

# [Innovative human resource practices : global perspective.](https://assignbuster.com/innovative-human-resource-practices-global-perspective/)

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Innovative Human Resource Practices : Global Perspective. “ Any company that’s going to make it in the 1990’s and beyond has got to find a way to engage the mind of every single employee. If you are not thinking all the time about making every employee more valuable, you don’t have a chance. What’s the alternative? Wasted minds? Uninvolved people? A labour force that’s angry or bored? That doesn’t make sense. ” - Jack Welch

Positively correlated with the economic transition is the strengthening and diversification of human resource management practices, a break away from the more traditional, though extremely challenging fields of Personal Management and Industrial Relations. The maturity of various industries in India has also seen a maturity in the way the various players approach their human resource management. One excellent example is that of BPO Industry. In the beginning it was only meant to handle non-core activities like payroll management etc. ut as the industry-matured it saw the entry of various players coming-up with strategic core service support like NAD, RR&D etc. This led to a stronger focus on HRM. What is happening in India today is similar to the experiences of economically developed nations through several past decades; and will happen in least developed countries too, in times to come. Hence, it would be prudent to talk of modern human resource practices in a more general, i. e. , global framework. Of course, contextual peculiarities will only serve to enrich our knowledge pool.

But the first thing we need to clear – both at a conceptual and at a terminological level – what we are looking for. The main task is to find a common definition of ‘ innovative practices’, a definition that most of us could agree upon in order to avoid conflicting interpretations or misunderstandings, “ Innovative practices are original, exemplary, successful, adaptable, new solutions gained from experience”. Undoubtedly, the " Innovative Practices" when considered are large in variety.

They range from the introduction of new technologies to the assignment of new duties to the increase in competences, they test new organizational models, and they introduce innovative tools of social and political governance at a local level. Modern workplaces are extremely complex situations in which all the elements: the nature of the job, the characteristics of the employee, the structure of the organization/ organizational sub-unit as well as the methods and aims of supervision are extremely diverse and/or fluid. And, as a response, have emerged, a wide variety of innovative HR practices.

The first element common is the need for innovation and experimentation, which are required in order to cope with the change in the sector as workforce around the world, has undergone a serious transformation. Changing demographic patterns, income levels, aspirations & expectations have given rise to a more demanding & aware work force. Let’s take the example of a BPO where in order to retain employees, industry is adopting new and innovative ways. The following example helps us to understand how the industry is attracting people. “ MSR works for four days every week and gets to put her feet up for the rest of the week.

MSR is part of a 20-member team at a leading BPO, WNS Global Services. While the company claimed every employee followed a five-day week, an insider said that the new four-day system has been introduced as a pilot project for an US insurance firm. The insurer apparently offers a similar option to its call centre employees in the US. Workers opting for the four-day system get a normal weekend off and another holiday mid-week. However, they have to work for 11 hours on normal workdays compared to nine hours that their colleagues following a usual week put in.

The pay is no different either. MSR says that she finds this comfortable as she is in the office for most of the day or night. It does not make much of a difference if she stays on for another couple of hours making it 11 hours a day. But she is happy to have a full day off that gives her more time to be with herfamily. ” Just like above mentioned example many BPOs are following various innovative practices in the form of new HR incentives. They have tried many incentives such as encouraging people to get their family to work in the same place or creating recreational opportunities.

A senior professor of organizational behavior at XLRI, India observed that after a point, moneywould not matter and personal life becomes very important. Companies are trying to reduce the gap between official life and personal life. They are trying to take care of employees’ personal life as much as possible. That is why the employers are trying to make the organization a fun workplace, offering facilities like gym, sauna and games. Some companies also arrange to take care of errands such as paying electricity and telephone bills to help the employees reducing their personal work loads.

Let’s look at some of the issues calling for more innovative human resource practices: 1. Technology, Change and Resistance to Change. Needless to say, one big player is Technology. Hard technology created alienation amongst workers and it continues to do so in softer avatars. The introduction of amazing new technologies have increased the speed at which other organizations will copy your best practices so it is necessary to speed up the rate of innovation in everything in business. In short, innovation is the last remaining competitive advantage in business — and HR and recruiting are not exempt from this fact.

Perhaps this quote will illustrate the speed in which companies are required to innovate: “ Innovation is what is at the foundation of the U. S. economy. Just to give you a simple example of my company... about 90 percent of December revenue comes from products which were not there in January. That sort of innovation, which is a total turnover of our revenue every year, is indicative of what innovation means to us. You miss a cycle of innovation, your revenue disappears. ” — Craig Barrett, CEO of Intel Witness the sustained employee- resistance, covert or overt, to technology introduction.

