Issues that hrm face in the era of globalisation

Business, Employment

HRM can be simple defined as the convergence of three factors – human beings, resources and management – where human beings have the actual and potential resources that can be harnessed through effective management techniques to achieve short and long term organizational goals as well as personal needs. Thus, the focus of HRM today is on the effective overall management of an organization's workforce in order to achieve desired objectives and goals.

The Harvard model of HRM shows HRM as a set of broad strategic choices in response to the demands of organizational characteristics within the context of the external labour market and social, economic and political conditions.

The Harvard model of HRM sees employees as resources. This approach recognizes the element of mutuality in all businesses. Employees are significant stakeholders in an organization. They have their own concerns and needs along with other groups such as shareholders and customers.

The Harvard model suggests that SHRM strategies, policies and processes fall into four broad areas: * Employee influence and involvement: The extent to which employees are encouraged to share their ideas and participate in organizational consultation and decision-making procedures * Human resource flow: All HRM functions involved in employee management * Rewards systems: The monetary and non-monetary ways by which staffs are recognized * Work systems: Includes consideration of the fit between employees and their workplaces

HRM Strategies

HRM should find the most effective strategies to meet the objectives of the company. There are three kinds of organizational strategies and associated HRM strategies and functions; they are innovation, quality improvement and cost reduction.

Nowadays, people can't stop to innovate and trying to create something better, something new, something fresh. Innovation is becoming a demand in our lives and so does in HRM. It's one of the organization strategy focuses that needed in the order to reach the objectives of the company. Setting a job rotation in the company is one of many example of innovation in HRM strategies, to keep the employees from getting bored and for the employees to know where they're really good at.

The HR should have effective recruitment techniques to select the employees that will become a valuable resource for the company, to find the right candidate for every position in the organization. The HR should also give a relatively fixed and explicit job descriptions to every single employee in the organizations, so that they know what to do. It's also very important to improve the quality of the employees, by giving them extensive and continuous training and development.

Cost reduction is one of the HRM strategies; the HR should find a way to reduce the cost of the organization, usually by giving narrowly designed jobs and narrowly defined career paths that encourage specialization, expertise and efficiency. Some companies are giving stocks/shares for their employees instead of giving bonuses to reduce cost; and by doing that; they expect the employees to be more loyal to the company in return.

Issues that Face HRM Today

Helen Barnes, Principal Research Fellow at the Institute for Employment Studies and one of the report's authors commented that the number of older workers was rapidly increasing, so it's essential that both employers and government tackled this issue. They have found that many organizations struggled to raise the issue of age in the workplace, as they were wary of causing offence or risking discrimination. Aging populations is one of the issues that face HRM today, some said that an ageing population creates immediate pressures for changes in both service delivery and in human resource management in organization and ageing population would hinder growth and productivity. But in the other hand, older employees usually tend to be more loyal to the company.

Today, the ' male breadwinner model', with the male in full time employment and the female as the full time housewife and career is under question. Over the last 20 years, female labor force participation rates have risen from 45% to 57%, but although female participation rates have increased, women hold a very small percentage of the crucial decision making roles in organizations.

Family leaves, including maternity; paternity and parental leave is becoming the most pressing policy concerns at national and company levels right now. In Australia, under the National Employment Standards, employed parents will also have a right to 52 weeks' unpaid parental leave with job protection. Parents of school aged or disabled children have the right to make a written request for changes in working arrangements that may includes changes in hours, patterns and location of work. These acts are not really favorable for

the employer that will lead to discrimination issue because the HRM will tend to hire employee with no children.

Issues such as the declining size of labor force relatively to the population, the increasing demand for skills, the changing age demographics, the shifting mix of female and male participation in the paid workforce and the corollary of time and family pressure outside of paid work all create a labor market of great diversity and, in some situations, intense competition. Whichever the chosen factors, HRM has a role to play.

Cultural Issues

In Indonesia, and many other Asian countries, people tend to hire their own relatives to work in their own company. They have a trust issue with people (strangers), even if the other people have better or higher skills, which is not fair for the other employees.

But today, this kind of tradition is changing, most organizations start to be more professional due to the tough competition; the company has to hire right employees in order to win the competition, they shouldn't trust unqualified people to run in their company.

Flexibility Issues

HRM should be more flexible in order to keep their employees happy so that the employees will work effectively, and also to maximize the skills of their employees.

