

A New Global Order for HRM (Human Resource Management): A Study

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Abstract

Human resource management is not new concept but at present context it is recuperating to build up strategic capability as a most significant intangible impact and expanding its national and international boundaries as with new managerial roles of the business firms for embracing the opportunities and challenges of the knowledge economy. In fact, unless HRM is able to reinvest itself to accept the ongoing challenges of the knowledge economy, it would become a constraining factor that undermines a firm's competitiveness rather than a crucial source of comparative advantage.

Key words: - Human Resource information system (HRIS) and MPP (Man power planning) knowledge based Industries.

Introduction:

The competitive demands of the present global order of the market in the context of a knowledge management require a reorientation of strategic human resource management and thereby human resource information system along with the manpower planning for building human capital and managing knowledge rather than focusing primarily on matching particular job skill to selected strategies. Traditionally, HRM focused on the labour market rather than looking inside the "black box" of the firms. This conceptualization has changed dramatically in the last three decades. Human Resource Management (HRM) and Human Resource Information system (HRIS) now have major roles in the field of new innovative operational activities in many organizations both in the private and public sectors.

The term 'Knowledge-based industries' includes a much wider range of

commercial opportunities. The recent growth of IT enabled service businesses in India-call centres, medical transcription, technical support and back office processing-are powerful evidence that the potential of IT technology and knowledge based industries extends far beyond the development of software and hardware. As the application of information technology spreads and saturates traditional industries, it can generate new employment opportunities ten times greater in number than those directly involved in core industries. A large number of knowledge workers are now being employed by a growing number of International companies, who are relocating their "back office" e-commerce activities, ranging from manufacturing to banking and other services. India is now the preferred location of several international knowledge-related commercial activities. The Political and Economic Risk consultancy Ltd. ranks India at the top in terms of quality, cost, and availability of skilled knowledge workers (Anonymous,

1999). This survey puts India ahead of Philippines, China, Australia, Japan, Taiwan, Vietnam, South Korea, and several other countries. Given India's unique advantages management sector is likely to exceed and surpass that provided by the manufacturing sector until now.

The concept of Knowledge-based industries, therefore; can be extended still further to encompass all those in which the application of mental judgment and skill rather than the application of mechanized production technology is the core resource. Education, health services, insurance and financial services are among the leading industries in this category. They are also among the fastest growing industries in the world. Added to these, there is enormous scope for other knowledge intensive activities such as clinical drug trials and many type of scientific research. Knowledge management can be understood as business activity with two crucial aspects:

- Treating the knowledge component of business activities as an obvious concern of business reflected in strategy, policy, and practice at all levels of the organization.
- Making a direct connection between an organization's intellectual assets --- both explicit [recorded] and tacit [personal know-how] ----and positive business results. In practice, knowledge management often encompasses identifying and mapping intellectual assets within the organization, generating new knowledge for competitive advantage within the organization, making vast amounts of corporate information accessible, sharing of best practices, and technology that

enables all the above- including groupware and intranets. The idea is that information, knowledge, and wisdom are more than simply gatherings. Rather, the whole represents more than the sum of its parts and has synergy of its own.

The top level management of Indian business firms has to understand that these knowledge-based resources differ significantly in nature from the scarce natural resources on which traditional economic assumptions have been made. Natural resources are subject to inherent limits of availability. The knowledge-based resources are not. Natural resources are consumed when they are utilized. The knowledge-based resources are not. Knowledge expands as it is shared rather than being consumed. Knowledge is not lost when it is freely given away. Knowledge is readily transportable at rapid speed and very low cost. Development of Indian business firms today crucial depends to a much larger extent that ever before on human resources development that can be freely multiplied, distributed and utilized by the entire organization, provided people have the skilled education background within the organization to receive and utilize it effectively as per need and application in their respective field of operations. This makes possible a vast acceleration in rates of human resource development.

