal workers. Or suddenly like in here you see in health care; health care there is a lot of demand, global level demand. So, definitely seasonal workers will be there; those who will be involved in these particular jobs and then they will be servicing the society.

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Why companies are increasingly focused on hiring Non Traditional Worker?

Customised Projects

GLOBALISATION

Managing Multiple Projects Accurately

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So, why are companies increasingly focused on hiring nontraditional workers? So, therefore, what is important? Customized projects are required. So, in the customers' projects, globalization; in the case of globalization, the workers. Suppose they have two employees; they have to go to Europe for a period of time.

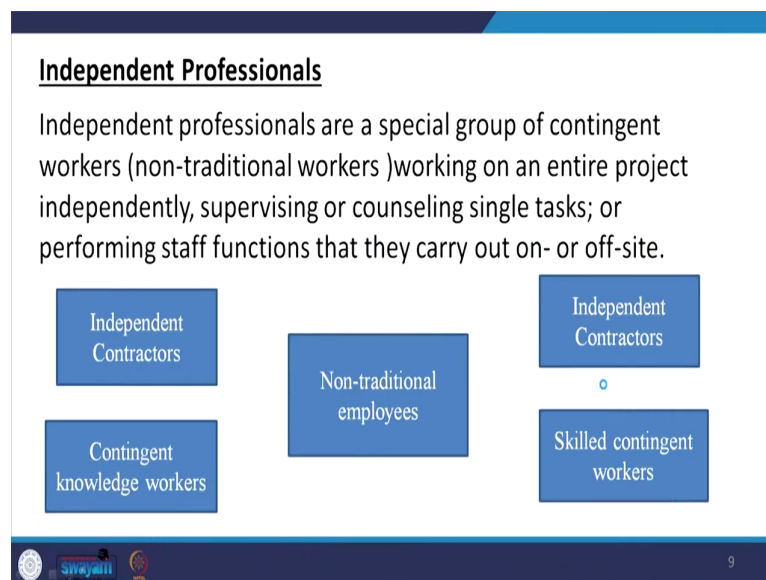
So, naturally they will be the nontraditional workers hired; full time, part time, freelancers will be hired. And then they will be sent at the particular time period, they will come back bye bye. So, therefore, in that case that is the reason when a sort of globalization customized projects. Another one is managing multiple projects accurately.

So, therefore, in that case, that is how the projects are to be done. So, those projects that have been multiple projects are these because of the freelancers, because of the part time workers, because of the full time workers; they hire or then there are the consultants, there are the outsource employees.

So, therefore, in this case you can manage multiple projects. So, that you have to learn; you have to learn that is the what is required is, that is the you have to make the managing the multiple projects accurately and then you will be able to do that.

Independent professionals - independent professionals are a special group of contingent workers, nontraditional workers, right. So, therefore, there will be the nontraditional workers professionals they, these all nontraditional, right. So, what are they? They are non, these nontraditional workers you will find, they are the contingent knowledge workers.

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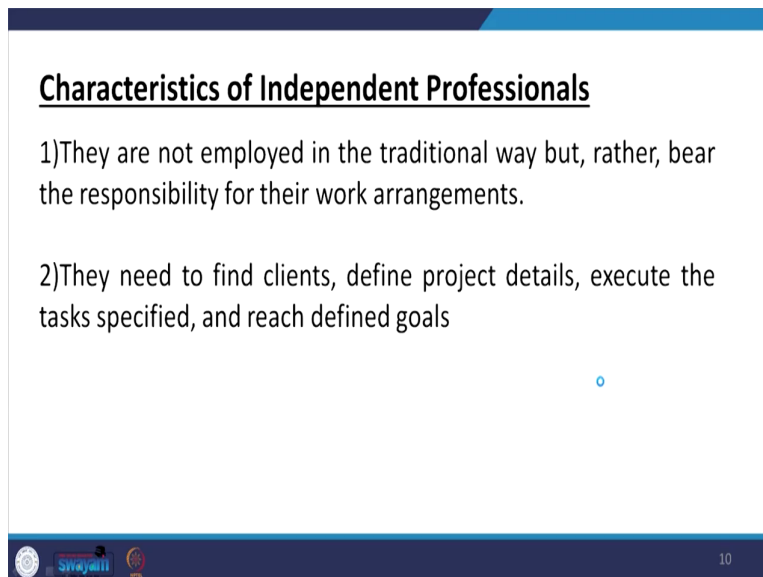
So, for example, if you want to respond to the income tax, you go to the chartered accountant; if there is any disease, you go to the doctor; if there is any civil work, you hire a person and

get the job done and then pay. So, therefore, contingent knowledge workers are there, those who are experts in their skills and knowledge, knowledge and skills.

