

## **404 HR: Current Trends & Cases in HRM Notes**

### **Unit 1: Introduction and Concept of HR Trends**

#### **Definition and Concept related to HR Trends:**

##### **What are HR trends?**

In this next year, HR departments are planning to lean into growing HR trends, like the **digital transformation, mental health and employee wellbeing, people analytics, and workplace flexibility**, to keep staff on board. And they'll be doing all that with decreased HR budgets

##### **What are the top HR trends?**

The greatest trend HR is facing is the **demand to recruit, hire, and retain great talent**. Many companies are becoming quite competitive to attract great talent with unique perks, increased salaries, unique PTO options, work-from-home or hybrid options, title promotions, stock grants/equity, and much more.

#### **Current Trends in Human Resource Management:**

##### **1. Globalization and its implications**

Business today doesn't have national boundaries – it reaches around the world. The rise of multinational corporations places new requirements on human resource managers. The HR department needs to ensure that the appropriate mix of employees in terms of knowledge, skills and cultural adaptability is available to handle global assignments. In order to meet this goal, the organizations must train individuals to meet the challenges of globalization. The employees must have working knowledge of the language and culture ( in terms of values, morals, customs and laws) of the host country.

Human Resource Management (HRM) must also develop mechanisms that will help multicultural individuals work together. As background, language, custom or age differences become more prevalent, there are indications that employee conflict will increase. HRM would be required to train management to be more flexible in its practices. Because tomorrow's workers will come in different colors, nationalities and so on, managers will be required to change their ways. This will necessitate managers being trained to recognize differences in workers and to appreciate and even celebrate these differences.

##### **2. Workforce Diversity**

In the past HRM was considerably simpler because our work force was strikingly homogeneous. Today's work force comprises of people of different gender, age, social class sexual orientation, values, personality characteristics, ethnicity, religion, education, language, physical appearance, marital status, lifestyle, beliefs, ideologies and background characteristics such as geographic origin, tenure with the organization, and economic status and the list could go on. Diversity is critically linked to the organization's strategic direction. Where diversity flourishes, the potential benefits from better creativity and decision making and greater innovation can be accrued to help increase organization's competitiveness. One means of achieving that is

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through the organization's benefits package. This includes HRM offerings that fall under the heading of the family friendly organization. A family friendly organization is one that has flexible work schedules and provides such employee benefits such as child care. In addition to the diversity brought by gender and nationality, HRM must be aware of the age differences that exist in today's work force. HRM must train people of different age groups to effectively manage and to deal with each other and to respect the diversity of views that each offers. In situations like these a participative approach seems to work better.

### **3. Changing skill requirements**

Recruiting and developing skilled labor is important for any company concerned about competitiveness, productivity, quality and managing a diverse work force effectively. Skill deficiencies translate into significant losses for the organization in terms of poor-quality work and lower productivity, increase in employee accidents and customer complaints. Since a growing number of jobs will require more education and higher levels of language than current ones, HRM practitioners and specialists will have to communicate this to educators and community leaders etc. Strategic human resource planning will have to carefully weigh the skill deficiencies and shortages. HRM department will have to devise suitable training and short term programmes to bridge the skill gaps & deficiencies.

### **4. Corporate downsizing**

Whenever an organization attempts to delayer, it is attempting to create greater efficiency. The premise of downsizing is to reduce the number of workers employed by the organization. HRM department has a very important role to play in downsizing. HRM people must ensure that proper communication must take place during this time. They must minimize the negative effects of rumors and ensure that individuals are kept informed with factual data. HRM must also deal with actual layoff. HRM dept is key to the downsizing discussions that have to take place.

### **5. Continuous improvement programs**

Continuous improvement programs focus on the long term well being of the organization. It is a process whereby an organization focuses on quality and builds a better foundation to serve its customers. This often involves a company wide initiative to improve quality and productivity. The company changes its operations to focus on the customer and to involve workers in matters affecting them. Companies strive to improve everything that they do, from hiring quality people, to administrative paper processing, to meeting customer needs.

Unfortunately, such initiatives are not something that can be easily implemented, nor dictated down through the many levels in an organization. Rather, they are like an organization wide development process and the process must be accepted and supported by top management and driven by collaborative efforts, throughout each segment in the organization. HRM plays an important role in the implementation of continuous improvement programs. Whenever an organization embarks on any improvement effort, it is introducing change into the organization. At this point organization development initiatives dominate. Specifically, HRM must prepare individuals for the change. This requires clear and extensive communications of why the change will occur, what is to be expected and what effect it will have on employees.

## **6. Re-engineering work processes for improved productivity**

Although continuous improvement initiatives are positive starts in many of our organizations, they typically focus on ongoing incremental change. Such action is intuitively appealing — the constant and permanent search to make things better. Yet many companies function in an environment that is dynamic- facing rapid and constant change. As a result continuous improvement programs may not be in the best interest of the organization. The problem with them is that they may provide a false sense of security. Ongoing incremental change avoids facing up to the possibility that what the organization may really need is radical or quantum change. Such drastic change results in the re-engineering of the organization.

Re-engineering occurs when more than 70% of the work processes in an organization are evaluated and altered. It requires organizational members to rethink what work should be done, how it is to be done and how to best implement these decisions. Re-engineering changes how organizations do their business and directly affects the employees. Re-engineering may leave certain employees frustrated and angry and unsure of what to expect. Accordingly HRM must have mechanisms in place for employees to get appropriate direction of what to do and what to expect as well as assistance in dealing with the conflict that may permeate the organization. For re-engineering to generate its benefits HRM needs to offer skill training to its employees. Whether it's a new process, a technology enhancement, working in teams, having more decision making authority, or the like , employees would need new skills as a result of the re-engineering process.

## **7. Contingent workforce**

A very substantial part of the modern day workforce are the contingent workers. Contingent workers are individuals who are typically hired for shorter periods of time. They perform specific tasks that often require special job skills and are employed when an organization is experiencing significant deviations in its workflow. When an organization makes its strategic decision to employ a sizable portion of its workforce from the contingency ranks, several HRM issues come to the forefront. These include being able to have these virtual employees available when needed, providing scheduling options that meet their needs and making decisions about whether or not benefits will be offered to the contingent work force.

No organization can make the transition to a contingent workforce without sufficient planning. As such, when these strategic decisions are being made, HRM must be an active partner in these discussions. After all its HRM department's responsibility to locate and bring into the organization these temporary workers. As temporary workers are brought in, HRM will also have the responsibility of quickly adapting them to the organization. HRM will also have to give some thought to how it will attract quality temporaries.

## **8. Decentralized work sites**

Work sites are getting more and more decentralized. Telecommuting capabilities that exist today have made it possible for the employees to be located anywhere on the globe. With this potential, the employers no longer have to consider locating a business near its work force. Telecommuting also offers an opportunity for a business tin a high cost area to have its work done in an area where lower wages prevail.

Decentralized work sites also offer opportunities that may meet the needs of the diversified workforce. Those who have family responsibilities like child care, or those who have disabilities may prefer to work in their

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homes rather than travel to the organization's facility. For HRM, decentralized work sites present a challenge. Much of that challenge revolves around training managers in how to establish and ensure appropriate work quality and on-time completion. Work at home may also require HRM to rethink its compensation policy. Will it pay by the hour, on a salary basis, or by the job performed. Also, because employees in decentralized work sites are full time employees of the organization as opposed to contingent workers, it will be organization's responsibility to ensure health and safety of the decentralized work force.

## **9. Employee involvement**

For today's organization's to be successful, there are a number of employee involvement concepts that appear to be accepted. These are delegation, participative management, work teams, goal setting, employee training and empowering of employees. HRM has a significant role to play in employee involvement. What is needed is demonstrated leadership as well as supportive management. Employees need to be trained and that's where human resource management has a significant role to play. Employees expected to delegate, to have decisions participatively handled, to work in teams, or to set goals cannot do so unless they know and understand what it is that they are to do. Empowering employees requires extensive training in all aspects of the job. Workers may need to understand how new job design processes. They may need training in interpersonal skills to make participative and work teams function properly.

## **Comparative analysis of HR Trends since 2015**

### **1. Companies Get Social:**

**THEN:** Ten years ago, social media was new and a little unsettling for business leaders and HR. Twitter was just 1 year old, and Facebook was thought of mainly as a distraction that threatened to decrease productivity. Two-thirds of employers used technology to block connections to banned websites in 2006, 3 out of 4 monitored which websites workers visited and more than half monitored employees' e-mails, according to a BambooHR study of HR trends.

**NOW:** A more relaxed attitude prevails. Last year, just 30 percent of organizations blocked access to certain sites and even fewer kept an eye on what workers were viewing and e-mailing, according to BambooHR.

### **2. Benefits Go a la Carte**

**THEN:** Health and retirement programs were among the most common benefits employers provided, and benefit offerings were relatively limited.

**NOW:** Employees still value the basics, but they also want more flexible and individualized benefits. Companies have responded by recalibrating their perks to remain competitive in the war for talent. Retail giant Amazon, for example, offers its hourly employees a generous tuition benefit and onsite schooling. The startling detail? The company trains workers for jobs outside of Amazon.

Percentage of companies that track which websites employees visit Of course, company leaders fully understand that social media can be distracting—and will continue to be for as long as there are cute cat videos to share—but they also realize that trying to control

### **3. Feedback Becomes Fluid:**

**THEN:** Companies relied heavily on annual reviews to assess employees' performance and provide feedback—and some used draconian strategies that pitted workers against one another. At Microsoft, for example, managers relied on stacked ranking, or the “rank and yank” style of employee assessment, in which the employees with the lowest ratings tended to end up looking for other opportunities in the company—or elsewhere.

**NOW:** Companies are adopting a less formal and more flexible approach. After Microsoft moved away from stacked ranking in 2013, managers began using a process called Connects, in which workers get real-time feedback without structured reviews. Instead of numbered rankings, it's about the employees' impact over the last two to three months, their anticipated future impact, what they learned from various experiences and how they grew professionally, says Chuck Edward, head of global talent acquisition at Microsoft, which employs 110,000 people worldwide. And instead of encouraging competition among colleagues, the system fosters collaboration. Employees are assessed on how they worked with their teams and contributed to others' success. That's a welcome approach, especially among Millennial workers. Nearly 6 out of 10 said they have been upset by a performance review, and most prefer ongoing conversations about their performance, according to a study by HR outsourcing company TriNet.

### **4. Technology Moves Work Beyond the Office**

**THEN:** People were starting to take advantage of digital technology to work remotely and outside of traditional business hours, but employers that offered telework options were still the exception rather than the rule.

**NOW:** A Society for Human Resource Management study showed that three times as many companies offered telework last year than did in 1996. That gives leeway to both workers and employers, who can vastly expand their pool of job candidates. “It doesn't have to be someone local for a job,” Harding says. Companies “can work with someone across the world.”

### **5 Career Development Is Agile and Gig-Focused**

**THEN:** In 2005, about 10 percent of U.S. workers were employed by a temporary help agency, as an independent contractor or in an on-call position, according to a study from Harvard University's Lawrence Katz and Princeton University's Alan Krueger.

