



A THEORETICAL ANALYSIS OF NEW HRM CHALLENGES IN 21ST CENTURY

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Abstract

Two decades ago, the globe transitioned from traditional to strategic HRM, the emphasis of HR practises also changed from merely assuring financial advantages to ensuring an increase in personal value and the welfare of the employees. The advent of the New Ways of Working (NWOW), wherein employees are no longer compelled to abide by the time and space constraints of the workspace, has fundamentally changed how HR responsibilities are carried out. Organizational psychology provided the foundation for the human resource management discipline, which has since emerged as a crucial management tool. With time, this practice's strategic role started to take shape. HR managers now have a difficult job because HR has developed into a crucial strategic partner in a firm. Human resource management departments are now essential to running modern firms in the twenty-first century. This article focuses in particular on how human resource management practises have changed in the twenty-first century. The purpose of this theoretical essay is to emphasise the significance of human resource management, HR practises, and the factors that influence them. In addition, this article describes the forthcoming difficulties that HR managers will have in the twenty-first century. The purpose of the literature analysis was to illustrate contemporary practises, difficulties, and developing topics in the field of human resource management.

Key Words: Globalization, Strategic Partner, Technological Advancement, Dynamic Environment, Change Management.

Introduction

Companies that want to maintain their competitive edge in the present and the future need employees that are well-versed in the newest methods and technology to deal with the changes and approaching difficulties of the twenty-first century. Organizations face a staggering amount of obligations nowadays. Among these include increasing globalisation, fierce rivalry, frequent technological advancements, new organisational alliances, unique organisational structures, demographic shifts, changes in working practises, etc. The demand on today's organisations is enormous as a result of all these changes, and the HR function in particular has a crucial role to

play in assisting with and navigating evolutions. HR must therefore boost both its perceived and actual value. One of the management functions that saw significant dramatic changes in the new millennium is HRM. The duties of HRM managers are changing from merely resolving personal matters to developing and implementing complex organisational plans. There are currently substantial talks taking place regarding the key issues for human resources moving forward. Due to rising globalisation, cutting-edge manufacturing techniques, shifting consumer demands, and company reorganisation, HR managers are confronted with a number of difficulties. HR managers are working extremely hard to retain talent,

fulfil the demands of a multicultural workforce, and reduce personnel costs. To fulfil the shifting needs of the 21st century, a flexible workforce must be created. This study paper's objectives are to examine HR-related problems and challenges and to provide some workable solutions.

Human Resource Management

The multidisciplinary field of human resource management incorporates theories from management, psychology, sociology, and economics (Senyuçe, 2009). An effective HRM makes an effort to inspire outstanding performance from regular individuals. In addition to selecting the ideal candidate for the position at the ideal time, human resources management is in charge of motivating staff members and ensuring their long-term development (Walker, 1994). This role must ensure that everyone is abiding by the laws and regulations of the company using both strict and lenient methods (Dowling & Welch, 2004). It's critical to stay up to date on both technology and environmental changes. The ability to develop individuals in accordance with global environmental conditions and the global marketplace is one of the largest difficulties facing HR professionals today (Andersen, Cooper, and Zhu, 2007). HR is currently taking a lead in establishing a strategic and competitive edge by participating in making strategic decisions, going beyond its traditional supportive role in the organisational functioning (Golden and Ramanujam, 1985). (Walker, 1994) says that the integration of HR with businesses necessitates a brand-new paradigm for managing people in an organisation. HR is also explained as proposing solutions for a wide range of complex problems pertaining to organisational success. Utilizing people's knowledge and experience in an efficient and effective manner to achieve corporate goals is the 21st century approach to HRM (Wong & Snell, 2003). Similar to this, (Tzafir et al., 2004) highlighted the significance of HR focusing on employee perks and concerns because people are crucial to the success of organisations. Organizations today must embrace modern changes and make efforts to maximise profits due to the challenges of a dynamic environment (Robbin, 2005). Organizations today face a number of issues

related to 21st century human resource, such as utilising new technology, globalisation, everyday advances, political and economic instability, and ethical and ecological challenges (Theunissen, 2007).

One of the greatest issues in the modern world is change management. Being able to adapt to both internal and external changes is a prerequisite for any organization's growth and survival. In order to maintain the appropriate speed, HR must take the lead with other crucial business divisions of a firm (Ulrich, 1997). The notion of globalisation has roots that date back to the early 1980s, but it has recently picked up steam. The idea that the globe is one market place where it is vital to deal with culturally varied people in a respectful way is synonymous with globalisation. Numerous businesses have expanded internationally thanks to globalisation, boosting national GDP. It combines company operations across geographic boundaries (Morris, 2004). Therefore, the HR department will need to switch from a traditional to a strategic strategy to meet the changing needs of the modern period in the twenty-first century (Johri, 2014).

