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RESEARCH ARTICLE

HUMAN RESOURCE CHALLENGES AND STRATEGIES DURING ECONOMIC MELTDOWN: INDIAN INDUSTRY

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ABSTRACT

The recent economic turn down has taken toll of large number of companies all over the World that has claimed many organisations as casualties. Employees who are well paid today found their jobs gone overnight. This nightmare is across in all sectors are equally affected. In relate to this, the challenge of HR (human resource) professional is to survive him and then playing a key role to make the organisation survive during trying times. Moreover, companies are exploring innovative ways to overcome the situation by some innovative HR activities like managing the talents, link reward to performance, create learning environment, employee counselling and guidance, honing quality workforce, creating work life balance, provides effective incentives schemes and organisational assessment etc. As we know that the HR professionals have to depend upon the 3E i.e. Experiment, Experience and Excel to sustain the future in a continuous manner. So, this is the time to build more cohesive teams and the actions are required to put the right performing employees in the right key performing areas as well as retain key talents with the attention for survival and sustainable growth of an organisation. Human Resource strategy is a overall plan for managing its human capital to align it with its business activities that sets the direction for all the key areas of HR. Creating an HR strategy takes time, as it takes execution time but when strategy is well-defined that can create tremendous benefit by aligning HR's activities with the goals of the organisation. The study place a great deal of concern on technological advances, greatly increases business, constantly changing views of the Government as well as the management and the increasing urge for employee satisfaction and retention. The main aim of the study is to inquire into the status of the existing HRD activities in Indian Industry and to identify the problems, which impede the growth of the organisation climate particularly in the Steel industries and service sectors.

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INTRODUCTION

In recent period, HR will challenged to demonstrate how to contribute in managing talent and provide leadership in creating organisational culture in order to motivate employees when they are feeling insecure. Every organisation strives for growth that may come through grassroots projects or mergers and acquisitions. Earlier, there has been a tremendous change in Indian workforce profile over a period of time. All HR activities used to meet the job demand and expectations that were based on the literacy level of the labour force. But today, the situations have changed dramatically. In relate to this, the expectations of people have also changed with the changing profiles both in terms of financial compensations and working conditions.

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The HR manager's role in building an ethical climate in the organisation is significant. The HR manager needs to carefully scrutinize applications for jobs and hire those who can build a value driven organisation. They need to institute mechanisms to ensure ethical conduct of employees. In this economic meltdown, the key challenge is how to attract, retain and manage a high quality employee who has highly self confidence, proper mindset, and visionary to put best efforts for the organisation because of better compensation package. No doubt an organisation can buy people but it does not ensure that the organisation can keep them. In context to this, retention is the greatest challenge in compare to attract the employees. Corporate reorganisations will have impact on organisational levels and employees. Employees experience uncertainty about their places in a new organisation as because of job loss, job changes, new roles and assignments, changes in corporate culture, transfer to new locations, better career possibilities in the company etc.

So for this, the HR manager must redraw the profile of the worker and explore new methods of hiring, training, remunerating and motivating employees. Due to technological advances, an organisation may start outsourcing source of its business functions. Also, an organisation might suffer from overstaffing. So for this downsizing involves elimination of certain jobs with a view to improve work efficiency that is possible through implementation of VRS (voluntary retirement schemes). To cope up with the requirements of dynamic environment, newer organisational designs have created a greater challenge to HR professional. They facilitate the HR processes that support the organisational functioning that cope with the implications of networked relations more and more. Employee's diversity is another important issue for the HR managers. They facilitate diversity at workforce by explaining to develop a plan to meet goals; overcome the hindrances and top management to value diversity is a pre-requisite. Moreover, work-life balance is becoming a major challenge to HR manager so for this organisation should undertake work-life balancing programmes by managing stress, tension, depression and anxiety.

Tools available to HR departments at the time of developing strategic plan

- Promotion opportunity
- Continuous staff training and development
- Focus on wellbeing
- Investment in corporate social responsibility
- Transparent communications

Recently, in this COVID -19 pandemic situation in Odisha, SAIL, RSP also has initiated another appreciated special incentive scheme under Purvodays Scheme called '**Ispaatilakonka Vikas: SAIL ke sath**' for consumption of steel by local industries. The objective of this programme is to create an ideal framework for achieving socio-economic development in the eastern states. SAIL take initiative to make affordable steel available to the MSMEs located in the same districts while incentivising them in price-based and non-price based terms. Under the price-based incentives, MSMEs will get benefits of Rs.100 per tonne under distribution charge and an additional incentive of Rs.300 per tonne on supplies from local warehouse. Under the non price-based incentives, MSMEs will get benefits of MOU and an inventory holding period of one month. For achieving these benefits, the MSMEs have to get registered to avail RSP, SAIL and Central Marketing Organisation (CMO) of SAIL will be working jointly to register more number of MSMEs under this scheme.