**NOW:** Goodbye, company career ladder. Hello, gig economy. In the U.S., slightly more than 1 out of 4 workers were gig workers in 2016, according to the McKinsey Global Institute, and that number continues to grow as people seek more independence and opportunities. The growing Millennial workforce is more focused on racking up new experiences than on banking time at one organization, and HR managers are adapting.

### **6 Analytics Change the Game—Slowly**

**THEN:** Some HR managers were experimenting with using metrics to measure the cost and impact of workforce programs and HR initiatives, but few HR professionals had any background in data analysis.

**NOW:** Although there's growing recognition of the need for HR practitioners with expertise in data skills, the number of organizations actually leveraging workforce data is still relatively low. According to a 2015 report by Deloitte, less than 9 percent of respondents said their organizations had a strong team in place that could handle data analysis within HR.

## **Causes of transformation and evolution in the HR Trends**

Till a few years ago, human resources used to be least active in technology innovation and automation. But over time, digital transformation has empowered HR to improve the human resource processes. In today's economy, traditional ways of employee engagement, performance management and recruitment are old school and do not effectively manage millennials (a smartphone-dependent generation). HR needs to transform too, by streamlining its processes and becoming a strategic partner in the business.

The digital revolution compels companies to transform their traditional vision of everything to do with human capital management into a long-term vision, allowing them to manage and control the talent of the future, which is necessary for completing the digital transition of their business.

### **Changes taking place in three areas:**

- **Digital workforce:** *How can organizations drive new management practices (which we call “digital DNA” ), a culture of innovation and sharing, and a set of talent practices that facilitate a new network-based organization.*
- **Digital workplace:** *How can organizations design a working environment that enables productivity; uses modern communication tools (such as Slack, Workplace by Facebook, Microsoft Teams, and many others); and promotes engagement, wellness, and a sense of purpose,*
- **Digital HR:** *How can organizations change the HR function itself to operate in a digital way, use digital tools and apps to deliver solutions, and continuously experiment and innovate*

## **Evolution of Digital HR**

People spend more than 2.5 hours on mobile devices every day, as stated by Nielsen report. They enjoy digital experiences when connecting with their family and friends, and that's the way they expect things at their workplace. Automated, quick and manageable!

For HR, digital transformation is an opportunity where analysing employee data, managing mobile workforce, making well informed decisions and executing HR processes is simplified. **Digital HR** integrates SMAC (Social, Mobility, Analytics & Cloud) technologies to redefine employee experience, make employees more productive and improve work life balance.

Digital HR frees up HR managers' time, enabling them to play a strategic business role. Thanks to new and advancing technology, HR can now explore innovative ways to **recruit high potential talent**, improve employee performance, give best development opportunities, engage and retain top talent.

### **Where companies can start:**

- **Challenge HR to start with a digital-first HR strategy.** The digital enterprise and digital HR are a revolutionary leap forward, not an incremental step. The combination of mobile and cloud solutions and the pervasive access to smartphones as powerful as laptops and desktop computers of just a couple of years ago, are redefining how HR processes are designed, delivered, accessed, and operated. The shift to a mobile and platform way of thinking is at the forefront of this challenge.
  - **Embrace design thinking.** Social, mobile, analytics, and cloud tools are only useful if employees adopt them. HR must begin with employee needs and the user experience. Incorporating design thinking throughout the process will help companies maximize the impact of new digital technologies.
  - **Leverage an agile approach integrating HR, technology, employees, and business leaders in the process.** HR has the opportunity to use agile development—rapid development by integrated
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teams delivering prototypes and solutions in successive releases and waves—as a new way of operating in HR and supporting similar programs across the company. Unlike the traditional waterfall development process, agile development requires HR specialists, system and app developers, designers, employees, and business leaders to work together as a team.

- **Share digital strategies and experiences across the company:** HR has the opportunity to learn from early digital adopters in the company, generally customer marketing and operations. A community of practice can share digital experiences and implementation learning across the company. HR can learn from the digital savvy across the company and, in turn, help develop the enterprise's digital mind-set and capabilities.
- **Imagine HR and the employee experience in real time:** One of the biggest changes in moving to a digital HR strategy is the focus on real-time access, decision-making, and results. This involves a significant step beyond many recent HR efforts, which have focused on shared services and HR service centers and SLAs (service level agreements). Digital HR is also a call to automate many areas of HR. With every employee having a smartphone, HR teams can automate, streamline, and adopt more real-time and digital-first operations rather than process forms and transactions.
- **Integrate analytics and reporting as part of the digital platform, not an add-on:** Most HR teams today have dedicated teams that collect information from process and transaction systems for basic HR reports and analysis. Instead, HR management information should be an automated part of the HR digital platform. It should provide managers with real-time information and leaders with real-time analysis, decreasing the time spent on reports and increasing the time HR and business leaders spend on analyzing data and solving problems. Analytics and reports can be configured and integrated into a business intelligence layer of the HR platform, linking apps directly to leadership reports and analysis.

### Digital Disruptions and its impact on HR Trends

Digital disruption describes the change that happens when new digital technologies, services, capabilities, and business models affect and change the value of the industry's existing services and goods. These new elements change or disrupt the status quo, forcing businesses to reevaluate the current market regarding goods and services and possibly adjust.

History has many examples of superior technology supplanting the status quo. The automobile replaced the horse and buggy, electric lights replaced candles and oil lamps, mobile phones ended landline superiority, and video killed the radio star.

The bottom line, digital disruption means change, and that can be good and bad. However, digital disruption is a unique animal. Let's look at the elements of digital disruption and get a better sense of its uniqueness.

### Elements of Digital Disruption

Digital disruption breaks down into four distinct elements, each with the potential to change businesses' ways.

- **Technology:** Includes things like invention, usage, design, etc.
- **Business:** Covers marketing, development, delivery pricing, etc.
- **Industry:** Involves customers, methods, processes, standards, etc.
- **Society:** Encompasses movements, culture, habits, and so on.

## **Examples of Digital Disruption**

### **Video Streaming/Web-Based Video**

Netflix disrupted Blockbuster Video by focusing on DVDs instead of VHS tapes. Today, Netflix keeps on disrupting the status quo as a major player in the video streaming business. On-demand viewing has turned traditional broadcasting and cable services on their collective heads. Not only are the conventional carriers jumping on board the video stream train, but a host of other online tv platforms has also sprung up, such as Hulu and Sling TV.

### **Smartphones**

When you talk about disruptive technology, smartphones should not only be part of the conversation but probably at the top of the list. Smartphones are everywhere today and have all but killed landlines and payphones.

## **Digital Disruptions and its impact on HR Trends**

The reality facing the HR and Staffing industry is **a struggle to adapt to the cumulative impact of change**. The speed of technological development, the demand for talent and the challenges of providing top candidate and employee experiences are piling the pressure on HR and recruiting professionals.

The benefits of digital transformation in HR include **improved employee experience, simplified business processes, better data-driven decision-making**, and so much more.

Disruptive technology is a term coined by Harvard Business School professor Clayton M. Christensen to describe **“a new technology that unexpectedly displaces an established technology”**. One example within HR is the increasing replacement of the traditional job board with social media channels such as LinkedIn.

Among all functions human resources management (HRM) is largely affected by the digitization because of increasing usage of employee related software, IT **enabled HR functions, Social networks, and mobile solutions**. The organizations are infusing digital approach in handling their human resources (HR).

To do so, Innovative HR teams should focus on three main functions: Hiring people with digital capabilities like **Design Thinking, Agility, Data Orientation, Network Leadership** etc.07-Jun-2018

### **The biggest barriers to digital transformation listed were:**

- Employee Pushback.
- Lack of Expertise to Lead Digitization Initiatives.
- Organizational Structure.
- Lack of Overall Digitization Strategy.
- Limited Budget.

### **Digital Transformation Challenges Organizations Face**

- Lack of Change Management Strategy.
  - Complex Software & Technology.
  - Driving Adoption of New Tools & Processes.
  - Continuous Evolution of Customer Needs.
  - Lack of a Digital Transformation Strategy.
  - Lack of Proper IT Skills.
  - Security Concerns.
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## **Unit 2: Current HR Trends**

### **Technological Interventions in HR Processes and Management**

#### **a) Artificial Intelligence in Recruitment:**

##### **What is AI for recruiting?**

AI for recruiting is the application of artificial intelligence to the talent acquisition process, where machine learning can learn to shortlist your ideal candidate, as well as automate manual tasks in the recruitment process. This technology is designed to streamline or automate some part of the recruiting workflow, especially repetitive, high-volume tasks.

For example, software that applies machine learning to resumes to auto-screen candidates or software that conducts sentiment analysis on job descriptions to identify potentially biased language.

AI recruitment software also leverages the wealth of data in your ATS to generate insights into your talent pool. Artificial intelligence can help recruiters with blind screening for reduced bias, as well as visibility into past successful candidates that have remained at the organization.

##### **The benefits of using AI for recruiters**

###### **1. Saving recruiters' time by automating high-volume tasks**

Talent acquisition leaders report that their hiring volume will increase next year but their recruiting teams will remain the same size or even contract. This means recruiters will be expected to become more efficient by “doing more with less.”

Manually screening resumes is still the most time-consuming part of recruiting, especially when 75% to 88% of the resumes received for a role are unqualified. Screening resumes and shortlisting candidates to interview is estimated to take 23 hours of a recruiter's time for a single hire.

AI for recruiting represents an opportunity for recruiters to reduce the time spent on repetitive, time-consuming tasks, such as automating the screening of resumes, automatically triggering assessments, or scheduling interviews with candidates.

The best AI-powered technology will be designed to not only automate a part of your workflow but to integrate seamlessly with your current recruiting stack so it doesn't disrupt your workflow.

As a bonus, speeding up these parts of recruiting through automation reduces time-to-hire, which means you'll be less likely to lose the best talent to faster moving competitors.

###### **2. Improving quality of hire through standardized job matching**

Quality of hire used to be a bit of a recruiting KPI black box due to an inability to close the data loop (i.e., measuring what happens to the candidates after they get hired).

As HR data has become easier to collect, access, and analyze over the years, quality of hire has become recruiting's top KPI.

The promise of AI for improving quality of hire lies in its ability to use data to standardize the matching between candidates' experience, knowledge, and skills and the requirements of the job.

This improvement in job matching is predicted to lead to happier, more productive employees who are less likely to turnover.

Early results are extremely promising. Early adopter companies using AI-powered recruiting software have seen their cost per screen reduced by 75%, their revenue per employee improve by 4%, and their turnover decrease by 35%.

## **The challenges of applying AI in recruiting**

### **1. AI requires a lot of data**

In general, AI requires a lot of data to learn how to accurately mimic human intelligence.

For example, AI that uses machine learning needs a lot of data to learn how to screen resumes as accurately as a human recruiter. This can mean several hundreds to several thousands of resumes for a specific role.