So, that is supervising or counseling single tasks or performing staff functions that they carry out on or off site. So, whenever they are carrying out these on or off site jobs. So, they will be for a period of time, doing jobs, going away. So, they are non-traditional workers. So, skill contingent workers are there.

So, these skilled contingent workers as I mention; a particular skill is required, may be the skill required for the civil or for the electrical, mechanical jobs. But in most of the mechanical jobs definitely there are more employees are permanent; while in case of the civil and electrical, so there are the less number of regular employees. There may be more employees, but they are not regular employees. So, there are a few regular employees there.

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**Characteristics of Independent Professionals**

- 1) They are not employed in the traditional way but, rather, bear the responsibility for their work arrangements.
- 2) They need to find clients, define project details, execute the tasks specified, and reach defined goals

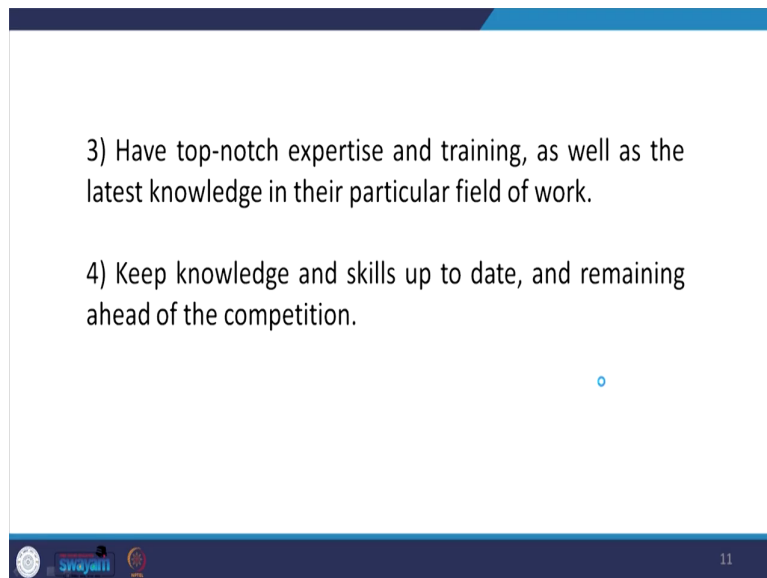
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So, what are the characteristics of independent professionals? They are not employed in the traditional way, not on the master role; that is they are not entering into that direct employees list, but rather bear the responsibility for their work arrangements. But they do the same, similarly they bear the responsibility; they do the jobs as permanent workers.

They need to find clients, because they have to identify where the requirement is. Define the project details, what the project is there; execute the task specified, and reach their defined

goals. So, therefore, when you are exhibiting the task specified as per project details, you will be reaching the different goals.

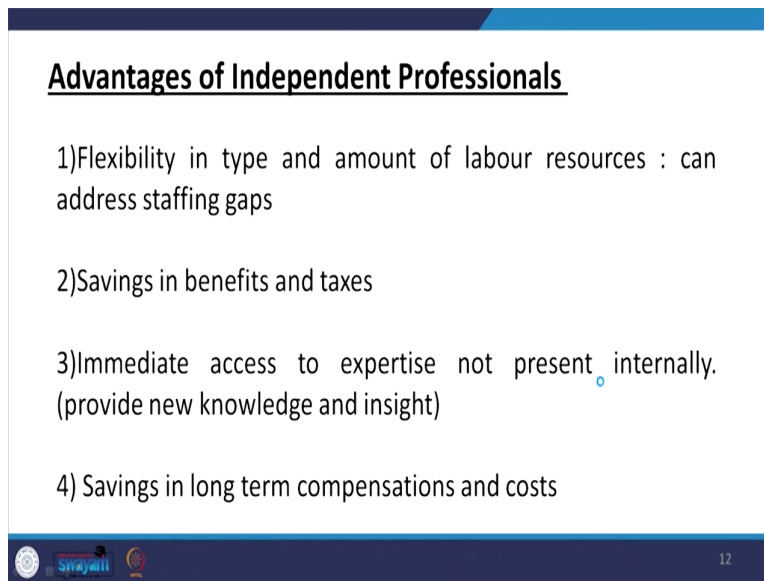
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Have top notch expertise and training, as well as the latest knowledge in their particular field of work. So, therefore, that top notch expertise and that we have to; sometimes for the nontraditional workers, we have to provide the training. Like for the outsource employees, the regular employees will go, they will give the training and ask them to do the job, as well as the latest knowledge in their particular field of work.

