

A study on the evolution of Human Resource Management

Jeetsingh Rathore, BBA LLB First year in NMIMS Kirit. P. Mehta School of Law, Mumbai, India.

ABSTRACT

Purpose: The purpose of this paper is to study the evolution of Human Resource Management

Research Implications: This paper provides a secondary study on the evolution of Human resource Management.

Findings: There have been various findings while research of this paper. The HR was started in 1913 and has grown exponentially since then. There have been lots of recent trends in the field of HR. Digitisation plays a very important role in the field of HRM. Digitisation refers to conversion of any material into digital form using computers.

Originality: This paper presents the study on HRM on the basis of different literatures including research papers, websites and articles.

Keywords: Human resource management, Evolution, Trends, Digitisation/Digitization

I. INTRODUCTION

Human resource management refers to the practice of managing people to achieve better performance. Human resource management is one of the most integral part of any organisation. For example, if you hire people into an organisation, you are looking for people who fit the company culture as they will be happier, stay longer and be more productive than people who do not fit your organisation.

Another example is engagement. Engaged employees are more productive, deliver higher quality work and make customers happier. This means that if we can find ways to make employees more engaged, we help the company. This is the job of the HR management.

OBJECTIVES

- 1) To highlight the evolution of Human Resource management.
- 2) To study the latest Human resource management trends.
- 3) To analyse the role of digitization in Human resource Management.

II. REVIEW OF LITERATURE

- 1) Obedgiu.V (2017) "Human resource management historical perspectives, evolution and professional development": Studies the evolution of human resource management, with historical perspectives and its professional development. This paper uses desk research to conduct a general review of various other literatures that were fundamental in the historic rules and evolution. This paper talks that the function of Human resource planning was usually based on payroll and other transactional work, but due to globalisation, company consolidation, advancement in technologies and other factors companies now focus more on strategic activities like mergers, acquisitions etc.

Kaur S (2017) in "Recent trends in Human resource management": In this paper the author has showed various aspects of the recent trends in human resource management. Some of the recent trends discussed in this paper are: Globalisation, Work-force diversity, employee expectations, Changing skill requirements, etc. This paper talks about how these recent trends affect the human resource management and what kind of responsibility falls upon the HR managers due to these trends.

- 2) Sharma.A (2015): "Role of digitization in HR" This study emphasis on the importance of digitization in Human resource management. It helps in various functions like recruitment, selection, building capacity, communication and performance enhancement. For this study a questionnaire was designed to collect primary data from various education, hotel, government sectors, and secondary data was collected from other sources. This study suggests that the HR should have their own digital strategies to improve productivity. It also says that HR should have a clear vision and guidelines for the use of digitization.
- 3) Thite.M and Kavangh. M (2009): "Evolution of human resource management & human resource information systems: The role of information technology". The main goal of this paper was to present the academic and practitioner fields of human resource information systems (HRIS), emphasising that an HRIS is at the intersection of IT and HRM. The growth of HRIS from its early role as a record keeper concerned mainly with transactional HR duties, such as altering addresses on personnel records, to its current role as a strategic partner was discussed in depth. This evolution revealed that, as IT advanced, so did HRM, and that these advancements made their integration into HRIS much easier.

- 4) Özlen M (2014): “The Recent Trend in a Human Resource Management Journal: A Keyword Analysis” This research paper study about the recent trends of in the field of Human resource management. The most important motive of this research is to identify top rated factors related to Human resource Management by considering all the abstracts of the published papers in a HRM journal from 2005 to 2012. By identifying the hot and top-rated elements connected to Human Resource Management, this study is expected to be valuable for future studies and the business.
- 5) Rana. T(2019): “Digitization of Human Resource Practices- An Emerging Trend” Human resource management is being infused with a digital approach by enterprises (HR). To be competitive in the business, human resource procedures must be constantly developed and innovated. And, according to recent surveys, companies are developing digitally enabled employee-centric HR processes. As a result, technical advancements in the field of human resource management are achieved throughout time, and traditional HRM is increasingly being replaced by modern and technologically advanced HRM. The purpose of this article is to investigate the usage of digitalized (IT) devices in HR practise, i.e. the transition from HRM to E-HRM. E-HRM refers to an electronic network of HR information, services, devices, applications, and interactions that spans a whole organisation, and so this paper helps in understanding the role of digitisation in HRM.