Literature Review: Mc Lagan, P.A.(1989) in his study, "Models for HRD practices" observed that the HRD roles and competencies required for an effective HRD function. He also identified that HRD is influenced by various factors like greater diversity in the workforce, increased expectations of employees, work flexibility etc. Rao, T.V (1999) in his book, "Readings in Human Resource Development" focused on HRD concepts, mechanisms and the implementation of HRD mechanisms. He also discussed the need for HRD in Government systems. Chalam, G.V. and Srinivas, M.L(2005) in their study "Gender wise perceptions and attitudes on HRD climate in Indian Banking Sector" conducted that women employees in the banks have much concern on HRD climate over their counterparts. They suggested that the bank managements are required to announce performance standards

and competitor among the male and female employees in banks. Manikandan, P. And Anwer, M.M(2005) in their article, "HRD through Training" observed that people working in various organisations need to constantly update with appropriate skills to perform their roles with increased efficiency, effectiveness and excellence. They also state that training is an important mechanisms of HRD which is need to be given due consideration for making the training function effective in organisations. Bhattacharya Subhasheesh (2006) in his article, "Strategic HR for Tomorrow" stated that the growing importance of HR can be gauged by the fact that the list of organisations are growing where top management sparing its time, resources and efforts in addressing HR related issues like ethical work practices, social responsibilities and conducive work culture etc. Sujit Kumar A.(2007) in his thesis "HRD Climate at NALCO" related HRD climate to the performance of the company. He found that positive correlation exists between good HRD climate and performance of NALCO. Thomas J.Chermack and Richard A. Swanson (2008) published an article on "Scenario Planning: Human Resource Development's Strategic Learning Tool". The article focus on the concepts of scenario planning and HRD. A discussion of the major areas of overlap is provided, the links are clarified in a strategic context and clear opportunities for both researchers and practitioners are outlined.

Need of the study: The scope of the study being confirmed to service industries as well as manufacturing industries, its findings may not be good for other industries and/or other service industries in India and abroad. The field of investigation has been geographically confined to the paper units located in the state of ODISHA. Confined area of the investigation is an another limitation. The employees' perceptions and attitudes differ on the climate they are placed in and also on their level of psychological understanding and personal background etc.

Objectives

- To measure HR activities competencies levels among the respondents across various service as well as manufacturing sector on the basis of demographic variables.
- To find out whether various HR initiative measures vary across different industries and service sectors on components of human resource activity

METHODOLOGY

Data source and Method of collection: The study is based on the data both from the primary and secondary sources. A structured questionnaire was designed to collect the primary data on the HR strategy prevailing in the selected paper units. The questionnaire was based on general climate, culture and mechanism of HR strategy respectively. In this present study, a self developed questionnaire in the form of statements used as the tool for primary data collection. And from leaflets, magazines and journal in relate to this, secondary data were collected.

Sample Size and Sampling: The selection of the sample units has been made well care with rationally. Sample sizes of 120 employees of different manufacturing as well as service unit have been included in the study.

Tools and Techniques used: Frequency, Chi-square test and t-test is used as statistical tools in this study.

RESULTS AND DISCUSSION

The purpose of this study is to find out the human resource initiative activity and strategy should taken by various sector. There is also possibility that the demographics characteristics like age, gender, experience and education may also affect their views on the human resource activities. Such variables included in the study to examined their impact on the perception towards recent global meltdown. Response is taken from a sample of 120 employees. The tabulated description of demographic details of the sample is presented in the Table-1.

Table 1. Frequency Distribution of Sample demographics

Frequency Distribution of Sample demographics			
Sl. No.	Variable	Number	Frequency (%)
01.	Gender		
	Male	85	70.8
	Female	35	29.1
02.	Age		
	Less than 30	35	29.1
	30 to 40	55	45.8
	Above 40	30	25
03.	Experience		
	Less than 10yrs	45	37.5
	10-20 yrs	65	54.1
	Above 20yrs	10	8.33
04.	Education		
	Undergraduate	35	29.1
	postgraduate	60	50
	Ph.d./Others	25	20.8

Chi-Square Test of Independence (Gender and Human resource activity)

Hypothesis

H0: Human resource activity and gender are independent (Null Hypothesis)

H1: Human resource activity and gender are dependent (Alternate Hypothesis)

Table 2. Contingency table for Gender *efficacy Gap Cross-tabulation

Contingency table for Gender *efficacy Gap Cross-tabulation			
	Gap	No Gap	Total
Gender Male Count	10	75	85
Expected Count	10.625	74.375	
Female Count	05	30	35
Expected Count	4.375	30.625	
Total	15	105	120

Table 3. Results of Chi-square analysis for gender and efficacy gap combination

	Value	df
Chi-Square	0.1437	01
N	120	

The value of chi-square statistic obtained from the chi-square distribution table is 3.078 and the calculated chi-square statistic sample value is 0.1437. Thus, the null hypothesis is accepted because the table value is more than calculated value & hence it can be concluded that human resource activity and gender are independent on the basis of statistical evidence at 1% level of significant.