### **2. AI can learn human biases**

AI for recruiting promises to reduce unconscious bias by ignoring information such as a candidate's age, gender, and race. However, AI is trained to find patterns in previous behavior.

That means that any human bias that may already be in your recruiting process – even if it's unconscious – could be learned by AI if developed without due diligence.

To avoid replicating any biases that may already exist, make sure the AI software vendor you use has taken steps to ensure that their AI is developed and continually monitored for any patterns of potential bias (e.g., only hiring graduates from a certain college).

### **3. Skepticism of new technology**

HR professionals are often bombarded with the latest and greatest trend that disappears just as quickly.

Understandably, recruiting and talent acquisition leaders can be skeptical of any technology that promises to make their jobs easier and that can enhance the capabilities of their HR ecosystem. They want to be sure that any software that will automate one of their tasks is going to be able to do as good of a job as they can.

## **Innovations in AI for recruiting**

### **1. Intelligent screening software**

Intelligent screening software automates resume screening by using AI (i.e., machine learning) on your existing resume database.

The software learns which candidates moved on to become successful and unsuccessful employees based on their performance, tenure, and turnover rates.

Specifically, it learns what existing employees' experience, skills, and other qualities are and applies this knowledge to new applicants in order to automatically rank, grade, and shortlist the strongest candidates.

The software can also enrich candidates' resumes by using public data sources about their prior employers as well as their public social media profiles.

Intelligent screening software that automates resume screening represents a massive opportunity for recruiters because it integrates with your existing ATS, which means it doesn't disrupt your workflow, the candidate workflow, and requires minimal IT support.

## 2. Recruiter chatbots

Recruiter chatbots are currently being tested to provide real-time interaction to candidates by asking questions based on the job requirements and providing feedback, updates, and next-step suggestions.

AI-powered chatbots have a lot of potential to improve the candidate experience.

58% of job seekers say they have a negative impression of a company if didn't hear back from the company after submitting an application, whereas 67% of job seekers have a positive impression of a company if they receive consistent updates throughout the application process.

## 3. Digitized interviews

Online interview software has been available for a while, but today's technology claims to use AI to assess candidates' word choices, speech patterns, and facial expressions to assess his or her fit for the role and possibly even the organization and its culture.

### b) Data Analytics in transforming HR

Human Resource analytics (HR Analytics) is defined as the area in the field of analytics that deals with people analysis and applying analytical process to the human capital within the organization to improve employee performance and improving employee retention.

Data analysis can **help define retention and hiring plans** as well. In general, predictive analytics can identify common factors and important patterns. HR professionals can then make informed recommendations in terms of policies and decisions that may affect company culture.

HR analytics is a data-driven approach to managing people at work. HR analytics, also known as people analytics, workforce analytics, or talent analytics, revolves around **analyzing people problems using data to answer critical questions about your organization**. This enables better and data-driven decision-making.

**It enables more effective evidence-based decisions on improving workforce and organisational performance.** It can demonstrate the impact of HR policies and processes on workforce and organisational performance. It can be used to estimate the financial and social return on investment of change initiatives.

**Four levels of analytics: descriptive, diagnostic, predictive and prescriptive.**

Descriptive analytics.

Diagnostic analytics.

Predictive analytics.

Prescriptive analytics.

HR analytics help to **identify those traits that are predictors of success within an organization or a team**, so we can focus our search for talent and avoid making mistakes that can be expensive and time-consuming to correct.

HR analytics helps reveal **organizational inefficiencies and problem areas**. A well-designed people analytics strategy should consistently find opportunities for improvement. When companies identify potential areas for improvement, they can make more informed choices on which HR tools best suit their needs and goals.

### **HR Data Analytics Improves Decision-Making**

1. Streamline recruitment and on boarding processes.
2. Improve payroll management.
3. Support diversity and inclusion goals.
4. Examine benefits for cost-effectiveness.
5. Measure the success of training and development activities.
6. Understand key drivers of engagement.

How can HR analytics transform the workplace?

It provides insights into the workforce and the effectiveness of HR activities and programs. Using HR analytics, HR teams can understand issues such as high turnover, a poor talent pipeline, and skills gaps across different groups in the organization.

### **B) Employee Experience Platforms**

An Employee Experience Platform is **a software platform that enables organizations to take complete control of the look, feel, and interactions a person will have while using your systems** – without actually replacing the underlying HCM application or ATS.

An employee engagement platform is **a tool that helps businesses better connect with their employees**. It is a cloud-based software application that allows businesses to communicate with employees through different channels, such as email, social media, and instant messaging.

There are 3 ways to engage with employees, each of which has its own strengths.

Feedback Tools to improve

Employee Engagement and Productivity Informative Engagement – One-way information.

Reciprocal Engagement – Two-way information.

Dynamic Engagement – Real-time and intelligent use of information.

A customer engagement tool is **a platform or software that is dedicated to helping companies engage with their customers the right way**. A customer engagement tool can be an onboarding tool, an email marketing tool, or a CRM tool; what matters is that it is used to engage with users/customers

### **C) Feedback Tools to Improve Employee Engagement and Productivity**

Both supervisors and peers may deliver feedback, and when done tactfully, the process can create a stronger, more harmonious workplace. Positive and negative feedback is important because **it helps break bad habits, reinforces positive behavior, and enables teams to work more effectively toward their goals.**

Employee survey tools **help you measure the employee experience throughout the employee lifecycle.** You can create onboarding surveys, measure NPS and satisfaction, and prepare for reviews. You can use this information to spot issues and then take action to improve how employees think about your business. Positive feedback involves telling someone about good performance. Make this feedback timely, specific, and frequent. **Constructive feedback** alerts an individual to an area in which his or her performance could improve. Constructive feedback is not criticism.

Effective feedback is a critical component of a productive work environment. It provides a mechanism for assessing an employee's performance, a guide for promoting the development of an employee trying to master a new task or competency, fodder for self-reflection, and a potential inducement to improve performance. Employee Engagement Surveys are **designed to measure and assess how motivated and engaged your employees are to perform their best at work each day.** From these surveys, you can gain insight into employees' thoughts and attitudes towards their work and the overall environment.

#### **Types of feedback**

- Informal feedback. Informal feedback can occur at any times as it is something that emerges spontaneously in the moment or during action. ...
- Formal feedback. ...
- Formative feedback. ...
- Summative feedback. ...
- Student peer feedback. ...
- Student self feedback. ...
- Constructive feedback. ...

#### **Factors increase productivity**

- Use technology. ...
- Allow for autonomy. ...
- Allocate time properly. ...
- Eliminate unnecessary meetings. ...
- Avoid multitasking. ...
- Improve the environment.
- Encourage Learning Opportunities. ...
- Provide Employees with Technology. ...
- Emphasize Company Culture. ...
- Strengthen Communication Protocols. ...
- Identify and Align Goals with Performance.

## **D) Employee Wellness Apps**

The employee wellness app and program **give employees access to the full Headspace library**. It offers companies an administrator portal, member support, and launch and enrollment resources, as well as other workplace-focused options. The app offers a range of themes including stress, sleep and focus.

A wellness platform is **a web-based technology that can host a variety of programs used to evaluate, engage, inform, motivate, and incentivize employees based on your wellness strategy**. The platform should be API-compatible with the ability to integrate with third-party vendors.

### **Employee wellness programs examples**

You've heard of employee wellness programs. Your company may even have one. These programs focus on the physical health of your employees by offering **gym memberships, smoking cessation incentives, better snack choices, and other ways to get your team healthier**.

Over 350,000 digital health apps are currently available to consumers—many of which are geared toward wellness, but there's been a rise in digital therapeutics (DTx) apps. In 2021, 47% of all apps focus on managing specific health conditions (like chronic diseases or mental health), compared with 28% in 2015.

Fitness trackers and health apps are a bit more popular among women than among men. Meanwhile, **adults younger than 55** are about twice as likely to have used these products as are adults aged 55 and older.

The term is also used to describe **apps that help with general health goals such as fitness tracking, mindfulness, and medication adherence**. Digital health also includes digital medicine. Digital medicine tools collect health data and provide information to your medical provider that can help with your care.

Digital health companies make money from their apps by **requesting users to apply for the subscription model whereby users can access the most advanced features that are unavailable for free users**. Some applications must be purchased before the user can download it on their mobile device.

### **Cloud and Mobile-enabled HR solutions**

A cloud-based HR management (HRM) system is **fully supported by an external provider, accessed online by employees and managers, and standardized right across the company** — all divisions, all subsidiaries, all countries.

**Some of the most crucial benefits that they bring to the everyday HRM process are:**

1. **Easy access** to human resource planning tools from any location via internet – the trend benefits companies that want to offer their professionals a bit of flexibility.
  2. **Effortless scalability**: the HRM processes on cloud are can evolve together with the company's growth (new apps can be added easily, storage capacity can be increased or decreased, new forms and workflow automation processes can be set up in the blink of an eye, etc.).
  3. **Elimination of paper clutter and waste** – two very troublesome aspects of traditional human resource planning.
  4. **Improved employee retention** and a higher level of productivity guaranteed by better human resource planning and 24/7 access to valuable data.
-

5. **Higher level of information security**, especially for sensitive corporate data.
6. **Efficient integration with other solutions** and software programs that the company relies on (e.g., integrating with a payroll software).
7. **No expensive maintenance** or need for upgrades, there are no add-on installation costs or the need for buying expensive hardware for support.
8. **Compliance** with archive creation and maintenance regulations.
9. **Easy user experience**, even for people who haven't dealt with human resource planning software in the past.

### **Best HR Software for Small & Large Entrepreneurs**

Spine HR Suite, Employee Vibes, Zimyo HRMS, InfowanHR, Keka HRMS, Qandle HR-One HR Software, GreytHr Software, Beehive HRMS, Zoho People, sumHR Software HR Mantra, 247 HRM, FlexiEle HRMS, ADP Vista HCM, HRMTHREAD, PeopleStrong ZingHR, PeopleApex, Smart H2R

### **Mobile enabled HR solutions**

An HR mobile app **empowers your employees to answer their own questions**. Instead of pestering you with everyday requests, employees can view and request time off, update their home address and banking information, and view company resources directly through their smartphones.

#### **Examples:**

1. HR Software — Hibob
2. Onboarding — ClearCompany
3. Time and Attendance — ZoomShift
4. Video Interview — SparkHire
5. Applicant Tracking System — Workable
6. Employee Wellness — Limeade
7. Payroll Software — Gusto
8. Employee Engagement — Peakon
9. Rewards and Recognition — Bucketlist
10. Learning Management System - Trainual

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## **Unit 3: Tectonic Shift in HRM Priorities**

### **Managing Workforce Diversity**

Workforce diversity is **the collective mixture of employees' differences and similarities** (including individual characteristics, values, beliefs, experiences, backgrounds, preferences and behaviors).

Managing diversity means **acknowledging people's differences and recognizing these differences as valuable**; it enhances good management practices by preventing discrimination and promoting inclusiveness. Good management alone will not necessarily help you work effectively with a diverse workforce.