LIMITATIONS OF THE STUDY:

The study is based only on secondary data from journals, research papers, websites, thesis etc. which may work as a limitation of the study.

III. RESEARCH FINDINGS

Human resource planning: Human resource planning refers to the continuous process of systematic planning towards the human resource of the organisation. It refers to the process of forecasting an organisation’s future demand and the supply of right type of people in right amount.

Evolution: The first human resource management organisation was started in 1913, in England with the name of “Welfare workers association” and after decades of the changes in the name it was finally given its current name “Chartered Institute of personnel and development (CIPD)” In the latter half of the 20th century union membership declined while the management of the workforce increased. This led to the establishment of (now) the largest professional human resource association “Society of Human Resource Management (SHRM). SHRM was founded in 1948 as American Society for Personnel Association (ASPA). The paper also describes the functioning of Human resource manager in a business firm. The work of an HR

manager described in the paper is that the HR manger is responsible to administer the payroll and employee benefits, they are also involved in the terminations including resignations, performance related dismissals and redundancies. At the macro level Human resource is responsible to look after the organisational leadership and culture. HR also ensures the compliance of employment laws and labour laws which differ from place to place. In some circumstances where the employees desire and are legally allowed an agreement with the employers, the HR serves as a link between the company representatives and the employees. How much the field of human resource management has grown, From no institutes or associations before 1913 to multiple institutes and organisations. The first school established for a college level study of Human resource was “The School of Industrial and Labour relations” at Cornell university. After this now several universities across the globe have started offering the program for Human resource and related fields. Not only colleges, but Human resource education also comes by way of professional associations which offer training and certificates.

- **Latest trends:** Some of the recent trends in the field of human resource management are:

- 1) Globalisation and its implications: Globalisation refer to the process by which the world if becoming interconnected as a result of massively increased trade and cultural exchange. In this world of globalisation business now do not have any national boundaries. This is the era of the rise of multinationals, and this rise in multinationals has placed new requirements for the HR managers. Attracting talent all across the globe, requires staying up-to-date with new strategies and tactics to find and attract talent. Human resource managers would ensure there is proper mix of employees in terms of skills, knowledge and cultural adaptability is infused in the employees to handle global situations. The HR managers would also be required to train management to be more flexible in its practices. One good example of this is the business technology consultancy service Infosys. It decided to hire Chinese graduates and started by inviting and teaching a few students the English language at its office in Mysore, India.
- 2) Work force diversity: Work force diversity means the similarities and differences among employees in terms of age, cultural background, physical abilities and disabilities, race gender, etc. The HR managers also have to respect work force diversity. The demands for equal pay for equal work, putting an end to gender inequality and bias in certain occupations, the breaking down of grass ceiling have already been met. A family friendly organisation is the one that does not have rigid work schedules and provides employee benefits like child care. In today’s world employing diversified workforce is a necessary for all the organisations but to

manage such diversified workforce is also a big challenge for the HR managers.

- 3) Employee expectations: In the current situation, the employees are more educated, ready to raise their voices and join protests, in case their expectations are not met. As an organisation grows financially, the HR needs to respond positively to employee expectations, otherwise the acquisition and development costs of recruits is going to mount steadily. Therefore, it is important for an efficient organisation to anticipate, and manage turnover through human resource planning, training schemes followed by appropriate employee packages.
- 4) Changing skill requirements: Recruiting and developing skilled labour is important for every organisation. Skill deficiencies can lead to huge amounts of losses for any company or organisation, that's the reason HR managers will have to devise suitable training and short-term programs to bridge gaps and deficiencies.
- 5) Corporate downsizing: Corporate downsizing is when the organisation tries to delayer, while attempting to improve the efficiency of the organisation. The premise of downsizing is to reduce the number of workers from the organisation. In this time the HR managers must ensure proper communication takes place. They must also minimize the negative rumours and present factual data to the employees.
- 6) Continuous improvement program: Nowadays companies try to focus on quality and build a better foundation to serve its customers. The company changes its operations based on the customers and to involve matters involving them. These organisations try to improve everything from hiring staff to administrative paper processing, to meet the needs of the customers. HR plays a very important role in this process of continuous improvement program. HR managers must prepare the individuals for these changes in the organisation.
- 7) Re-engineering work processes for improved productivity: Although continuous improvement initiatives work in many organisations, some of these organisations also focus on ongoing incremental changes. Re-engineering takes place when more than 70% of the work processes in an organisation are evaluated and altered. Sometimes due to re-engineering some employees get frustrated, angry and unsure of what to expect. So, it is the job of the HR manager to offer skill training to its employees accordingly.
- 8) Contingent workforce: A very important part of the modern-day workforce are the contingent workers. Contingent workers are those workers who are hired for a short period of time for a temporary work. It is the duty of the HR managers to quickly adapting them to the organisation. They will also give some thought in how to attract more quality temporaries.
- 9) Mass customisation: There is a lot going on in the HR regarding mass customisation. HR need to develop