In earlier decades, workers resisted mechanization for fear of job-loss. These days, computerization efforts are given the boot as it requires new learning. Again witness the very high implementation –failurerates of what were once thought of as panacea for all organizational ills: Enterprise Resource Planning (ERP) systems. What actually failed was the proper integration of the Human layer with the Technological one. And now the flipside- Technology helps organizations co-ordinate the complex task of human resource management.

Human Resource Management solutions (HRMS) are available in flexible, web- based modules like: — Employee Performance Management (including eAppraisal, Trainning & Development, Goal allocation & Tracking, Multi- Rater Feedback, Performance Linked Bonus etc. ). A lot of companies / HR consultants get custom software built for the purpose on Oracle, but the functionality is similar, which filters and web support etc. Some of the software that support various HR Functions are : Instant HR Software 2. 0. 94 (Manage human resources, personnel records, leave and benefits. , ERP Flex - HR 1 (Manage detailed information of your employees, various evaluations, and trainings. ), The Garuda Preference Profile 2. 1 (Analyze, describe, and measure essential competences, statistics and job-requirements. ) etc. — Human Capital Management including Employee Database (HRIS), Employee Self- Services, Payroll Manager, Online Compensation Planning etc. ) — eRecruitment ( including Recruitment portal, Transfer Management etc. ) — Strategic HR Tools (including Organization Alignment, Succession Planning, Manpower Planning, LeadershipEffectiveness Surveys, and Employee Satisfaction Surveys etc. 2. The Gen-Y gauntlet: ‘ Challenge me; Develop me; Pay me’ All across the world, and especially in demographically young countries like India, the workforce has come to share certain common features: young age, high levels of intelligence as well aseducation, a comfortable upbringing, very high aspirational levels and high mobility ( not only physical but also emotional). Coupled these with a relative indifference towards hierarchy, bureaucracy, titles and bonuses and the HR manager has a serious retention andmotivationproblem at hand as these young people are different.

Their motivation, their technical sophistication, and their demand forrespectandresponsibilityare leaving many company executives to wonder: “ What should we do with Generation Y? It’s clear that harnessing the power of these young people is an issue many companies have started to address. Generation Y is innovative and creative. They seek to make a difference and want to produce something worthwhile. Companies that don’t find a way to harness that energy very quickly are likely going to lose out.

Generation Y is also impatient; they expect speed and change and won’t tolerate situations that don’t make sense to them. Technology advancements are in part responsible for the generation’s sense of urgency. This generation is connected 24/7. Their exuberant, impatient style may be frustrating to older executives who dismiss Generation Y as inexperienced. At work, Generation Y thrives on flexibility, having space to explore, and the opportunity to pursue new challenges. They expect to be respected for their ideas and insights from Day One, and they think face time and corporate politics are a waste of time.

They’d also like to stay with one company – if that company offers them ongoing opportunities to grow and learn new things. So HR practitioners should adopt some practical steps to consider toward change. Start by determining the company’s need for Generation Y talent over the next three to five years, and don’t forget to anticipate the retirement of Baby Boomers or the shortage of Generation Xers. Try to assess the workplace relative to what Generation Yers want: long-termcareerdevelopment, multiple experiences within a single company, flexibility, sense of purpose and meaning in work, respect, and opencommunication.

Finally, develop a generational change plan with the support of senior leaders in the company and pay particular attention to communicating the plan’s purpose and details so that people feel comfortable with the changes. 3. The ‘ Creating a Great Place to Work’ Contest. Yes. Like Reality Shows on TV, this new contest has also entered HRM- space in India. Every self – respecting organization wants to be on the bandwagon (or at least seen to be on it). HR managers take this issue seriously as the quality of the workplace impacts directly on issues of customer service and productivity.

The connection to customer service has been shown in numerous studies. A famous 1998 study published in theHarvardBusiness Review article “ The Employee-Customer-Profit Chain at Sears” showed that an increase in employee satisfaction at a store resulted in an increase in customer satisfaction, which in turn resulted in higher profitability for the store. There have been similar studies in the hospital industry, showing that improvements in workplace environments result in better patient satisfaction.

A Financial Services & Insurance / Morgan Stanley company of United States takes care of its workenvironmentin order to increase productivity and retain employees. Employees at this investment bank are cared for with benefits that include two on-site restaurants, twohealthclubs, a medical clinic, dry cleaner, and back-up child care services - one of many initiatives set-up to promote better work/life balance. But what really keeps employees here is the sense among them that they are all seen as people first, not just employees.