There are generally four different types of diversity: **internal, external, organizational, and worldview**—and you should aim to understand and represent them all. Keep reading to learn more about each one and how diversity affects the workplace.

Primary dimensions of diversity include **age, ethnicity and culture, gender, race, religion, sexual orientation, and capabilities** (Schwind, Das, & Wagar, 2007). Secondary, diversity includes mainly factors such as socio-economic status, education, religion, geographical affiliation and marital status

A diverse workplace will **help organizations better understand target demographics and what moves them**. A diverse workplace can better align an organization's culture with the demographic make-up of America. Increased customer satisfaction by improving how employees interact with a more diverse clientele and public.

**Age, race, ethnicity, cultural background, gender, sexual orientation, and religion**, immediately come to mind, but have you considered educational background, managerial experience, neurodiversity and even personality traits.

### **Establishing Gender Parity and Pay Equality**

In the context of gender equality, gender parity refers to **the equal contribution of women and men to every dimension of life, whether private or public**.

Gender parity is a statistical measure that provides a numerical value of female-to-male or girl-to-boy ratio for indicators such as income or education.

**For example:** If there are equal number of girls and boys who completed primary education in a specific country, the gender parity ratio for that indicator is one.

The terms gender parity and gender equality are sometimes used interchangeably

How to create gender equality in the workplace

1. Focus on diversity during your recruitment process. ...
2. Create fair compensation and promotion procedures. ...
3. Offer flexible and supportive employee benefits. ...
4. Create a diversity and inclusion training program. ...
5. Hold managers accountable. ...
6. Build an inclusive company culture.



**Five major challenges still facing women in the workplace.**

- Unequal pay. ...
- Sexual harassment. ...
- Racism. ...
- Women are promoted less often than men. ...
- Fear of asking to be paid what you're worth.

**Pay equality**, or equal pay for equal work, refers to the requirement that men and women be paid the same if performing the same job in the same organization.

**For example**, A female electrician must be paid the same as a male electrician in the same organization.

The Equal Pay Act of 1963, amending the Fair Labor Standards Act, **protects against wage discrimination based on sex**. The Equal Pay Act (EPA) protects both men and women.

If working women received equal pay with comparable men—men who are of the same age, have the same level of education, work the same number of hours, and have the same urban/rural status—**poverty for working women would be reduced by more than 40 percent**.

Equity compensation is **non-cash pay that is offered to employees**. Equity compensation may include options, restricted stock, and performance shares; all of these investment vehicles represent ownership in the firm for a company's employees. At times, equity compensation may accompany a below-market salary.

**Providing Mentorship**

Mentorship is a protected relationship in which a more knowledgeable or experienced person guides and nurtures the professional development or growth of another, outside the normal manager/subordinate line management

The purpose of a mentor is **to help you grow as a person and become the best version of yourself**. This may involve helping you achieve your personal or career goals, introducing you to new ways of thinking, challenging your limiting assumptions, sharing valuable life lessons, and much more.

**Examples of individual mentoring** include **informal, goal-oriented discussions between a junior person seeking advice from their senior**, as well as discussions in which the mentor is not necessarily a senior to or even a colleague of the mentee, but has more experience working in a given space.

**Here are three types of mentoring.**

- Traditional One-on-one Mentoring. A mentee and mentor are matched, either through a program or on their own. ...
  - Distance Mentoring. A mentoring relationship in which the two parties (or group) are in different locations. ...
  - Group Mentoring. A single mentor is matched with a cohort of mentees.
1. Be willing to offer constructive criticism. Offering constructive criticism is essential to helping your mentee progress toward their goals. ...
  2. Have empathy. ...
-

3. Put the responsibility in the mentee's hands. ...
4. Know how to communicate and listen.

### **Assuring Safety at the workplace**

It is not possible to measure the effects of human casualties. They can have grave consequences for employees and their families and friends as well.

This is why workplace safety and health measures are necessary. They are essential for the well-being of employers and employees alike. The feeling of assurance that one has, knowing that he will return safely from work, is more significant than anything else.

There are occupational safety and health risks in every company. Factors affecting workplace safety include unsafe working conditions, environmental hazards, substance abuse, and workplace violence.

**For example**, employees working in an IT company may have to work with faulty wires or electronics. Whereas in a construction company, employees may be exposed to the dangers of operating heavy equipment.

To combat these risks, employers should create strategies that ensure and promote safety in their workplaces.

Employers should also learn the desired aspects of their employees in terms of safety and protection. This will help increase productivity and the quality of the products and services.

Benefits of a safe and healthy work environment -

- The safer the work environment, the more productive it is. Productive employees are an asset to all companies. For instance, productive employees can produce more output in less time, reducing operational costs.
- Workplace safety promotes the wellness of employees and employers alike. Better safety equates to better health. **Healthier employees** do tasks more efficiently, and they are happier in general.
- There are very few accidents in a safe working environment. This results in less downtime for safety investigations and reduces costs for worker's compensation. This also reduces the time needed for employees to heal from injuries.
- Damage to industrial equipment creates costs for replacement and repair. Avoiding workplace injuries and damage to industrial equipment will incur fewer expenses and increase profit.
- If employers are concerned about the safety of their employees, the employees are more confident and comfortable in general. Also, **absenteeism** rates drop, and employees are more focused on doing their tasks.

## **Catering to Employee expectations**

### **1. Positive work culture**

Culture is something that can make or break an organization. A good culture will motivated employees to perform and fulfill the organizational goals. In contrast, a toxic culture can lead to low employee morale resulting in low employee retention and high employee turnover.

Culture is the organization's personality, and every tangible and intangible aspect contributes to it. A company, therefore, needs to establish core company values that can keep everyone aligned.

According to jobvite.com, 46% of job seekers cite company culture as very important when applying to a company.

The statistics above tell a lot about what employees expect. The work environment and positive work culture draw employees and are potential reasons for rejecting an offer.

### **2. Recognition**

Employees seek genuine recognition for the work they do. The dedication and time that one gives do not equate to a paycheck alone. People have needs, and often these needs are psychological and, therefore, must be compensated through other means.

Companies have realized the importance of recognizing their workforce and how these gestures can improve morale and boost employee satisfaction.

One of the easiest ways to do this is implementing a rewards and recognition platform that can cater to a diverse workforce. Digital recognition platforms also help in building internal communication among teams that are dispersed in different geographical locations.

### **3. Work-Life Balance**

Work-life must add value to your life and make it more fulfilling. Hectic schedules and work pressure can derail one's peace and make one dissatisfied.

Hence, the implementation of work-life balance is crucial. Companies understand that employees must be given flexible work schedules to balance their work-life and home life. The digitization or the technological evolution has made work processes run virtually.

Therefore, it is easier for companies to provide employees the benefit of remote working if required to bring a work-life balance. Implementing work-life balance programs is also necessary to bring more awareness and employee wellbeing to understand their needs and work on them.

### **4. Respect and Trust**

Respect and trust are what employees value the most. Employees want a work environment where they feel trusted and respected. It is also equally vital for them to be able to respect their peers or managers.

Employees can show a high level of disengagement when there is a lack of respect or unwanted behaviors. E.g., microaggression in the workplace is so prominent these days. People are judged for their appearance, gender, sexuality, ethnicities, and cultural background.

Employees who face microaggression are affected mentally, and it affects their overall productivity and wellbeing. They are also more likely to quit if the management takes no proper actions.

### **5. Transparency**

Transparency is an essential aspect of employee expectations.

Transparency is the openness shared by the employer and the employees. Employees are only invested in the work they do when they are aware of the small/big decisions of the company. Also, when are well informed

about any business strategy that is going to take place. People want to be included. People find a sense of fulfillment by being part of the larger story, making their effort count.

Therefore employees seek an open door policy. Companies must encourage them to ask questions and share their concerns. It will encourage them to discuss work issues openly and proactively. Also, provide them with a sense of respect that will boost their productivity and keep them satisfied.

## **6. Feedback**

Feedback is a great morale booster, and every employee expects feedback to be given to improve their performance. For them, it's imperative for their growth and understanding of a job. Lack of feedback can create a lot of miscommunication. As well as employee dissatisfaction in the workplace.

Managers or leaders must master the art of giving feedback when it comes to redirecting employees. To point out the problems in a way that helps employees to understand the silver lining behind it is a challenging task for them, it seems. Many fail while doing it, but the good news is that employers can learn it over time.

## **Changing Skill requirements**

**Flexibility and Adaptability:** Resilience has been the biggest lesson from the pandemic. Using research, technology, and innovative practices, managers have been able to adapt to the constantly changing business ecosystem and make quick decisions pertaining to products, services, their pricing, marketing and concepts. Research by McKinsey shows that adaptability is the critical success factor during periods of transformation and systemic change.

**Crisis Management:** Crisis management has been considered the most sought-after skill in the business world where disruptive practices are driving the competition and unprecedented crisis such as Covid-19 have had a shakedown effect on businesses. Now, managers need to be all the more adept in anticipating, identifying, controlling or preventing a crisis situation through effective contingency plans.

**Data Analysis:** Data is the new proverbial oil, and competency in Data Analytics goes a long way in fostering business value. Algorithms glean relevant data from the copious amount of information available and empower data analysts to arrive at conclusions to drive an organisation's growth, solve problems, innovate, introduce new products, capture more market, recall products, improve customer acquisition, enhance customer experience, improve employee performance and even revamp organisational structure. As a result, data-driven decision-making will be the trend going forward.

**New-age Competencies:** Some of the most needed skills during the current time are Cybersecurity, Machine Learning, Artificial Intelligence, Data Science, Business Analytics, Cloud Computing, Internet of Things (IoT), Blockchain, Big Data Engineering, on which one must thrive to stay ahead in a highly competitive environment.

**Problem-Solving Skills:** Among the skills that always stay relevant for jobs is the problem-solving ability of an employee. One must have sharp critical thinking skills to analyse problems and have both the alacrity and competency to arrive at timely solutions. Design Thinking is a handy practice towards this end.

**Proficiency in working from remote areas:** The conventional definition of the workplace has changed. Working remotely is the new normal irrespective of the sector. As a job-seeking candidate, one must be competent to work remotely. The candidate needs to be proficient in using digital tools and platforms such as G-Suite, Zoom, Teams, etc. to be able to meet all requirements of modern jobs.

**Virtual Networking:** All businesses are created out of networks, both within and outside of the organisation. Decentralisation, delegation, departmentalisation, communication, and coordination take place within well-formed virtual networks in today's age. Virtual networking is a highly desirable skill for those who want to excel at their jobs.

**Creativity and innovation:** Thinking out-of-the-box has been the main catalyst of disruptions in the industry. New-age workers, managers, and businessmen have to think on their feet to be creative and innovative at their jobs. Innovation and creativity today lie in trying out new ideas, taking risks, experimenting with technology and business models.

**Digital Competency:** Basic digital literacy, especially adeptness in word processing and spreadsheet programs, such as Microsoft Word and Excel, put one at a significant advantage at a workplace. Employees are expected to have these important skills to complete important tasks such as reporting, compiling spreadsheets, or writing letters. In some domains, such as marketing, proficiency in using social media is a skill highly relevant to the changing job requirements of the current industry.