In this study, the gender has no influence on the level of HR activity. In other words, gender is not a determining factor of employee's perception.

Table 4. Contingency table for Age*efficacy Gap Cross-tabulation

Contingency table for Age*efficacy Gap Cross-tabulation			
	Gap	No Gap	Total
Age Less than 20 Count	05	30	35
Expected Count	7.29	27.7	
30 to 40 Count	15	40	55
Expected Count	11.4	43.5	
Above 40 Count	05	25	30
Expected Count	6.25	23.7	
Total	25	95	120

Table 5. Results of Chi-square analysis for age and efficacy gap combination

	Value	df
Chi-Square	2.646	02
N	120	

Table 6. Contingency table for Experience *efficacy Gap Cross-tabulation

Contingency table for Experience *efficacy Gap Cross-tabulation			
	Gap	No Gap	Total
Experience Less than 10 yrs Count	05	40	45
Expected Count	8.25	36.75	
10-20 yrs Count	15	50	65
Expected Count	11.91	53.08	
Above 20 yrs Count	02	08	10
Expected Count	1.83	8.16	
Total	22	98	120

Table 7. Results of Chi-square analysis for Experience and efficacy gap combination

	Value	df
Chi-Square	2.5648	02
N	120	

Table 8. Contingency table for Education*efficacy Gap Cross-tabulation

Contingency table for Education*efficacy Gap Cross-tabulation			
	Gap	No Gap	Total
Experience Under Graduate Count	05	30	35
Expected Count	7.29	27.7	
Graduate Count	12	48	60
Expected Count	12.8	47.5	
Post-graduate Count	08	17	25
Expected Count	5.208	19.7	
Total	25	95	120

Table 9. Results of Chi-square analysis for education and efficacy gap combination

	Value	df
Chi-Square	2.8119	02
N	120	

Table- 10: Results of Chi-square Analysis

Sl. No.	Demographic variables	Chi-square statistic
1.	Gender	0.143<3.078 (Significant)
2.	Age	2.646<1.886 (Insignificant)
	Experience	2.564<1.886 (Insignificant)
3.	Education	2.811<1.886 (Insignificant)

Table 11. Significant difference in the attitude of employees in relate to human resource activity practices

Sl.no	Items/Statements of Human resource activity practices	Values relate to human resource activity practices	t-test	df	Level of significance
01.	Creativity and innovation are rewarded	3.1	Variance=0.5707 t=15.704	df= 19 tabulated value=1.729 at 5% level	Significant at 0.05
02.	The organisation has been managing change by integrating the HR issues with the strategic business change process	2.3			
03.	The organisation has provision for employee recognition programmes	1.4			
04.	The organisation encourages employees to suggest product/process improvement	1.2			
05.	The organisation favours passing of authority and responsibility to individuals at the lower level of hierarchy	1.7			
06.	The organisation utilises the development centre for development of management potential	2.1			
07.	The organisation follows a formal procedure of potential appraisal	1.8			
08.	The organisation carries out succession planning to fill gaps in key managerial positions	1.9			
09.	Distinct career paths and internal promotion norms within the organisation are available	2.3			
10.	The organisation has a formal policy of career planning and development	2.4			
11.	Performance standards are carefully developed on the basis of employees' view	1.3			
12.	Human resource requirements are systematically formulated for satisfying the requirements	2.5			
13.	Organisation's HR executives are fully aware of the business needs and strategies	3.2			
14.	Managers review and evaluate the organisation's progress toward meeting its goals and objectives	1.6			
15.	Employees have a feeling of personal empowerment with respect to work processes	1.8			
16.	Differences in performance are recognised in a meaningful way	2.2			
17.	Managers communicate the goals and priorities of the organisation	1.1			
18.	Employees are protected from health and safety hazards on the job	1.7			
19.	Workload is reasonable and prepared employees for potential security threats	2.1			
20.	HR challenges encompasses from finding the right talent to retaining, nurturing and growing them	2.4			

Chi-Square Test of Independence (Age and Human resource activity).