Keep knowledge and skills up to date and remain ahead of the competitions; that is the task. So, therefore you have to see, it is not necessary that you have the regular employees and after 10 years if you have enough money, you will start your own enterprise. But you cannot escape from the knowledge and skills update. More you will have, the better will be the knowledge economy.

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**Advantages of Independent Professionals**

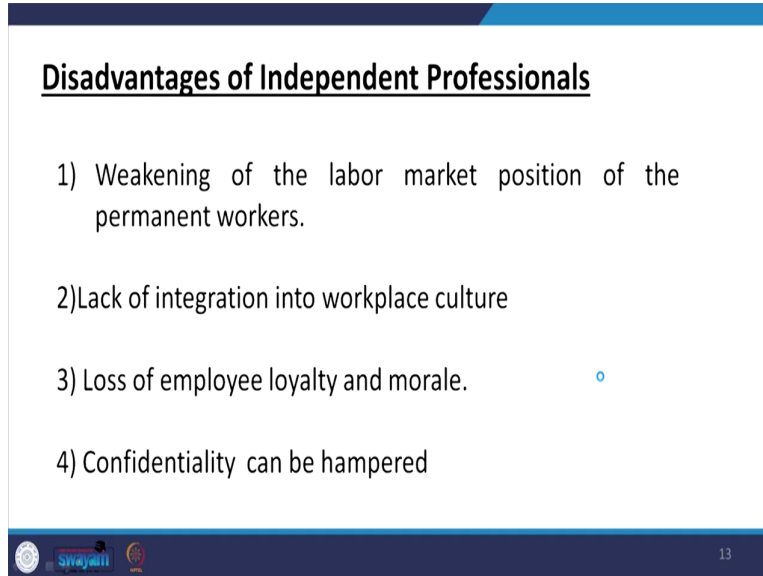
- 1) Flexibility in type and amount of labour resources : can address staffing gaps
- 2) Savings in benefits and taxes
- 3) Immediate access to expertise not present internally.  
(provide new knowledge and insight)
- 4) Savings in long term compensations and costs

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Advantages of the independent professionals; this type of training trains talented people. Flexibility in type and amount of labour resource can address the staffing gaps. Savings in benefits and taxes; immediate access to expertise not present internally, that is a new knowledge and insight. As we know that is the technology level  $g_1, g_2, g_3, g_4$ ; you know  $t_1, t_2, t_3, t_4$ . So, the technology level is going high and unlike you are working on  $g_5$ , Japan is working on  $g_7$ .

So, you have to see how your old workers, traditional workers; how long they will go with that journey. So, therefore, they have to access expertise not present internally, provide new knowledge and insight. Savings in long term compensation and cost. Naturally when you are doing these independent professionals, you are having the long term benefits.

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**Disadvantages of Independent Professionals**

- 1) Weakening of the labor market position of the permanent workers.
- 2) Lack of integration into workplace culture
- 3) Loss of employee loyalty and morale.
- 4) Confidentiality can be hampered