New Hr Challenges For The 21st Century

Planning for HR is one of the most important tasks for HR managers. The organisations have changed from being "behind the scenes" in regards to HR functions in the twenty-first century to becoming a crucial point of differentiation in businesses. The 21st century has given the HR positions a new dimension, especially in light of globalisation. Manpower management is a difficult job that calls for specific knowledge. Many changes have occurred over the past few years, such as the growth in layoffs and the resulting job losses, which has put a lot of pressure on management to review the organization's policies and strategies (Zorlu, 2009). The explanation of some of the difficulties that HR is currently experiencing is provided below.

I. Recruitment and Selection

Finding the personnel with the necessary expertise for a company's growth is HR's primary duty (Miller & Cardy, 2000). The effectiveness of recruitment and selection procedures has a significant impact on the calibre of employees hired. However, because

globalisation has made it possible for businesses to invest internationally, the recruitment and selection process is not always straightforward and is confronted with numerous difficulties. The price of posting job openings may be a physical issue, while communication issues between recruiters and hiring managers may be an intangible barrier. We are aware that every individual is unique, and as the hiring committee is also impacted by its members' values, beliefs, and social perspectives, it is difficult to completely rule out the possibility of bias. Both local and multinational businesses' HR departments are going through a challenging moment. Both types of businesses are having a difficult time locating qualified applicants. It is crucial for managers in the twenty-first century to extend their perspective when it comes to making judgments about people based on their origin, culture, values, ethnicity, and background in order to choose the best talent from the entire pool.

II. Growth & Career Development

Employee career advancement initiatives are actions performed by both businesses and individuals to hone their skills and stay current on advances. Numerous technological advancements and changes have been brought about by globalisation. Innovation is the major factor in any business' ability to expand and endure. Organizations can prevent top personnel from looking for opportunities elsewhere by offering internal career advancement options. Training and staff development are crucial if you want them to be able to adapt to all the changes and innovations that come their way. The focus of training today must be on an employee's entire development and career development rather than just forcing them to master a particular skill or body of knowledge.

III. Fostering an inclusive workplace and diverse workforce

The workforces of today's firms are heterogeneous, which is undoubtedly a good thing because unique minds will inspire new inventions and ideas, but managing a culture where people have different mindsets and promoting cultural values is undoubtedly difficult. Since culture is the foundation of any company, HR managers must work very

hard to create a strong organisational culture. The HR managers must create a culture that supports these changes due to acquisitions and mergers in the twenty-first century (Williams, 2003).

IV. Conflict management and resolution

Conflict has two sides: one that is beneficial and is known as conflict, and one that is destructive and is known as conflict. Managers of today need to be well-versed in handling both types of disagreements. Long work hours, intense competition, pressure to meet goals, and other 21st-century factors are known to cause stress and disputes among organisational personnel. The HR managers must develop strategies for handling conflicts quickly. Before the issue causes severe harm to a company, they must serve as a mediator and move promptly to resolve it. Since effective dispute resolution depends on clear, open communication, the HR manager must be a great communicator. When dealing with employee complaints, HR managers are occasionally required to explain the codes of conduct to the employees. Other times, they serve as a point of contact between companies and labour unions to mediate disputes between the parties.

V. Business ethics and values

Any manager's position requires close attention to corporate ethics and ideals. Having values and ethics in place that will determine an organization's sustainability in the global market for a longer period has become more important as a result of recent changes in workplace culture, strategies, and organisational structure. Given that the HR department works directly with employees of a firm, it must deal with a variety of ethical problems or difficulties. The HR department deals with a variety of ethical risks that could harm a company's reputation and long-term financial viability.

VI. Managing a Multi-Generational Workforce

Employees from multiple generations and age groups work for organisations these days. These people are categorised as members of Generation Jones, also known as Baby Boomers II, Generation X, and Generation Y. People from Generations X and Y are renowned for having a greater understanding of technology and a preference for using

cutting-edge working methods. While baby boomers and boomers II feel content with their old ways and do not like to leave their comfort zones, they prefer to absorb new ideologies and are seen as inventive. Both groups of people are crucial to an organization's success, so it is crucial that it retains both of them. The responsibility of the HR manager is to appropriately address their needs.

VII. Retention and motivational techniques

It has become quite difficult to prevent people from looking for new jobs in the current environment, where there are plenty of opportunities. Organizations have started to hire people from all over the world, so it is critical for HR managers to create effective retention strategies. We recognise that each person is unique, and that businesses must apply various strategies to retain and motivate their best employees. The provision of financial rewards is no longer seen as a means of keeping employees. Every company needs to implement the newest methods for keeping its employees happy, since this will lower the rate of employee turnover (Henson, 2007).

VIII. Flexible work schedules

As the 21st century has progressed, time has grown more flexible, which presents a significant problem for HR managers. People today prefer to work from home for a variety of reasons, including technological advancement. Online marketplaces and virtual worlds are products of the internet. Although flexible work arrangements have many advantages, they will also cause more stress on management and the workforce, which managers in the twenty-first century must effectively handle (Anderson, 2002). The HR experts must periodically assess the achievements in various initiatives and the difficulties encountered within the time period given the flexible work arrangements. This can aid in the future adoption of more effective flexible work arrangement policies.