However, at present context, unless the Indian business firms are able to reinvest themselves in HRM, MPP and HRIS to embrace the challenges of the knowledge economy, it would become difficult for each and every business firms to meet the demand of a global

information based, technology reach and quickly changing competitive advantage as a crucial source for their targets of action as per the goal of attainment to the canvas of knowledge economy for human resource management (HRM), human resource information system (HRIS) AND the man power planning (MPP) truly matter.

Thus, HRM, HRIS and MPP for any business organization in the context of the knowledge economy at present face as a new imperative from the angle of:

- (a) building strategic capabilities
- (b) Expanding its boundaries and
- (c) Managing its roles to ensure HRIS and the MPP more and efficiently to face the opportunities and challenges of the knowledge economy in the global order of knowledge economy.

Traditionally, HRM has focused its attention only on its organization piece of the value chain. In the past, a business culture of not sharing information, knowledge, or expertise with other organizations prevented companies from reaping the benefits of this broader perspective on the boundaries of HRM. It is no longer desirable or even feasible to maintain a narrow perspective on organization boundaries or to treat business with only inter relationships with automatic mistrust. Now the entire issues of developing strategic HR Policies have a deeper impact on shaping the relationship of each organization to assess the relative value of the intellectual contributions to facilitate their ability to coordinate efforts that will benefit all of the organization by managing and maintaining the security of each firm's trade secrets. This goal can be achieved in several ways: (1) using HRM

to guide customer behaviour for the benefit of both the customer and organization; (2) using HRM to facilitate the inclusion of customers in the creation and distribution of products and services; (3) using customers as organizational auditors, providing feedback on what practices to starts, stop or continue and (4) using customers as quasi HR managers who directly participate in the management of employees. Their feedback from these walk through provides the company with needed information on what practices they should continue, which need to be terminated and what new practices need to be implemented to ensure customer satisfaction.

In summary, expanding boundaries means looking beyond traditional ways of defining where HRM takes place and whom it affects. Consideration of the entire value chain opens up new possibilities for applying HRM programs, practices and policies in ways that enhance the efficiency and effectiveness of the entire system, When the entire system of suppliers, manufactures and distributors is views as one large quasi organization improvement of the whole can reap benefits for each of the individual components, too Furthermore, expanding boundaries to include customers as well as employees crates new opportunities for utilizing people who aren't typically viewed as part of a firm's HR. Capitalizing on opportunities to apply HRM in new and creative ways will be a key competency for effectively managing HR in the knowledge economy. In this given perspective, HRIS and its impact on MPP have a greater role to represent the responsibilities, relationships and their areas of contribution with the changing demands of the knowledge economy as the

new challenges of knowledge management to be absorbed within the organization in a regular and timely manner.

Conclusion:

On the whole, it may be summed up the HRM along with a deeper and greater focus on developing optimum infrastructure of HRIS vis-à-vis the MPP are the essential integrating and united factors for overall strategic framework of HRM policies in the wake of the emerging opportunities and challenges of knowledge management. For the optimization of the function bureaucratic boxes, it is urgency on the part of organizing in the new global order to make their HRM to be more and more creative for itself effectively so as to rationalize organizational future insight into progressive attainment of goal in the

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T.H. Davenport, Hofer & Schendel (1978) Kaplan & Norton (1996), Drvcker, P.F (1999). Knowledge-worker Productivity: The biggest challenge. California Management

light of situation oriented strategic, tactful, innovative operational managerial activities. Failure to change with the demands of the new economy will mean that format HRM will become less important, whereas such new challenges as knowledge management and human capital management along with HRIS and MPP will be absorbed elsewhere within the organization. In fact, HRM, HRIS and MPP are the logical source for solutions to these new challenges. Nevertheless, to become part of the solution rather than a constraint on competitiveness, HRM must break out of its bureaucratic past. This will require a paradigm shift from traditional operation functions and have to be strategic operation validity for processing new innovation and the positive challenging role.