In Australia, companies are force to arrange some flexibilities on maternity / parental leave, because it's stated in the Fair Work Act of National

Employment Standards. Usually the employees with children can request for more flexible working arrangement or even personal leave. But, before that the company will make a contract with some employees who have families, for their flexible working hours or holidays.

One of the major methods employers have used to achieve numerical flexibility has been to increase the number of non-standard or part-time employees. These employees are missing out on most of the important employment condition and have limited access to other rights and forms of leave, they aren't provided to access to paid sick or annual leave. In order to face this issue, the organization should respect the part-time workers more, by giving them specific work to do according to their skills; part-time workers must have access on training just like the full-time workers; and the organization should make career development for the part-time employees as well.

Discrimination Issues

There are several discrimination issues that happen these days; gender discrimination is one of them, although the numbers of female employees are increasing year to year, some companies still tend to hire male employees because they don't want to handle the maternity or paternal leave.

In Indonesia, the discrimination in the government is that they're only hiring not even 1% of the Chinese, even though there is an estimation of 20% Chinese living in Indonesia. To handle this kind of issue, some countries have done affirmative action, like for example if there are 20% of Indians in a

country, there also must be 20% of Indians employees in a company within that country.

Discrimination on people over 50 also happened in the workplace. The organizations doubt the health of the older employees, so that they tend not to hire people over 50, to reduce cost for the organizations.

Workplace discrimination is still a problem for many organizations; there are other grounds of discriminations such as; pregnancy, family responsibility, physical VS handicap, age, gay and AIDS. HRM must act as a coordinator to eliminate and minimize discrimination problems and challenges. Employers can solve the problems by helping employee understanding through communication, diversifying the workplace, hiring qualified employees and establishing a mediation program to handle complaints in this regard.

Sexual Harassment Issue

Sexual harassment is bullying or coercion of a sexual nature, or the unwelcome or inappropriate promise of reward in exchange for sexual favors. Sexual harassment is a form of illegal employment discrimination in many countries, and is a form of abuse and bullying. For many businesses and other organizations, preventing sexual harassment, and defending employees from sexual harassment charges, have become key goals of legal decision-making.

A simple example of sexual harassment is when a boss has threaten his/her staff to do things he/she wish for, for example, thing like going out for a dinner with him/her, and if the staff refuses the offer, the boss will fire or cut

off their salary. And an example for severe case, when the boss is sexually assaulted his/her staff, by touching or even groping.

There are several ways to prevent sexual harassment in the work place, one of them is there must be a rule for women employees to dress appropriately. There also must be a clear policy prohibiting sexual harassment and to make it very clear to the employees.

Changes in Human Resource Trends

HR professionals will see major changes in their job functions, despite some people said that HRM is a waste of money, when HR is done right, it does add value to an organization. HR professionals are responsible for placing the right people in the right roles, and helping them to develop and succeed in those roles. With a growing number of job functions, HR professionals must become more sophisticated in their approach to hiring employees and managing a workforce.

There are some changes in Human Resource trends, like there will be a demand for flexible work schedules, companies will tend to hire younger employees and tougher competitions between employees because of the higher education levels.

In Australia, because of the National Employment Standards, the employers will be much more demanding, the employees have to work quicker; they're expected to work effectively and efficiently for the organizations. The Future of HRM

SHRM believes that the organizations must have a 21st century workplace flexibility policy that meets the needs of both employers and employees.

Rather that a one size fits all government mandate, the policy should be new approach that reflects different work environment, representation, industries and organizational size.

Just look at these IT companies like Google and Microsoft for example, they have provided a stressed-free working place for their employees, there are no strict rules about the working hours or about what should the employees wear to work, there are Ping-Pong, billiards table, swimming pool and many others facilities, they even provide free laundry service for their employees. It might seem impossible, but it's working pretty well, the company keeps the employees happy, in order for them to be creative and be loyal to the company.

Human Resource Management in the future will be more flexible than before, HRM will concentrate to make their valuable resources, which are the employees happy so that they'll work productively for the organizations.

For certain jobs, because of the advanced technologies, the company will let their employees to do telecommuting, which means letting the employees to work at home instead of coming to the office to work.

In the future people will be more educated than before that will lead to a very tough competition among employees. There also will be more laws for working conditions within or outside the companies.