### **Conducting Continuous Improvement Programs**

A continuous improvement plan is **a set of activities designed to bring gradual, ongoing improvement to products, services, or processes through constant review, measurement, and action.**

Continuous improvement methodology hinges on four concrete phases: **plan, do, check, and act.** This is sometimes called the plan-do-check-act cycle or PDCA cycle, and it reveals the guiding principles of continuous improvement.

Principle 1: **Stop fixing and start improving.** Principle 2: The best practices are the ones you already have. Principle 3: Changing behaviour is more important than changing processes. Principle 4: If you aren't failing, you aren't trying.

Another process of continuous improvement involves **reviewing employees' performances.** Here's an example: A department manager conducts yearly reviews to assess their employees' performances. After the reviews take place, the manager uses these reviews to identify areas where the team needs further training

A helpful way of understanding continuous improvement is by dividing it into three phases: **learning, sharing, and implementing.**

### **Re-engineering work processes for improved productivity**

A true cultural shift like this can take its own time and may require enterprise-wide cooperation. There are steps around Learning & Development which can be incorporated into a team's daily task list which factors in productivity.

1. **Minimize employee on boarding processes** - The long-winded orientations can be eliminated by offering on-demand learning during an employees' on boarding. The orientation can be focused on the basics, with a brief Q&A meeting with the employees when they have a better grasp of their responsibilities.

2. **Model job processes diligently** - A job process can be designed in such a way so that it makes the employee more creative and have ample free time to pursue his/her other passions.

3. **Phase out unnecessary meetings** -To make the process less complex one should try to conduct his/her own meetings and audits without involving too many people in it. Give up meetings, events and team gatherings that don't add value or have outlived their original objective.

4. **Encourage evaluation in minimum loops** - Post completing a benchmark event or milestone, the HR can send a mini-review to participants requesting a tweet-length answer about their team or peers on the initiative, performance or critical skills, and seek advice on what should be improved for the next time round.
5. **Regulate an email-free time zone** – Morning emails should be moderated in organizations so that employees focus and allocate time for ideating or completing tasks.
6. **Phase out or reassess annual performance reviews** – Many organizations are doing away with paperwork. Instead of reserving feedback for a once-a-year exercise, HR managers are interacting in a frequent and less formal ways for real-time improvement. For example, consider linking assessment criteria to strategy, so that employees can understand how their performance affects the business from a strategic standpoint.
7. **End meetings 15 minutes before the hour** - Standardize the 45-minute meeting schedule, enabling employees to make their next meeting or call in a timely manner.
8. **Introduce meeting-free day at work** – Many organizations have started encouraging meeting free days/day in a week so that employees can devote uninterrupted time for valuable work.
9. **Deviat weekly calls to bimonthly** - The frequency of weekly touch-point calls with senior leadership can be turned to bimonthly, saving time and increasing the quality of information exchanged.

### **Decentralizing work sites**

A decentralized work site is **any work site that is located away from the organization's main facilities**. A decentralized work site is usually established to either cater to the demand of any specific geographical region or to operate at a location where there is low cost of production of the product demanded.

Work sites are getting more and more decentralized. Telecommuting capabilities that exist today have made it possible for the employees to be located anywhere on the globe. With this potential, the employers no longer have to consider locating a business near its work force. Telecommuting also offers an opportunity for a business in a high cost area to have its work done in an area where lower wages prevail.

Decentralized work sites also offer opportunities that may meet the needs of the diversified workforce. Those who have family responsibilities like child care, or those who have disabilities may prefer to work in their homes rather than travel to the organization's facility. For HRM, decentralized work sites present a challenge. Much of that challenge revolves around training managers in how to establish and ensure appropriate work quality and on-time completion. Work at home may also require HRM to rethink its compensation policy. Will it pay by the hour, on a salary basis, or by the job performed? Also, because employees in decentralized work sites are full time employees of the organization as opposed to contingent workers, it will be organization's responsibility to ensure health and safety of the decentralized work force.

### **Following are few reasons why decentralized work sites face problems:-**

1. **Inconsistent experience-** Each department independently decides their needs and don't consider other units or the entire experience of the umbrella site.
2. **Lesser focus-** When the decentralized work site communicates to a wide range of customers within the same space, it then becomes frustrating and confusing at the same time. Thus, there are chances of lesser focus by the employees.

**3. Inefficient usage of resources-** There are different needs in different departments of the sites, usually most of the operations are directed by the senior officials of the main office, the local employees are treated merely as a facilitators, which results in the inefficient usage of resources.

**4. Slow turnaround time-** To establish and maintain an entirely new and independent work sites causes much more time than the centralized office.

### **Promoting Family work life balance**

Work-life balance is **the relationship between your work and the other important things in your life**, like your family, sport and social life, household chores, volunteer commitments and so on. If you feel like you have enough time for all of these things in your life, you probably have a good work-life balance.

Maintaining work-life balance **helps reduce stress and helps prevent burnout in the workplace**. Chronic stress is one of the most common health issues in the workplace. It can lead to physical consequences such as hypertension, digestive troubles, chronic aches and pains and heart problems.

### **How to Balance Work and Family Life**

#### **1. Calendar your kids.**

We are all busy. Make sure to schedule a specific time just for your children. Add that time to your calendar so the time is blocked and doesn't slip your mind.

#### **2. Give equal passion at home.**

Most men work very hard at their jobs. But do you give the same passion to your family? The most important work you will ever have is being a husband and a father. Prioritize your life in such a way that your passion is divided appropriately each day.

#### **3. Focus on your core values.**

Consider the things that are most important to you and let them be your guide. In his book *Uncommon*, Coach Dungy refers to this as "finding our landmarks." When you get lost, those landmarks will guide you back safely to where you belong.

#### **4. Lighten up.**

From the same book, Coach Dungy also asks the question, "Are you ever silly around your kids?" Life is serious business. Yet, we must be able to relax enough to find joy as well. Never totally lose the spirit of the child you once were. Relax and smile.

#### **5. Build a team at work.**

Most people take on too much alone. But success is usually the result of teamwork. Trust the people you work with and share your duties with them. You will create more time for what's most important.

#### **6. Get a tune-up.**

Over time, our lives become clogged with unnecessary time consumers. Optimize your own engine by cleaning out whatever wastes your time. Take a look at your personal habits and how you spend each minute of your day. Rid yourself of the needless waste.

#### **7. Hire a babysitter.**

If you are married, build yourself a network of reliable and trustworthy caretakers for your children. A healthy relationship requires attention and work. You and your wife need time alone together. When you find good babysitters, treat them right and pay them well. They are invaluable.

#### **8. Find an outlet.**

We all need an outlet. Maybe it's hiking, fishing, basketball, golf. There are hundreds of ways for you to release stress. This is mentally healthy, as long as you keep it in a proper perspective.

### **9. Be flexible.**

We all have expectations of how we want life to be. But sticking too rigidly to your expectations can create undue stress. It's important to be flexible in how you deal with the chaos life brings. Adapt and improvise.

### **10. Live a purpose-driven life.**

I believe we are created in God's image and that He has a purpose for our lives. We all have unique gifts and traits. Learning who you are and why you are here clears so much confusion. Zero in on your purpose and your life will follow it.



## **Unit 4 : Enhancement of HR Functions through Current HR Trends**

### **Organisational Culture and Effectiveness**

#### **What is organizational culture?**

Organizational culture is the collection of values, expectations, and practices that guide and inform the actions of all team members. Think of it as the collection of traits that make your company what it is. A great culture exemplifies positive traits that lead to improved performance, while a dysfunctional company culture brings out qualities that can hinder even the most successful organizations.

Don't confuse culture with organizational goals or a mission statement, although both can help define it. Culture is created through consistent and authentic behaviors, not press releases or policy documents. You can watch company culture in action when you see how a CEO responds to a crisis, how a team adapts to new customer demands, or how a manager corrects an employee who makes a mistake.

#### **The importance of culture to your company**

Organizational culture affects all aspects of your business, from punctuality and tone to contract terms and employee benefits. When workplace culture aligns with your employees, they're more likely to feel more comfortable, supported, and valued. Companies that prioritize culture can also weather difficult times and changes in the business environment and come out stronger.

Culture is a key advantage when it comes to attracting talent and outperforming the competition. 77 percent of workers consider a company's culture before applying, and almost half of employees would leave their current job for a lower-paying opportunity at an organization with a better culture. The culture of an organization is also one of the top indicators of employee satisfaction and one of the main reasons that almost two-thirds (65%) of employees stay in their job.

#### **Qualities of a great organizational culture**

Every organization's culture is different, and it's important to retain what makes your company unique. However, the cultures of high-performing organizations consistently reflect certain qualities that you should seek to cultivate:

- **Alignment** comes when the company's objectives and its employees' motivations are all pulling in the same direction. Exceptional organizations work to build continuous alignment to their vision, purpose, and goals.
- **Appreciation** can take many forms: a public kudos, a note of thanks, or a promotion. A culture of appreciation is one in which all team members frequently provide recognition and thanks for the contributions of others.
- **Trust** is vital to an organization. With a culture of trust, team members can express themselves and rely on others to have their back when they try something new.

**Performance** is key, as great companies create a culture that means business. In these companies, talented employees motivate each other to excel, and, as shown above, greater profitability and productivity are the results.

- **Resilience** is a key quality in highly dynamic environments where change is continuous. A resilient culture will teach leaders to watch for and respond to change with ease.
- **Teamwork** encompasses collaboration, communication, and respect between team members. When everyone on the team supports each other, employees will get more done and feel happier while doing it.

**Integrity**, like trust, is vital to all teams when they rely on each other to make decisions, interpret results, and form partnerships. Honesty and transparency are critical components of this aspect of culture.

- **Innovation** leads organizations to get the most out of available technologies, resources, and markets. A culture of innovation means that you apply creative thinking to all aspects of your business, even your own cultural initiatives.
- **Psychological safety** provides the support employees need to take risks and provide honest feedback. Remember that psychological safety starts at the team level, not the individual level, so managers need to take the lead in creating a safe environment where everyone feels comfortable contributing. Now that you know what a great culture looks like, let's tackle how to build one in your organization.

## 8 steps to building a high-performing organizational culture

1. Excel in recognition
2. Enable employee voice
3. Make your leaders culture advocates
4. Live by your company values
5. Forge connections between team members
6. Focus on learning and development
7. Keep culture in mind from day one
8. Personalize the employee experience

## Organizational effectiveness

Organizational effectiveness refers to **how an organization has achieved full self-awareness** due in part to: Leaders setting well-defined goals for employees and outlining ways to efficiently execute those goals. Management implementing clear decision-making processes and communication pipelines.

### The Six Systems of Organizational Effectiveness:

Leadership. To achieve high performance or sustain results, leaders must define and refine key processes and execute them with daily discipline. ...

Communication. ...

Accountability. ...

Delivery. ...

Performance. ...

Measurement.