IX. Striking work-life balance

These days, a lot of people are paying attention to this idea. The workload is growing daily as a result of the intense market competition, which causes a variety

of health issues and high levels of stress among the workers. Making a distinction between work and leisure activities is the manager's role. If they are unable to strike the right balance between their personal and professional duties, people frequently leave their careers. Therefore, the manager must try to prevent such a situation from occurring and must assist employees in establishing the proper work-life balance (Kossek, 1998).

X. Managing the Five R's

The 5 R's are more important to the success of every organisation in the twenty-first century as a result of the evolving role of HR managers. Managers now must pay special attention to the four R's: resourcing, recruiting the right personnel, retaining the talent, and restructuring.

XI. Relations at work

Industrial relations are one of the most challenging issues facing today's industrial society. Any industry cannot advance without employee cooperation and pleasant relationships (Argyris, 1977). Therefore, it is in HR managers' best interests to establish and maintain positive working relationships between employees and management (employers).

Strategic Partner - The Hr Manager's

For some time now, the function and responsibilities of HR have been evolving. The change from personnel to human resources was a step toward recognising the value of employees as an organisational asset. Additionally, this change was meant to encourage HR to act as a strategic partner, offering guidance on important issues and taking part in important business decisions (Beatty & Schneier, 1997).

It is suggested that HR managers keep in mind that they must adopt a proactive rather than reactive approach in light of the aforementioned problems. The changeable environment that firms must operate in requires HR managers to remain adaptable over time. Sticking with conventional approaches to meet special needs is not a good idea; new procedures must be adopted to produce effective and efficient results. They must have all the necessary specialised knowledge to support their position as HR manager. In order to meet the challenges of the twenty-first century, HR managers must take the lead in driving change by adopting

the mindset of a business change agent who encourages staff members to develop their skills and alter their perceptions of what HR does for the organisation. They should invest in cutting-edge strategies to attract and keep the best employees because doing so will provide them a competitive advantage over rivals. The HR managers should be able to predict how particular changes will affect business. To address the challenges of a global world, HR managers must go above and beyond. They must develop a variety of flexible and creative tactics that can help them flourish in foreign markets and attract new clients and staff. Maintaining consistency with other organisational functions or divisions is crucial for the HR function.

The HR managers must create a competency framework that outlines the knowledge and abilities needed to carry out each position effectively during this time of transition. These frameworks will promote excellence and energise the workforce. It is essential to invest in the appropriate technology and have the necessary knowledge to use it in today's competitive world. Almost everything has undergone significant change as a result of technology, from industrial methods to the hiring and training processes. It is necessary to diversify HRM methods to provide value to both consumers and employees since the economy has shifted from one centred on industries to one based on knowledge. Work-life balance is a relatively new issue that HR professionals need to embrace as a positive trend. They must consider how to use work-life balance as a tool to draw in and keep skilled workers. The HR manager needs to comprehend that the trend toward work-life balance is advantageous to both employees and employers because it can increase productivity and reduce costs.

Summary And Conclusion

From the perspective of emerging HRM in the twenty-first century, globalisation has several effects on businesses that may involve cultural diversity. The HRM of today must have the knowledge, outlook, and skills required to gain a competitive edge on a global basis. It is advised that businesses make an attempt to efficiently match their HR operations with their overall company goals. Last but not least, HR needs to

constantly be on the lookout for originality and innovation because they are recognised to be successful. The challenges of globalisation posed by the 21st century, which has given enterprises a completely new image, heavily depend on HR. Since businesses are now more adept at utilising technology, it is crucial to adapt any developments. As strategic partners of the business, HR's job has changed, necessitating coordination with all other functions and assistance for initiatives including recruiting and keeping top talent, changing organisational structure, and training and retraining personnel. Companies form various HR groups as a result of mergers and acquisitions as they expand. One strategy is for the HR groups located around the company to grow their expertise in a particular field so they can fulfil the expectations of the bigger company. When HR departments work together in this way, they see one another as resources rather than competitors, which help them develop high level capabilities across a variety of domains.

The HR department faces numerous issues in the twenty-first century, including managing change, handling conflicts, managing a workforce made up of multiple generations, managing the five Rs, balancing work and life, and succession planning. For long-term survival in a complicated and extremely uncertain market, HR must boost organisational efficiency and effectiveness by creating value and gaining an advantage over rivals. Clearly, the field of human resources has to make a quantum leap. Professionals in human resources (HR) can help with this shift by making genuine efforts to tackle the challenges of organisational transformation and by figuring out how to gauge the value of HR to the business. Last but not least, they can carry out extensive research on human resources and how they function in upcoming firms.

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