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1.6 CHALLENGES OF HUMAN RESOURCE MANAGEMENT

Changes in socio-economic and political conditions are bound to bring about changes in the environment within the organizations. The personnel managers of today may find themselves obsolete because of the rapidly changing business environment, and therefore they should constantly update their knowledge and skills by looking at the organization's needs and objectives. Some of the important challenges are:

i. **Vision penetration**: Evolving the right vision is an entrepreneurial or top management function, but its utility increases immensely if it percolates, and is understood and accepted down the line. Vision not only provides the fuel and direction to business strategy, but also helps managers evaluate management practices and make decisions. Penetration of vision shall therefore become an important, integral part of man management in future.

ii. **Internal environment**: Creating an environment, which is responsive to external changes, providing satisfaction to the members of the organization, and sustaining it through culture, useful traditions, practices, and even systems, will become another important dimension of managing managerial personnel.

iii. **Change in industrial relations**: The practice of IR has undergone sea change. The notion that workers must be disciplined at the manager's will have to be buried. Development of workers may need simpler and appropriate inputs, but both the workers and managers must be managed and developed by the same set of assumptions and HRM philosophy of the company.

iv. **Building organizational capabilities**: The paradigm of managing managers would include not only assisting them to acquire new skills and knowledge and to evaluate environmental changes to evolve business strategies, but also to live in a psychological state of readiness to continually change.

v. **Job design and organizational structure**: In designing organizations, we will, hopefully, soon give up uncritical acceptance of foreign concepts and fads like quality circles, TQM, etc. Instead of these, organizational structure and design will primarily be based on (i) task approach, i.e. understanding of the intricacies of technology, jobs and functions to be performed to achieve organizational tasks, and (ii) people approach, which takes cognizance of their strengths, idiosyncrasies, aspirations and relationships at work.

vi. **Increasing size of workforce**: The organizations are ever increasing in size and complexity, multiplying the number of people working therein. The management of an increased workforce poses serious problems and challenges especially since the workers are becoming more conscious of their rights.

vii. **Changing psycho-social system**: In the traditional bureaucratic mode, the organizations were designed to perform technical functions with strict compartmentalization of work functions. But in future, human participation will be required not only in technical functions but also in establishing the democratic humanistic system.

viii. **Satisfaction of higher level needs**: The workers are becoming much aware of their higher level needs. The awareness is likely to intensify further in the future workforce. Therefore managers would be required to evolve appropriate techniques of motivating the workers and getting work from them.

ix. **Equalitarian social system**: Major developments that have taken place in the last four decades have been due to the desire of the organization's members to have greater say and influence in organizational functioning. Thus, contemporary organizations are putting lesser emphasis on the hierarchical structures and thus moving towards a more equalitarian social system. This is going to be more common in days to come.

x. **Technological advances**: In the wake of technological advances new jobs will created and many jobs will become redundant. Unemployment resulting from modernization could be liquidated by properly assessing manpower needs and training of redundant employees in alternate skills.

xi. **Computerized information system**: It will play a revolutionary role in managerial decision making. It will also have an increasing impact in coordination and at strategic levels.

xii. **Changes in legal environment**: To meet with the increasing changes in the legal environment, necessary adjustments will have to be made so that greater utilization of human resources can be achieved.

xiii. **Management of human relations**: The new generation workforce comprising educated and conscious workers will ask for higher degree of participation and avenues for self-fulfillment. It is rather difficult to motivate many of the new generation workers than their predecessors. This is partly due to change in their value system and higher levels of professional competency.