



## **Human resources management in the 21st Century**

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### **Abstract**

A The National Institute of Personal Management (NIPM) of India has defined human resources – personal management as “that part of management which is concerned with people at work and with their relationship within an enterprise. Its aim is to bring together and develop into an effective organization of the men and women who make up enterprise and having regard for the wellbeing of the individuals and of working groups, to enable them to make their best contribution to its success”. The basic objective of human resource management is to contribute to the realization of the organizational goals. Awareness regarding Human Resource Management was felt during the industrial revolution around 1850 in Western Europe and U.S.A. Only during the beginning of 20th century, it was felt in India. Organizations come across too many challenges or uncertainties about human resource of 21st century including globalization, advent of the latest technology use, more and more innovations, economic and political instability and ethical and ecological challenges. Hence the main objective of this paper is to focus on Human Resources Management in the 21st Century.

**Keywords:** human resources management, development, 21st century

### **Introduction**

Human Resource Management (HRM) is the term used to describe formal systems devised for the management of people within an organization. The responsibilities of a human resource manager fall into three major areas - staffing, employee compensation and benefits, and defining/designing work. Essentially, the purpose of HRM is to maximize the productivity of an organization by optimizing the effectiveness of its employees. This mandate is unlikely to change in any fundamental way, despite the ever-increasing pace of change in the business world. As Edward L. Gubman observed in the Journal of Business Strategy, "the basic mission of human resources will always be to acquire, develop, and retain talent; align the workforce with the business; and be an excellent contributor to the business. Those three challenges will never change." Human resources is used to describe both the people who work for a company or organization and the department responsible for managing resources related to employees. The term human resources was first coined in the 1960s when the value of labor relations began to garner attention and when notions such as motivation, organizational behavior, and selection assessments began to take shape. Many great scholars had defined human resource management in different ways and with different words, but the core meaning of the human resource management deals with how to manage people or employees in the organization. Edwin Flippo defines- HRM as “planning, organizing, directing, controlling of procurement, development, compensation, integration, maintenance and separation of human resources to the end that individual, organizational and social objectives are achieved.” The National Institute of Personal Management (NIPM) of India has defined human resources – personal management as “that

part of management which is concerned with people at work and with their relationship within an enterprise. Its aim is to bring together and develop into an effective organization of the men and women who make up enterprise and having regard for the well – being of the individuals and of working groups, to enable them to make their best contribution to its success”. Scott, Clothier and Spriegel have defined Human Resource Management as that branch of management which is responsible on a staff basis for concentrating on those aspects of operations which are primarily concerned with the relationship of management to employees and employees to employees and with the development of the individual and the group. According to above analysis the main objective of this paper is to focus on Human Resources Management in the 21st Century.

### **The Objective of Human Resource Management**

The basic objective of human resource management is to contribute to the realization of the organizational goals. However, the specific objectives of human resource management are as follows:

- To ensure effective utilization of human resources, all other organizational resources will be efficiently utilized by the human resources.
- To establish and maintain an adequate organizational structure of relationship among all the members of an organization by dividing of organization tasks into functions, positions and jobs, and by defining clearly the responsibility, accountability, authority for each job and its relation with other jobs in the organization.
- To generate maximum development of human resources within the organization by offering opportunities for advancement to employees through training and education.

- To ensure respect for human beings by providing various services and welfare facilities to the personnel.
- To ensure reconciliation of individual/group goals with those of the organization in such a manner that the personnel feel a sense of commitment and loyalty towards it.
- To identify and satisfy the needs of individuals by offering various monetary and non-monetary rewards.

### **Development of Human Resource Management**

Awareness regarding Human Resource Management was felt during the industrial revolution around 1850 in Western Europe and U.S.A. Only during the beginning of 20th century, it was felt in India. Since then to the present era, the development of Human Resource Management may be classified as follows:

#### **Trade Union Movement Era**

The conditions of workers in the aftermath of factory system as an outcome of industrial revolution, were very pathetic. The First World War worsened the situation. The Royal Commission of Labour in India in 1911, under the chairmanship of J.H. Whitely, recommended the abolition of the 'Jobber' system and the appointment of labour officers in industrial enterprise to perform the recruitment function as well as to settle workers' grievance. Workers also started forming 'trade unions'. The Trade Union Act, 1926 was passed in India. The basic object underlying trade union was to safeguard the worker's interest and to sort out their problems such as use of child labour, long hours of work and poor working conditions. These unions used strikes, slowdowns, walkouts, picketing, as weapons for the acceptance of their problems. These activities of trade unions gave rise to personnel practices such as collective bargaining, grievance handling system, arbitration, disciplinary practices, employee benefit programmes and sound wage structure.

#### **Social Responsibility Era**

In the beginning of 20th century, some factory owners, employers started showing humanistic approach towards the workers. Robert Owen, a British industrialist, reformer and humanitarian is considered to be the first to adopt humanistic approach towards workers. He viewed that the principal social and economic environments influence the physical, mental and psychological development of workers. Hence he felt that to improve the productivity, it is necessary to improve conditions of employees by removing them from the adverse environment to a congenial atmosphere with the availability of satisfactory living and working conditions. The philosophy in Owen's patriarchal approach was that workers are just like children and the owner is just like a father. Therefore the owner should take care of the workers, just like a father looks after his children. Owen himself implemented this philosophy in his cotton mill in Scotland by introducing facilities such as shower baths, toilets, rest rooms and increased minimum wages and housing scheme.

#### **Scientific Management Era**

The concept of scientific management was introduced by F.W. Taylor in the USA in the early part of 20th century as an

alternative to the prevailing system of management by initiative and incentive based on his shop floor job experience.

### **Human Resources Management in the 21st Century**

According to W. Gibb Dyer Jr., The scope of the field of human resource management has changed dramatically in recent years. To identify core competencies of human resource professionals of the twenty-first century have presented a view of human resources that calls for creating a "new" human resource manager with a widely expanded skill set. While there are varying models for these new human resource managers, the following summarizes their core skills:

- The ability to be a business partner with others in the organization. This requires the human resource manager to have a clear understanding of the organization's mission and strategy as well as an understanding of basic business processes.
- Technical competence in the human resource (HR) function in such areas as employee selection, training, compensation, legal requirements, and so forth.
- Competence in organization development (OD) technologies such as team building, organization design, reengineering, etc.
- The ability to help an organization manage change effectively. This requires the human resource professional to have vision and leadership skills to move organizations in positive directions.

As well as according to Hassan Danial Aslam, Today's organizations are facing the dynamic environment which requires organizations to adopt changes and work for optimize profit. Organizations come across too many challenges or uncertainties about human resource of 21st century including globalization, advent of the latest technology use, more and more innovations, economic and political instability and ethical and ecological challenges. Losey mentions that "technology is advancing so quickly that it is forcing organizations to change their strategies". Therefore, in this way organizations organize their HR in accordance with the change in their products styles. All the factors related to dynamic changes are about the change in HR, so HR needs to grip all this dynamic changes that ensure that they have employed right HR with the right knowledge, abilities and skills that are required for a particular job to be done.

### **Conclusion**

From the above analysis of secondary data it concluded that the basic objective of human resource management is to contribute to the realization of the organizational goals. The scope of the field of human resource management has changed dramatically in recent years. To identify core competencies of human resource professionals of the twenty-first century have presented a view of human resources that calls for creating a "new" human resource manager with a widely expanded skill set. Skilled human resources are essential to ensure the production of high quality and to implement more efficient and effective production processes based on new technologies. Proactive human resources management is essential to achieve the abovementioned change to meet the challenges today and in future.

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