## Employee Performance and Satisfaction

### Employee performance

Employee performance is defined as **how an employee fulfils their job duties and executes their required tasks**. It refers to the effectiveness, quality, and efficiency of their output. This also contributes to our assessment of how valuable an employee is to the organization.

### How is performance measured?

Every role is different so the metrics used to measure employee performance will ultimately depend on the type of business the company and employees operate in.

### **Quality of work**

Standard of work produced is a key indicator of performance. Are employees putting in maximum effort to ensure high-quality results? Are performance objectives being met? Quality of work provides the basis to analyse all other elements of their performance.

### **Speed and efficiency**

Looking at how much employees accomplish in an average week, month or quarter, how does this match up to your expectations? Are deadlines met, vastly improved on, or is time wasted? Are corners being cut to produce work quickly? Efficiency is the result of maximum output at least cost so this is vital to be aware of within your company.

### **Trust and consistency**

Ask yourself if you trust your employees to do all their work to a high standard and deliver it on time. Do they work independently or do you feel that you often have to step in? Do they consistently display company values? Are they punctual and present to the expected standard? High-performing employees can be trusted with autonomy and continue to produce strong results without much supervision.

Keep these performance metrics in mind when conducting individual employee performance reviews.

### **How to evaluate employee performance**

Performance reviews can be daunting, for both employees and managers – but they're a necessary starting point.

Without proper evaluation of an individual employee's performance, you may waste valuable time and effort implementing improvement plans that don't begin to tackle the real problem. Take time during this stage to ensure that you get a complete and well-rounded review of the individual's performance to provide a solid foundation for improvement plans.

### **360-degree feedback**

As the name suggests, this method takes a look at feedback, opinions and assessments from a circle of people. This includes team members, supervisors and others, that the employee works within the company. By going beyond what the direct manager sees, you're instead shown a well-rounded view of performance. Look for any similarities in the 360-degree feedback from the different areas, as this will identify areas for further improvement.

### **Employee satisfaction**

Employee satisfaction is **a broad term used by the HR industry to describe how satisfied or content employees are with elements like their jobs, their employee experience, and the organizations they work for.**

## **Here are the 9 Best Practices to Keep Employee Satisfaction High**

1. A Positive Work Environment
2. Feedback
3. Rewards and Recognition
4. Work-life Balance and Employee Satisfaction
5. Involve and Engage your Employees
6. Develop Employee Skills
7. Evaluate and Measure Employee Satisfaction
8. Employee Well-being
9. Clearly defined Goals and Objectives

## **Human Resource Planning & Management**

**Human Resource Planning (HRP) is the process of forecasting the future human resource requirements of the organization and determining as to how the existing human resource capacity of the organization can be utilized to fulfill these requirements.** It, thus, focuses on the basic economic concept of demand and supply in context to the human resource capacity of the organization.

It is the HRP process which helps the management of the organization in meeting the future demand of human resource in the organization with the supply of the appropriate people in appropriate numbers at the appropriate time and place.

Further, it is only after proper analysis of the HR requirements can the process of recruitment and selection be initiated by the management. Also, HRP is essential in successfully achieving the strategies and objectives of organization.

In fact, with the element of strategies and long term objectives of the organization being widely associated with human resource planning these days, HR Planning has now become Strategic HR Planning.

Though, HR Planning may sound quite simple a process of managing the numbers in terms of human resource requirement of the organization, yet, the actual activity may involve the HR manager to face many roadblocks owing to the effect of the current workforce in the organization, pressure to meet the business objectives and prevailing workforce market condition. HR Planning, thus, help the organization in many ways as follows:

- HR managers are in a stage of anticipating the workforce requirements rather than getting surprised by the change of events
- Prevent the business from falling into the trap of shifting workforce market, a common concern among all industries and sectors
- Work proactively as the expansion in the workforce market is not always in conjunction with the workforce requirement of the organization in terms of professional experience, talent needs, skills, etc.
- Organizations in growth phase may face the challenge of meeting the need for critical set of skills, competencies and talent to meet their strategic objectives so they can stand well-prepared to meet the HR needs
- Considering the organizational goals, HR Planning allows the identification, selection and development of required talent or competency within the organization.

It is, therefore, suitable on the part of the organization to opt for HR Planning to prevent any unnecessary hurdles in its workforce needs. An HR Consulting Firm can provide the organization with a comprehensive HR assessment and planning to meet its future requirements in the most cost-effective and timely manner.

**An HR Planning process simply involves the following four broad steps:**

- **Current HR Supply:** Assessment of the current human resource availability in the organization is the foremost step in HR Planning.

It includes a comprehensive study of the human resource strength of the organization in terms of numbers, skills, talents, competencies, qualifications, experience, age, tenures, performance ratings, designations, grades, compensations, benefits, etc.

At this stage, the consultants may conduct extensive interviews with the managers to understand the critical HR issues they face and workforce capabilities they consider basic or crucial for various business processes.

- **Future HR Demand:** Analysis of the future workforce requirements of the business is the second step in HR Planning.

All the known HR variables like **attrition, lay-offs, foreseeable vacancies, retirements, promotions, pre-set transfers**, etc. are taken into consideration while determining future HR demand. Further, certain unknown workforce variables like competitive factors, resignations, abrupt transfers or dismissals are also included in the scope of analysis.

- **Demand Forecast:** Next step is to match the current supply with the future demand of HR, and create a demand forecast. Here, it is also essential to understand the business strategy and objectives in the long run so that the workforce demand forecast is such that it is aligned to the organizational goals.
- **HR Sourcing Strategy and Implementation:** After reviewing the gaps in the HR supply and demand, the HR Consulting Firm develops plans to meet these gaps as per the demand forecast created by them.

This may include conducting communication programs with employees, relocation, talent acquisition, recruitment and outsourcing, talent management, training and coaching, and revision of policies. The plans are, then, implemented taking into confidence the managers so as to make the process of execution smooth and efficient.

Here, it is important to note that all the regulatory and legal compliances are being followed by the consultants to prevent any untoward situation coming from the employees.

## **Recruitment & Selection**

Recruitment and selection is **the process of identifying the need for a job, defining the requirements of the position and the job holder, advertising the position and choosing the most appropriate person for the job.** Undertaking this process is one of the main objectives of management.

Recruitment and selection processes are part of HR routines. To retain top talent and build a strong, consistent team, the HR manager needs to know how to do the recruitment and selection process the right way.

Recruitment and selection techniques need to be applied precisely to avoid increased turnover. Today there are systems that apply artificial intelligence in recruitment and selection to increase performance success.

### **WHAT IS THE DIFFERENCE IN RECRUITMENT AND SELECTION?**

Recruitment and selection are distinct phases for hiring professionals.

### **RECRUITMENT AND SELECTION ARE DISTINCT PHASES FOR HIRING PROFESSIONALS.**

When it comes to recruitment, the focus is on attracting, selecting, and designing the appropriate candidates for one or more positions within an organization, permanent or temporary.

The term can be defined as the attraction of people to be incorporated into the routine activities of the organization by pre-defining work requirements and specifying the employee profile. It also measures an individual's likelihood of joining the organization, and its compatibility with the company's mission, vision and values.

Recruitment can also be carried out in the processes developed for choosing individuals for unpaid positions, such as volunteer roles or training programs.

### **WHAT IS SELECTION?**

The selection process aims at conducting interviews and evaluating candidates for a specific job, defined at recruitment, selecting. Finally, an individual for the vacancy, based on predefined criteria. Selection can range from a very simple process to a very complicated one, which depends solely on the company you hire and the position the candidate is looking for.

It is important to remember that in any and all selection process, it is necessary to obey certain labor laws, preserving both company and candidate, in order to avoid discriminatory acts during the selection of the employee.

### **WHICH COMES RECRUITMENT OR SELECTION FIRST?**

Recruitment and selection are different processes. First is the recruitment that has as its premise: Attraction, selection and design of the appropriate candidates for the selection phase. Then the selection is made, which aims to conduct the interviews and evaluate the candidates, in order to select an individual for the job.

### **FACTORS THAT INFLUENCE RECRUITMENT AND SELECTION**

All organizations, whether large or small, put time and resources into the process of recruiting and selecting employees for the activities. However, they do not consider the same criterion.

There are factors that are often not considered by organizations, but directly influence the process. Administrative recruitment factors can be broadly divided into internal and external factors.

#### **EXTERNAL FACTORS**

- Supply and demand;
- Unemployment rate;

- Intern market;
- Place where the applicant resides;
- Company image.

Supply and demand are the metric of the specific skills required in the job market. If the demand for a particular skill is high compared to the supply, a larger recruitment effort may be required. Thus, the higher the unemployment rate in a given area, the simpler the process of recruiting and selecting the company.

The unemployment rate has become one of the influencing factors in the recruitment and selection process. The number of unskilled candidates is very large, which causes difficulties in attracting and retaining suitable candidates. On the other hand, with the unemployment rate decreasing, it is important to explore new ways to recruit candidates.

The company's image also directly influences the number of candidates who will be attracted to the position. In many cases, the applicant not only targets the salary amount, but prioritizes the company's qualifications and working conditions.

It is very common for companies to prioritize candidates residing in their respective state. This avoids major changes and travel expenses for interviews and future allowances. The company's image is also extremely important as it is responsible for attracting a large number of candidates with varying levels of qualification.

## INTERNAL FACTORS

- Recruitment policy;
- Company size;
- Cost growth and expansion.

Most organizations have a policy of recruiting employees internally or externally. Recruitment by appointment is one of the most used by organizations, as employees themselves know the company better, making it easier to recommend candidates who can easily adapt to the culture of the organization.

## WHAT ARE THE TYPES OF RECRUITMENT AND SELECTION?

Recruitment and selection methods or sources are defined before the company begins to recruit candidates and should consider the source and type of employee you are looking for.

There are usually two types of sources from which any organization can look for potential employees, both internal and external. But in addition to them, it is possible to perform mixed recruitment and online.

## INTERNAL RECRUITMENT

Internal recruitment methods include opening position changes, distributing announcements within the organization, searching the organizational database for the relationship of skills required to perform the job, to match the competencies held by current employees. This recruitment and selection method explores internal sources, filling positions and encouraging promotions.

The in-house recruit can drive job satisfaction and employee motivation as they see a new career opportunity available. Filling responsible positions with existing employees ensures that they are rooted in the culture of the organization. However, problems can arise if the internal promotion system is not seen as fair.

The best way to avoid negative impact when hiring or promoting an employee is to implement fair methods and procedures. By presenting the rules and steps of a structured promotion process, the company avoids discomfort by making employees understand and accept the outcome of the process.

## EXTERNAL RECRUITMENT

External recruitment methods include the form of disclosure. The choice of recruitment method, internal or external, made by managers, depends directly on the strategy of the organization, which mostly has the strategy of encouraging internal promotions and transfers.

## MIXED RECRUITMENT

Mixed recruitment is the combination of external and internal procedures. It is made in a way that can reconcile the interest in filling the vacancy and the appreciation of the company's talents. It can be done in three ways:

## PREVALENCE OF INTERNAL MODEL

Attempted internal recruitment and, only in the face of failure, is the search for professionals from outside the organization.