Hypothesis

H0: Human resource activity and age are independent (Null Hypothesis).

H1: Human resource activity and age are dependent (Alternate Hypothesis).

The value of chi-square statistic obtained from the chi-square distribution table is 1.886 and the calculated chi-square statistic sample value is 2.646. Thus, the null hypothesis is rejected because the table value is less than calculated value. The alternate hypothesis needs to be chosen in this case. Hence it can be concluded that human resource activity and age are dependent on the basis of statistical evidence at 1% level of significant. This implies that as age of the employees increases the individual's intelligence increases proportionately. As a result, the senior employees are more capable enough to guide regarding organisational policy and find a better way of strategy to face such meltdown.

Chi-Square Test of Independence (Experience and Human resource activity)

Hypothesis

H0: Human resource activity and Experience are independent (Null Hypothesis).

H1: Human resource activity and Experience are dependent (Alternate Hypothesis).

The value of chi-square statistic obtained from the chi-square distribution table is 1.886 and the calculated chi-square statistic sample value is 2.564. Thus, the null hypothesis is rejected because the table value is less than calculated value. The alternate hypothesis needs to be chosen in this case. Hence it can be concluded that human resource activity and experience are dependent on the basis of statistical evidence at 1% level of significant. This implies that as experience of the employees increases the individual's ability and attitude of employees increases proportionately.

Chi-Square Test of Independence (Education and Human resource activity)

Hypothesis

H0: Human resource activity and Education are independent (Null Hypothesis)

H1 Human resource activity and Education are dependent (Alternate Hypothesis)

The value of chi-square statistic obtained from the chi-square distribution table is 1.886 and the calculated chi-square statistic sample value is 2.8119. Thus, the null hypothesis is rejected because the table value is less than calculated value & hence it can be concluded that human resource activity and education are dependent on the basis of statistical evidence at

1% level of significant. In this study, the level of education in terms of Undergraduate and Post graduate courses has influence on the employees. In other words, education level is a determining factor on intelligence as well as skill of employees that influences their professionalism. The objective of the study was to examine influence of the demographic characteristics like gender, age, experience and education of the employees on the Human resource activity practices. The values of chi-square statistics obtained from the chi-square table for all three combinations are : 3.078, 1.886, 1.886 and 1.886 and the calculated chi-square statistic values are 0.143, 2.646, 2.564 and 2.811. Thus, it can be concluded that efficacy gap and age, education as well as experience are independent on the basis of statistical evidence at 1% level of significance. Moreover, the present study has been conducted through own developed and validated attitude scale also. The scale consisting of 20 items/statements were distributed among the respondents and collected back upon filled up by the respondents. An attitude scale with 20 items/statements describing the attitude of employees towards human resource activity practices. The present study also attempts to find out if there is any significant variation in the attitude of employees towards human resource activity practices being conducted in various sectors. To examine the same a null hypothesis was formulated. The validity of this hypothesis has been tested through t-test.

From above analysis, we conclude that the calculated value t is 15.704 which is greater than the tabulated value of 1.729 ($df=19$) at 5% level of significance. Therefore, the hypothesis is rejected leading to the conclusion that there is a significant difference in the attitude of employees towards human resource activity practices. This study attempt to examine the perception of employees working in an organisation regarding the various aspects of human resource activity practices. The organisation should also make some innovative steps to improve their quality of work life that in turn improve their employee's morale.

Suggestion/Recommendation

- Explore opportunities and develop the unique position for the organisation.
- Sustainable competitive advantage of the organisation on the market.
- Prepare the plan how to achieve long-term goals and objectives with a vision and the journey ahead.
- Manage employees better than competitors manage theirs.
- Compelling HR strategy development starts with the selection of the right and courageous HR strategist.
- Improve HR operational excellence in a continuous manner.

Conclusion

The present research work is an attempt to review the HR activities in the paper units under study keeping in view the recent practice in different sectors. Most leaders prefer to explore innovative ideas as they are ready to accept risks. They are prepared to move to the unknown and unpredictable business areas. So for this, courage's HR strategist will explore new HR management fields. A successful HR strategy can often set the tone for the way an organisation operates and how it is viewed by the competitors. All HR strategies start with the same foundation to create a work environment that is synonymous with engaged, productive and loyal staff. The most successful HR departments mainly focusing on their people differ in the ways in which they cement their reputations for innovative HR strategies. HRD is a continuous function and the success of HRD in any organisation depends to a larger extent on the existence of a favourable HRD climate. As we know when employees are dynamic and proactive then only an organisation will become dynamic and growth oriented only. Better HR strategy help in improving good human relations and positive organisational climate.

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