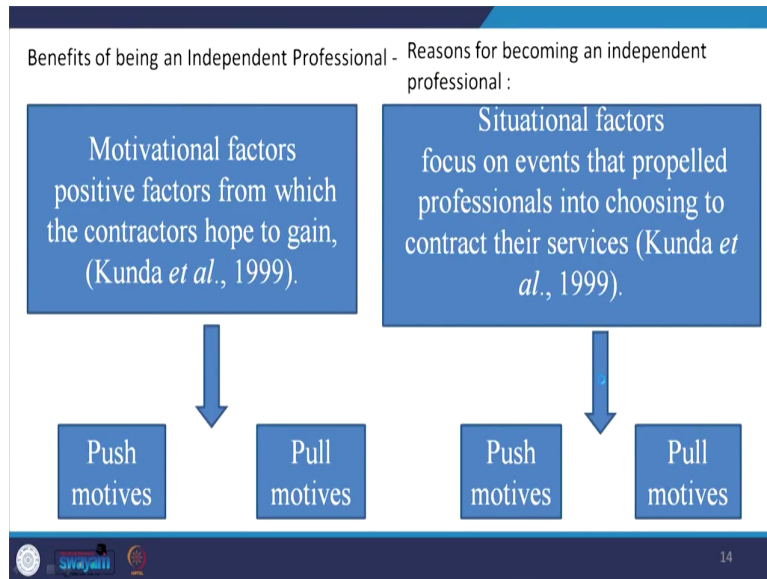
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But there are certain disadvantages also. Weakening of the labor market position of the permanent workers, as a result of which the people are now not going for the permanent workers, they are looking for the temporary workers. So, lack of integration into workplace culture. This is a very important issue; because they are not used to work, it is the outsource.

So, culture is not known and if the culture is not known right; then it will be difficult to adjust with the organization and give the output to the organization. Loss of employee loyalty and morale; because they are not permanent employees, so there is no loyalty. Today, for 3 months the one employer and next 3 months is another employer.

Confidentiality can be hampered by that knowledge; because when they leave after doing their task, they are not leaving as it is, they are leaving with that knowledge, knowledge about your business secret and therefore, they are becoming the more knowledgeable workers.

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So, the benefits of being an independent professional are reasons for becoming an independent professional. Motivational factors are positive factors from which the contractor hopes to gain; that is a push and pull motive.

And this is for becoming independent professionalize; that is the situations on events that propelled the professionals into choosing to contract their services, push motives and pull motives.

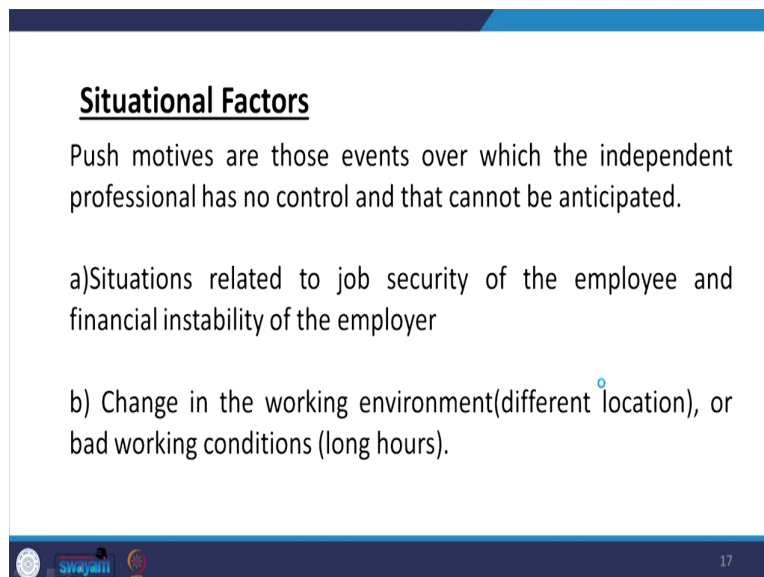
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Push motives	Pull motives
b) to gain more influence or respect among peers	b) Flexibility of lifestyle
c) dissatisfaction with career management	c) freedom to choose their assignments and the nature of the work

So, what are the push motives? Push motives indicate the wish to avoid negative aspects of any other form of employment other than contingent work. The pull motives are, pull motives explain positive expectations concerning the assignments undertaken on a project basis.

Desire to escape from the corporate life and incompetent management; expectations of earning more than permanent workers that is the pull motives are there for these nontraditional workers. To gain more influence or respect among peers; dissatisfaction with career management. Pull motive flexibility of lifestyle; because your independent flexibility is there; freedom to choose their assignments and the nature of the work.

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**Situational Factors**

Push motives are those events over which the independent professional has no control and that cannot be anticipated.