various principles to develop principles in understanding the optimal level of customisation in the employee relationship.

- 10) Decentralised work sites: Nowadays many organisations are getting decentralised. For HR managers decentralised organisations become more challenging. This challenge revolves around training managers in order to establish and ensure appropriate work quality and on time completion. Taking into consideration another latest example of "work from home", in this type of situation the HR managers need to rethink about its compensation policy. Should they pay on an hourly basis or on the basis of the job done.
- 11) Employee involvement: In the current time, an organisation to be successful there are a number of employee involvement concepts that appear to be acceptable. Some of them can be: delegation, participative management, work teams, goal setting, employee training and empowering employees. For this the role of HR managers is very important, as they play a very important role in training the employees for this involvement.
- 12) Technology: With the current advancements in the technology and its importance in the future, it has been brought in the eyes of the HRM. A number of advancements have been made in the field to help in the HR management. For example, the paperwork files are being replaced by HRMIS (Human Resource Management Information System) which maybe tailor made of OFF the shelf. What the HR managers are concerned here is about the safety of the data of their staff and that's why it is the forefront in having to train personnel in operating these systems and developing their integrity.
- 13) Health and safety: The importance for safety has been greatly increased because of the increasing number of accidents happening in workplaces. It is the duty of the managers to ensure proper safety in order reduce the number of accidents happening in the organisation. About the health and wellness of the workforce, this has emerged with the emergence of various clubs and fitness centres. It is important for the HR to take necessary step like ensuring if the employees are registered in these fitness centres or not.
- 14) Family work life balance: Since long it has been a debate over family work life balance. The fact is a happy family will lead to a happy workforce. Therefore, it has become important for HR managers to take appropriate steps like giving some days off for their employees to address family issues.
- 15) Confidentiality: The current trends have been seen as new challenge in the terms of costs especially in the short run for an organisation to strive well in the competitive market to together with the labour mobility it is very important for the HR managers to have planned out strategies. As long as there is s no clearly defined

strategies there is definitely a problem boiling in the same organisation or an explosion is bound to happen.

- **Digitization:** Digitization is changing the world. It creates new opportunities for individuals and society. Digitization refers to the process of changing from analogue to digital form. It helps HR in various functions. Digitization helps HR to mine employer data
- **Role of digitization in Human resource planning:** Human resource has managed people separately from other parts of the organisation. Across various industries HR is one of the departments that is highly affected by digitization. On one hand as digitisation presents various challenges it also provides with a lot of help to the HR managers. From day to day, HR is expected to deliver value and services. Human resource knows the business. Digitisation empowers HR to mine employee data so it can market messages and initiatives effectively.

Advantages of Digitization in HR:

- a) Cost of stored data in Human Resource is low
- b) More transparency in the system
- c) Improved quality of reports
- d) Better ability to respond to environmental changes
- e) Higher speed of retrieval and processing of data
- f) Availability of accurate data
- g) Better analysis which leads to more effective decision making
- h) Reduction in duplication of efforts leading to reduction in cost.

IV. CONCLUSION

In this paper the author has tried to cover up the topic of Human resource management. This paper talks about three important relating to Human resource management namely, evolution, recent trends and role of digitisation in HR. The author has tried to cover 3 important research papers to come to this conclusion.

The evolution of HR started in 1913 and has grown exponentially since then. Due to this huge growth, there has been various trends in the field of HR and the author has tried to cover 15 of them.

One of the new factors in the field of HR is the digitisation, and its role that has been very beneficial for the HR.

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