Phrases such as " we hire nice people", and " talent is more important than specific skill" indicate that managers at Morgan Stanley are willing to invest in people to help them grow and learn, and thus create a career for themselves. This is not the only company there are various company all over the world which are focusing on this very issue of work life. Witness the following initiatives: Sasken’s ‘ People First’ policy: shifting focus from consumer to employees; Marriott Hotels’ ‘ Guarantee of Fair Treatment’ (GIFT); SCOPE’s (Standard Chartered Operations Co. ‘ Switch Jobs Without Quitting’ (SJWQ); Godrej Consumer Products’ Policy on Sexual Harassment (POSH); Sapient Community Outreach Programme (SAPPORT); Sasken’s ‘ Hibernation Leave’ concept etc. Thus organization need to understand that mere talk about creating a “ customer- centric” organization is not enough you need to provide a working example of how it’s done. Now that we have seen few issues which are very important in today’s scenario to be taken care of let us see few examples of the companies that are following innovative practices in their organizations.

The below mentioned examples give a view that companies are following across the world innovative practices that can help them to retain, develop and motivate their people. 7 creative ways that leading companies use to maximize the power of people. 1. Support andAccountabilityfor New recruits at Trilogy Software Trilogy Software, inc among the world’s largest privately held software companies pushes the responsibility of grooming new hires into the organization on their sponsors. As a result, if the new hires make the grade, the sponsors are paid $ 1, 000 bonus. If the new hires fail, the sponsors are required to pay $4, 000.

As most sponsors hold stock options worth millions of dollars so the penalisation does not mean much to them. However, what happens is those who fail examine why their recruit failed and take steps to avoid those mistakes. 2. Jeff Taylor, Founder and CEO of Monster on the importance of having a good time with employees. “ We have a full breakfast bar at our company. We bring in 500 bagels and fresh cut fruit in the morning. We have a gym with a trainer. We have parties once a quarter, where we invite the employees to come and have a good time. ” 3. Practice what CEO of SAS, Dr.

James Goodnight calls “ Management by Loitering” “ It’s just to be seen walking around and talking to people, and finding out what they’re working on and basically being approachable. You know a lot of things that don’t really come up through the management ranks and some times you find out some very interesting things that people are working on. . 4. Larry Page on automating Performance Tracking atGoogle. “ We did a simple thing that in retrospect was brilliant: We wrote a program that asks every engineer what they did every week. It sends them an email on Monday, and concatenates the emails together in a document that everyone can read.

And it then sends that out to everyone and shames those who did not answer by putting him or her on the top of the list. It has run reliably every week since we started, so forever week of our company’s history we have a record of what everyone did. It’s good for performance reviews, and if you’re joining a project team, in five minutes you can read what your team members did last week or months. ” 5. Andy Taylor, Enterprise Rent a Car on Relentless Customer Focus “ So we decided that we had to add some metrics to our customer satisfaction.

We created a measurement called ESQi, which is the Enterprise Service Quality index. It’s a statistically valid sample of customers’ opinions taken monthly, at every one of our branches. The customer gets called seven to ten days following the close of the rental. We have an outside company to collect the data, and there are basically two questions. The first asks about the customer’s satisfaction level, with five answers ranging from “ completely satisfied” to “ completely dissatisfied”, and the second asks how likely he would be to return to Enterprise.

Beginning in 1996 we told all employees, if you’re not at corporate average or above on your ESQi, your not getting promoted. And all of a sudden, customer satisfaction went to the top of the list. The ESQi has given us a greater sense of urgency and I would consider that the greatest change that has occurred here. The process enables us to go from being a nearly $2 billion business in 1994 to a $7 billion-plus business today. ” 6. Staying in touch at Walmart “ At retail giant Walmart, every Monday, members of the senior executive team head out to Walmart stores around the world, where they talk with managers, employees and customers.

To ensure that they get a complete picture, they also pay a few visits to competitor’s stores. On Thursday evening, they return to corporate headquarters in Bentonville, Arkansas, armed with new insights about the market and their people. There, they discuss what they’ve seen and heard, thus allowing the organization to modify its strategies. On Saturday thousands of store managers participate in a videoconference and the senior team shares their observations and provides direction for the coming week.

Come Monday, They’re on the road again. 7. Take Employee Feedback like IBM IBM held a three-day discussion via the corporate intranet to debate and discuss about the company’s values, the nature of the organisation and what it stood for. The forum dubbed “ ValuesJam” attracted about 50, 000 of IBM’s employees and elicited about 10, 000 comments about the proposed values. Thus we can see how little innovation in your practices can enhance not only your employee performance but also your organization performance.

Basics are always the same, the only thing we can do is bring or use innovative ways to improve your working and efficiency of your employees. References http://www. deloitte. com/dtt/cda/doc/content/us\_consulting\_hc\_dbrief\_150606. pdf http://www. specht. com. au/michael/2007/05/16/gen-y-in-the-workforce/ http://resources. greatplacetowork. com/article/pdf/levering\_web. pdf http://www. citehr. com AUTHOR – SHALIKA GRACE PHILLIPS, ASSISTANT POFESSOR, LAL BAHADUR SHASTRI INSTITUTE OF MANAGEMENT AND TECHNOLOGY, BAREILLY.