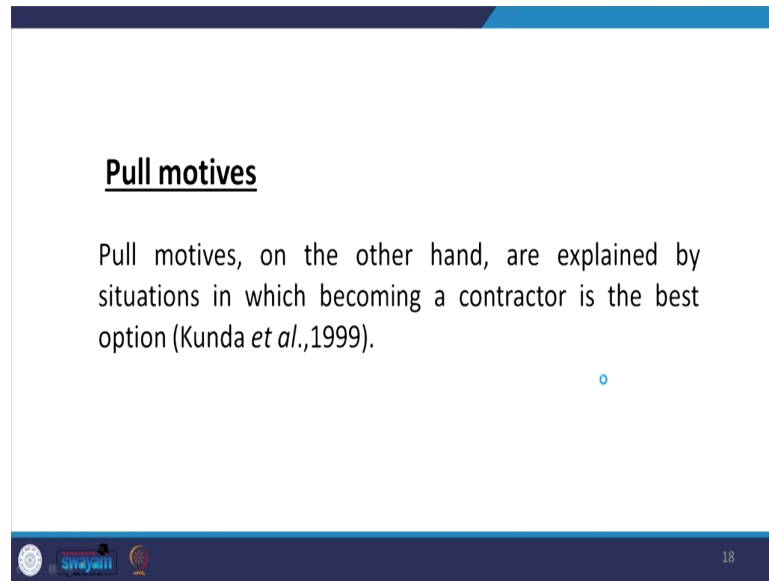
- a) Situations related to job security of the employee and financial instability of the employer
- b) Change in the working environment (different location), or bad working conditions (long hours).

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So, these situational factors are there, which the push motives are those events over which the independent professionals have no control and that cannot be anticipated. Situations related to the job security of the employee and financial instability of the employer are there. Change in the working environment, different location or bad working conditions, long hours; these are the situational factors.



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While in case of the pull motives, pull motives on the other hand are explained by the situation in which becoming a contractor is the best option. So, therefore, if the pull motives are there, there is a requirement and there are certain jobs, in which they like tourism, like the health care, service industries, like the IIT. So, most of the service industry, may be the hotel management right; the hotel and hospital and all.


So, therefore, in that case what is required; that is becoming a contractor is the best option. So, it depends on the area basically and in which area you are going for that particular independent worker, the utility, his knowledge, his skills. And when we are given a new economy; it is a temporary workers economy, it is a knowledge economy.

So, if you have the knowledge and skills, be independent. If you are independent, then you are successful. However, as we see the advantages and disadvantages; there are certain disadvantages, no doubt about it that there are certain disadvantages. But basically what is required is that you have to decide; whether you want to be the push or pull motives and your motives will decide whether you are successful or not.

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**Drawbacks of being an Independent Professional**

They often lack basic protection with regard to a minimum wage, health and safety, and retirement security.



major disadvantage: uncertainty with regard to job employment, income, unbalanced time schedules, and the lack of company benefits.

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So, finally, what I can say is the drawbacks of being an independent professional. They often lack basic protection with regard to a minimum wage, health and safety, and retirement security. So, this is to be taken care of. So, here we will find that is whenever we are talking about an independent professional protection regarding a minimum wage. So, sometimes there are no minimum wages; health and safety are there. So, therefore, in that case, that is becoming more important.

There is no protection, health and; like in the case of the regular employees, as I mention different laws are there, protection is there, protection against these particular challenges. So, therefore, in case of health and safety that will be the issue and retirement security.

However, now there is a new pension scheme, so that old pension scheme concept has gone; but still they are protected. So, therefore, in regular employment these are the issues. If you can manage with your knowledge; you can manage your earning, you can manage your expenditure of health and safety.

And then you can live independently after a certain age on your own, then definitely there will be nothing like being an independent professional. So, major disadvantage, uncertainty with regard to job employment. So, there is no job employment; income, unbalanced time schedule. So, no nothing is regular and the lack of company benefits.

So, those company benefits are there that will be lacking. But dear friends, those who create their own company, independent workers, independent workers to the independent owner that journey that we dream. It is today, yes these issues are there in the beginning; but after 5 years, the person is the employer, he is employing others and taking care of these issues of the others rather in addition to, he is not rather in addition to himself.

So, therefore, in that case, with these drawbacks and the disadvantages, you have to see that the talent has to see that if they want to be the traditional workers or nontraditional workers, they want to be the independent workers, it is a knowledge economy. If it is the knowledge and skills, believe me, that you will be the potential employer rather than becoming the only employee. So, this is all about the traditional and nontraditional workers.

Thank you.