## PREVALENCE OF EXTERNAL MODEL

Initial attempt to find the employee in the market and, only on failure, the vacancy is open to employees of the company.

## CONCOMITANT MODEL

External and internal recruitment occurring simultaneously. With this, it is possible to generate an equal competition between the candidates.

## ONLINE RECRUITMENT

In online recruitment and selection, it is possible to use the internet in favor of HR. This makes external or internal recruitment more efficient. But in order to do so, it is necessary to have a specialized platform to reach a larger number of candidates and automate the processes.

## Performance Management System

Performance management software can be implemented on premise, in the cloud, or within a hybrid environment.

A cloud platform or HR cloud provides a range of benefits including larger data storage capacities, stronger security, and easier integration with complementary applications, such as learning and development, compensation, and other people-centric systems.

A performance management system relies on three key processes:

### 1) Plan and act with goal management

Align employee performance to the objectives of the organization.  
Assign work that is meaningful and fulfilling to increase employee engagement.  
Quickly adapt goals when business priorities shift.

### 2) Monitor with continuous performance management

Monitor the goals of each employee to ensure ongoing alignment with organizational goals.  
Provide feedback and guidance to improve performance.  
Recognize good results as they happen.



### **3) Evaluate and recognize through performance assessments**

Assess performance consistently and accurately.

Recognize and reward strong performers.

Use data-driven insights from the system to quantify the value your workforce delivers to the business.

#### **Who uses performance management software?**

Any company with an employee base – regardless of industry or size – will benefit from a performance management system.

Although every employee will interact with the system at some stage, the power user is the team leader or manager with direct reports.

- **Employees** work with their managers to define employee goals. They build their individual employee performance reviews within the system, and participate in 360-degree review cycles if this model is in use.
- **HR professionals** define the HR processes and systems that support the performance management cycle. They work with managers and employees to ensure processes are fair and that each stage is carried out in a timely manner.
- **Managers** are the power users of the system and must ensure every employee actively participates in the process. Managers are also ultimately responsible for the performance of their team(s).

#### **Why is a performance management system important?**

Along with increased workforce productivity, higher employee engagement, lower turnover, and maximized revenue per employee, a performance management system that is properly integrated with adjacent business systems can provide valuable insights that will inform broader human capital management decisions.

For example, a performance management system stores and quantifies data from employee/manager interactions including individual career aspirations, appropriate skill sets, and overall fit for succession planning. With these insights, learning and development funding can be invested in a manner that best supports the needs of the business and the employee.

Performance management software provides an accurate and real-time view of the workforce that aids in people planning and strategy.

### **Training & Development**

Training and development initiatives are educational activities within an organization that are designed to improve the job performance of an individual or group. These programs typically involve advancing a worker's knowledge and skill sets and instilling greater motivation to enhance job performance.

Training programs can be created independently or with a learning administration system, with the goal of employee long-term development. Common training practices include orientations, classroom lectures, case studies, role playing, simulations and computer-based training, including e-learning.

Sometimes referred to as Human Resource Development (HRD), most employee training and development efforts are driven by an organization's HRD function. These efforts are roughly divided into two types of programs:

#### **Employee Training and Development**

A strategic tool for improving business outcomes by implementing internal educational programs that advance employee growth and retention.

#### **Management Training and Development**

The practice of growing employees into managers and managers into effective leaders by the ongoing enhancement of certain knowledge, skills and abilities.

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### **Why is training and development important?**

The top ten benefits of employee training and development programs include:

**Increased productivity:** When employees stay current with new procedures and technologies, they can increase their overall output.

**Reduced micromanagement:** If workers feel empowered to perform a task, they typically require less oversight and work more independently. [1](#)

**Train future leaders:** Organizations must have a solid pipeline of well-trained and innovative potential leaders to grow and adapt over time.

**Increased job satisfaction and retention:** Well-trained employees gain confidence in their abilities, leading to greater job satisfaction, a reduction in absenteeism and overall employee retention.

**Attract highly skilled employees:** Top recruits are attracted to firms with an identifiable career path based on consistent training and development.

**Increased consistency:** Well-organized training ensures tasks are performed uniformly, resulting in tight quality control that end users can trust.

**Increased camaraderie:** Training and development helps create a sense of teamwork and collaboration.

**Bolstered safety:** Continuous training and development helps ensure employees have the knowledge and skills to perform a task safely.

**Ability to cross-train:** Providing consistent training creates a knowledgeable team overall where employees can help train or assist each other as needed.

**Added innovation:** Consistently trained employees can help develop new strategies and products, contributing to the company's bottom line and continued success.

### **Current trends in training and development**

The corporate marketplace is quickly changing, and businesses must be flexible and easily adapt to change. Technology is one of the key drivers in this rapid change, with automation and artificial intelligence (AI) in the forefront.

Here are four key trends impacting how organizations must rethink training and development:

#### **Remote mobile training**

Today's corporations have discovered that it's no longer just about what employees need to know, but also when, where and how the development experience enables performance. With the advancements in [mobile technology](#), companies are relying more on [mobile workforces](#). Training is migrating to mobile devices where apps provide "just-in-time" information and recommendations to workers across industries.

#### **AI training**

AI systems can process unstructured information in a similar way to humans. These systems understand language patterns and sensory inputs including text, pictures and auditory cues. AI-based software can customize how training content is delivered to a learner, based on their learning style, suggest content based on a learner's past performance and predict what information is most important for them to learn next.

#### **Agile learning**

Agile learning is a process that encourages employees to learn by doing and iterate often, inspiring organizational change and buy-in. For example, IBM has introduced [IBM Garage](#), a tool for executing, scaling and managing an organization's multiple transformation initiatives. Companies like Ford Motor Company and Travelport are using IBM Garages around the world to create cultures of open collaboration and continuous learning.

#### **Remote flexible learning models**

While distance learning has been around for a long time, the [COVID-19 pandemic](#) has underscored the need for companies to have resilient, flexible, mobile workforce management. Organizations have learned that

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remote workforces need to be productive, engaged, and continually working towards learning and improvement.

## **Career / Succession Planning**

### **Career Planning**

#### **Why do career planning?**

It is well established that most jobs that pay family-sustaining wages require some post-secondary education (that is, education beyond the high school level). By taking the time to plan for your career now, you increase the chances of completing your education and getting the job you want.

#### **What's the difference between a job and a career?**

A **job** is the occupation that you have at any given point in time. A **career** refers to your working life over time, and could include a single job that you stay in for many years, or a series of successive jobs within the same field. For example, you may decide to become a seventh-grade math teacher and stay in that job for 20 or 30 years or more, all the while gathering experience and additional training. In this case, you could say that your **job** was a math teacher, and that you also have a **career** as a math teacher. Or, you may decide simply that you want a career in health care. You might choose to begin that career as a certified nursing aide and then, with additional education, become a surgical technologist and then a registered nurse. It's important to think about both your short-term and long-term goals.

#### **Planning Your Career and Educational Goals**

To guide you through the Career Planning unit and its activities, you can use the *Career and Education Planning Worksheet*. After you complete an activity and the worksheet that goes with it, transfer the key information to this worksheet. As you visit the other pages in this unit, you will learn more about your skills, occupations that use those skills, and the education needed for those occupations. After you complete an activity, and the worksheet that goes with it, you will then transfer key information to your Career and Education Planning Worksheet.

Part of career planning is deciding on which action to take based on the information you collect. By completing all the worksheets in the Career Planning unit, you will create a Career Plan with specific action steps to take. Having this plan will better prepare you to know what information you will need to find in other sections of the website, such as Applying to College and Financial Planning.

#### **Objectives of Career Planning**

Career Planning seeks to meet the following objectives:

- To provide and maintain appropriate manpower resources in the organisation by offering careers, not jobs.
- To provide environment for the effectiveness, efficiency and growth of its employees and motivating them to contribute effectively towards achieving the objectives of the organisation.
- To map out careers of various categories of employees suitable to their ability, and their willingness to be 'trained and developed for higher positions.
- To have a stable workforce by reducing absenteeism and employee turnover.
- To cater to the immediate and future human resources need of the organisation on a timely basis.
- To increase the utilisation of managerial reserves within organisation.

## **Succession Planning**

### **What Is Succession Planning?**

The term succession planning refers to a business strategy companies use to pass leadership roles down to another employee or group of employees. Succession planning ensures that businesses continue to run smoothly and without interruption, after important people move on to new opportunities, retire, or pass away. It can also provide a liquidity event, which enables the transfer of ownership in a going concern to rising employees. Succession planning is a good way for companies to ensure that businesses are fully prepared to promote and advance all employees—not just those who are at the management or executive levels.

The process takes a lot of time and effort. As such, it requires:

- **Recruitment or Proper Hiring:** The goal is to choose candidates who are capable of rising through the ranks in the future. For example, an experienced person from another company might be courted and groomed for a higher position.
- **Training:** This includes the development of skills, company knowledge, and certifications. The training might include having employees cross-train and shadow various positions or jobs in all the major departments. This process can help the person become well-rounded and understand the business on a granular level. Also, the cross-training process can help identify the employees that are not up to the task of developing multiple skill sets needed to run the company.

### **Benefits of Succession Planning**

There are several advantages for both employers and employees to having a formalized succession plan in place:

- Employees know that there is a chance for advancement and possibly ownership, which can lead to more empowerment and higher job satisfaction.
- Knowing there is a plan for future opportunities reinforces employees' career development.
- Management's commitment to succession planning means that supervisors will mentor employees to transfer knowledge and expertise.
- Management keeps better track of the value of employees so positions can be filled internally when opportunities arise.
- Leadership and employees are better able to share company values and vision.
- A new generation of leaders is needed when there's a mass exodus of people from the workforce into retirement.
- Proper succession planning benefits shareholders of public companies, especially when the next candidate for CEO is involved in business operations and is well respected years before the current CEO retires. Also, if investors observe a well-communicated succession plan, they won't sell the company's stock when the CEO retires.

## **Rewards & Recognitions**

Employee rewards and recognition system is not just a positive action towards employees. If it is implemented effectively, it proves to be an efficient tool in encouraging the employees to create and bring business for the company.

Recognizing the efforts of employees and encouraging their morale results in increased productivity and decreased attrition rate. It is a documented fact that an encouraged and dedicated workforce can change the fate of a company.

Establishing and executing a reward system needs careful analysis of the company policies and procedures. Deciding how to recognize employees' efforts and what to provide them needs thorough analysis of duties and risks involved in a particular job.

## **Types of Rewards**

Reward system of a company should also be in alignment with its goals, objectives, mission and vision. On the basis of the job profile, both monetary and non-monetary rewards can motivate employees to contribute more to the organization.

### **Monetary Rewards**

A hike in salary, incentives, movie tickets, vacation trips, monetary allowances on special occasions, redeemable coupons, cash bonuses, gift certificates, stock awards, free or discounted health check-ups for the complete family and school/tuition fees for employees' children come under this category.

### **Non-monetary Rewards**

Non-monetary rewards include awards, certificates, letters of appreciation, dinner with boss, redecoration of employee cabin, membership of recreation clubs, perks, use of company facilities, suggestion awards, tie-pins, brooches, diaries, promotion, a say in management, etc.

A mixture of monetary and non-monetary rewards works wonders and drive employees to act competently continuously. A proper and efficient employee reward and recognition program creates harmonious relationships between employees and the employer.

The different types of rewards are -

1. Bonuses
2. Variable Pay
3. Stock Options
4. Written/Verbal praise

**Recognition in the workplace is important as it leads to -**

Increase in productivity

Stimulating development and career progression of employees

A sense of satisfaction and morale

A stronger employer brand

To successfully implement a reward system, the steps listed below should be followed -

Clarify Your Vision  
Build a Committee  
Define Clear Characteristics  
Define Clear Criteria  
Ensure Successful Implementation

## **Employee Engagement**

**Employee engagement** is the strength of the mental and emotional connection employees feel toward the work they do, their teams, and their organization.

Levels of employee engagement

Employee engagement measures how employee *feel* about their organization. Based on their perceptions of their workplace, employees are categorized into four main groups.

### *Highly engaged employees*

Highly engaged employees hold very favorable opinions of their place of work. When employees feel connected to their teams, love their jobs, and have positive feelings about your organization, they're going to want to stay and put in extra effort to help the organization succeed. These "brand advocates" speak highly of their company to family and friends. They encourage other employees around them to do their best.

### Moderately engaged employees

Moderately engaged employees see their organization in a moderately favorable light. They like their company but see opportunities for improvement. These employees are less likely to ask for more responsibilities and may underperform. There is something about the organization or their job that holds them back from full engagement.

### Barely engaged employees

Barely engaged employees feel indifferent toward their place of employment. They usually lack motivation for their position and will only do as much as they can to get by—sometimes less. Barely engaged employees may be researching other jobs and are a high turnover risk.

### Disengaged employees

Disengaged employees have a negative opinion of their place of work. They are disconnected from the mission, goals, and future of the organization. They lack commitment to their position and responsibilities. It's important to understand how to handle disengaged employees so that their negative perceptions don't impact the productivity of employees around them.

## **Benefits of employee engagement**

### *Increased employee productivity*

Research shows engaged employees are 17% more productive than their peers. They're more likely to work diligently and expend discretionary effort in their jobs.

### Higher employee retention

Engaged employees don't have a reason to look elsewhere for work. Engaged employees turn over less often because:

- They know they will be recognized for their contributions
- They see opportunities for professional growth and career development
- They understand when organizational change happens and why

These **three pillars** enable employees to connect to the present and the future.

Increased customer satisfaction

Lower absenteeism

Better employee health

## **Health & Safety**

Workplace health and safety is all about **sensibly managing risks to protect your workers and your business**. Good health and safety management is characterised by strong leadership involving your managers, workers, suppliers, contractors and customers.

The purpose of health and safety is to protect your workers, sub-contractors, customers and members of the public when they are involved with your business. You have a duty of care under the Health and Safety at Work Act 1974 but more than that, it's good business practice to adhere to health and safety laws.

### **Benefits of good health and safety**

- reduced costs;
- reduced risks;
- lower employee absence and turnover rates;
- fewer accidents;
- lessened threat of legal action;
- improved standing among suppliers and partners;
- better reputation for corporate responsibility among investors, customers and communities;

### **Examples of health and safety:**

workplace orientation.

fire safety and emergency procedures.

first aid.

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health and safety (such as risk assessments or accident reporting procedure)  
welfare facilities.  
safe use of workplace tools, machinery, equipment.  
risk assessments.  
maintenance or storage of personal protective equipment.

## **Administrative Functions**

### **1. Job design and job analysis**

One of the foremost functions of HRM is job design and job analysis. Job design involves the process of describing duties, responsibilities and operations of the job. To hire the right employees based on rationality and research, it is imperative to identify the traits of an ideal candidate who would be suitable for the job. This can be accomplished by describing the skills and character traits of your top-performing employee. Doing so will help you determine the kind of candidate you want for the job. You will be able to identify your key minimum requirements in the candidate to qualify for the job.

Job analysis involves describing the job requirements, such as skills, qualification and work experience. The vital day-to-day functions need to be identified and described in detail, as they will decide the future course of action while recruiting.

### **2. Employee hiring and selection**

Recruitment is one of the primary functions of human resource management. HRM aims to obtain and retain qualified and efficient employees to achieve the goals and objectives of the company. All this starts with **hiring the right employees** out of the list of applicants and favourable candidates.

An HRM helps to source and identify the ideal candidates for interview and selection. The candidates are then subjected to a comprehensive **screening process** to filter out the most suitable candidates from the pool of applicants. The screened candidates are then taken through different interview rounds to test and analyse their skills, knowledge and work experience required for the job position.

Once the primary functions of HRM in recruitment are completed, and the candidate gets selected after rounds of interviews, they are then provided with the job offer in the respective job positions. This process is important because these selected employees will, after all, help the company realise its goals and objectives.

### **3. Employee training & development**

Imparting proper training and ensuring the right development of the selected candidates is a crucial function of HR. After all, the success of the organisation depends on how well the employees are trained for the job and what are their growth and development opportunities within the organisation.

The role of HR should be to ensure that the new employees acquire the company-specific knowledge and skills to perform their task efficiently. It boosts the overall efficiency and productivity of the workforce, which ultimately results in better business for the company.

HRM plays a very crucial role in preparing employees for bigger tasks and responsibilities, which leads to the holistic development of employees at work. And an organisation which provides ample growth and development opportunities to its employees is considered to be a healthy organisation.

### **4. Compensation and Benefits**

Benefits and compensation form the major crux of the total cost expenditure of an organisation. It is a must to plug the expenses, and at the same time, it is also necessary to pay the employees well. Therefore, the role of human resource management is to formulate attractive yet efficient benefits and compensation packages to attract more employees into the workplace without disturbing the finances of the company.



The primary objective of the benefits and compensation is to establish equitable and fair remuneration for everyone. Plus, HR can use benefits and compensation as a leverage to **boost employee productivity** as well as establish a good public image of the business.

Therefore, one of the core HR department functions is to lay down clear policies and guidelines about employee compensation and their available benefits. One of the functions of HR manager is to ensure the effective implementation of these policies and guidelines. This creates equality and builds transparency among the employees and the management within the organisation. After all, the level of employee satisfaction at work is directly proportional to the compensation and benefits they receive.

### **5. Employee performance management**

The next activity on HR functions list is effective employee performance management. Effective performance management ensures that the output of the employees meets the goals and objective of the organisation. Performance management doesn't just focus on the performance of the employee. It also focuses on the performance of the team, the department, and the organisation as a whole.

### **6. Managerial relations**

Relationships in employment are normally divided into two parts — managerial relations and labour relations. While labour relations is mainly about the relationship between the workforce and the company, managerial relations deals with the relationship between the various processes in an organisation.

Managerial relations determine the amount of work that needs to be done in a given day and how to mobilise the workforce to accomplish the objective. It is about giving the appropriate project to the right group of employees to ensure efficient completion of the project. At the same time, it also entails managing the work schedules of employees to ensure continued productivity. It is essential that HR handles such relations effectively to maintain the efficiency and productivity of the company.

### **7. Labour relations**

Cordial labour relations are essential to maintain harmonious relationships between employees at the workplace. At the workplace, many employees work together towards a single objective. However, individually, everyone is different from the other in characteristics. Hence, it is natural to observe a communication gap between two employees. If left unattended, such behaviours can spoil labour relations in the company.

Therefore, it is crucial for an HR to provide proper rules, regulations and policies about labour relations. This way, the employees have a proper framework within which they need to operate. Therefore, every employee will be aware of the policies which will create a cordial and harmonious work environment.

Such a structured and calm work atmosphere also helps with improving performance and aching higher targets.

### **8. Employee engagement and communication**

**Employee engagement** is a crucial part of every organization. Higher levels of engagement guarantee better productivity and greater employee satisfaction. Efficiently managing employee engagement activities will help in improving the employee retention rates too. HRM is the right agent who can manage the employee engagement seamlessly. Proper communication and engagement will do wonders for the employees as well as the organization. The more engaged the employees are, more committed and motivated they will be.

Human resource teams know the 'humans' of the organization better than anyone else. This gives them an upper hand in planning engagement activities. Although such activities might not fall under the direct functions of HRM, they are indeed required for the organizational welfare and employer branding.

### **9. Health and safety regulations**

Every employer should mandatorily follow the health and safety regulations laid out by the authorities. Our labour laws insist every employer to provide whatever training, supplies, PPE, and essential information to ensure the safety and health of the employees. Integrating the health and safety regulations with company procedures or culture is the right way to ensure the safety of the employees. Making these safety regulations part of the company activities is one of the important functions of HRM.

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### **10. Personal support for employees**

HRM assists employees when they run into personal problems which may interfere with the workflow. Along with discharging administrative responsibilities, HR departments also help employees in need. Since the pandemic, the need for employee support and assistance has substantially increased. For example, many employees needed extra time off and medical assistance during the peak period of the pandemic. For those who reached out for help, whether it may be in the form of insurance assistance or extra leaves, companies provided help through HR teams.

### **11. Succession Planning**

Succession planning is a core function of HRMs. It aims at planning, monitoring, and managing the growth path of the employees from within the organizations.

What usually happens is that promising and bright employees within the organization who have excelled in their roles are handpicked by their supervisors and HRs, and their growth paths are developed.

This, of course, becomes quintessential as those employees who recognize the fact that the company is investing in their growth and development, and therefore, will stay loyal in the long run. However, while developing such employees towards a higher role, companies must keep in mind several aspects, such as improving employee engagement, assigning challenging tasks and activities.

An employee leaving the organisation can prove to be disruptive and expensive. Therefore, succession planning is a saviour of some sorts, as it helps identify the next person who is just right to replace the outgoing individual.

### **12. Industrial Relations**

It's usually the production lines and manufacturing units where this HR function is mostly used. You see, Unions exist in factories and manufacturing units. And their responsibility is towards the goodwill about the workers — in fact, they're always vocal and upfront about.

Now, for a company, especially into manufacturing and production, the HRs must have ongoing Industrial Relations practices. They must also continuously engage with the Unions in a friendly and positive manner to maintain amicable relations.

The true motive of Industrial Relation touches on a lot of issues within the company. For instance, Industrial Relations may be in place to meet wage standards, reduce instances that call for strikes and protests, improve working and safety conditions for employees, reduce resource wastage and production time and so on.

Industrial Relations is extremely important because, if handled properly, it can circumvent protests, violence, walkouts, lawsuits, loss of funds and production time. IR is a sensitive yet critical function of the HR department, naturally, it requires personnel with vast experience.

HRM plays a major role in the smooth functioning of the organisation. The process starts with formulating the right policies for the job requirements and ends with ensuring a successful business growth of the company. Therefore, HRM works as an invisible agent that binds together all the aspects of the organisation to ensure smooth progress.