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## **HRM As A Key To Cope Up With The Dynamism In Business Environment**

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### **Abstract**

*Human Resource Management (HRM) is a ever changing continuous process. It brings together human and other non-living resources for the achievement of organisational objectives. HRM is important in every segment of organisation. It is necessary for the effective use of manpower. The objectives of an organisation can be achieved only when the human resources are handled tactfully. The other non-living resources are managed by the managers but the living human resources use brain and perform as per the emotions, moods and whims. HR manager is the person who has to manage these human resources. Many internal and external factors influence these human resources. These dynamic factors govern the status of HRM.*

**Keywords:** Manpower, Human Resources, Internal and External factors, Human Resource Management.

### **Introduction:**

Under HRM the required human resource is recruited and nurtured as per the needs of the organisation. It is the way of uniting living and non-living resources for the achievement of organisational objectives. Men, money, methods, materials, machines, markets are the six M's related to the business in which 'men' means human resource which is the priority factor. After the impact of globalisation and liberalisation the trend of human resource has undergone a complete change. The scope and sphere of the human resource planning and utilisation has many challenges. The sphere has developed ample opportunities but the practical and professional approach of employees has made it much commercial than practical.

### **Review of Literature:**

A large number of management experts have written a lot on HRM. It is the area where all the people like to take active interest. According to Armstrong, HRM is a function within an organisation that focuses on recruitment, provides direction to the people who work in the organisation. HRM is basically an organisational function. HRM deals with the issues related to people such as compensation, hiring, performance appraisal, organisation and career development, employee motivation, communication, administration and training and development.

According to Onasanya, HRM is strategic and comprehensive approach. It is directed towards work culture. Conducive environment in the organisation and effective application of HRM makes employees to contribute effectively. Many of the traditional functions of HRM are now outsourced and the HRM in modern era expects strategic utilisation of human resources. While exploiting opportunities, the modern business is facing a large number of business challenges.

**Objectives:** To review and study various internal and external factors affecting the HRM.

**HRM is a Dynamic Factor in Changing Environment:** The work of HR manager is influenced by a large number of environmental factors. Here, the term 'Environment' denotes, totality of all factors which influence both the organisation and personnel sub systems.

The areas like mission, policies, organisational culture, organisational structure, HR systems are the internal factors whereas technological factors, workforce diversity, demands by employees, trade unions, govt. policy, social factors, political factors, economic challenges and issues etc. are the external

factors. These internal and external factors together govern the organisation. Amongst all these HRM is of pivotal importance.

Most of the organisational problems are related to the human nature and attitude. The marketing or production function appears to be technical by nature but it has impact of human nature

The personal ambitions of people, moral education, aspirations etc. have changed the attitude of people.

**Internal Factors Governing Organisation:** The basic internal factors affecting either positively or negatively the organization are:

- 1. Missions, Strategy, Tasks:** Mission is the foundation on which the organisation survives and continues. The mission statement tells us why it exists and what it aims. A strategy is the direction in which the organisation moves. Task is the work schedule assigned to the employees. While dealing with the missions, strategy and tasks HRM operates. HR manager is expected to provide incentives to the staff while performing their functions.
- 2. Policies:** Policies are the guidelines through which the people work. Most of the policies are related to the HR factor only. HR managers while framing policies see to it that, employees are encouraged to achieve their objectives.
- 3. Organisational Culture:** People, objectives, trade unions, success and failure, volume of work etc. creates organisational culture. The HR professional are expected to study the organisational culture and act accordingly.
- 4. Job Design:** organisational job design is associated with task given to the employees and their approach towards the work.

**External Factors Governing Organisation:** These factors govern the organisation from outside. They are:

- 1. Technology:** Every organisation has its unique technology. It converts raw materials into finished products. The new trends in technology is the need for updated and motivated technical staff. Skilled staff and the requirements related to the work behavior again create scope for HR manager to operate.
- 2. Economic Factors:** National income, taxation policy, wage structure etc., are the factors that directly affect the organisation. Economic factors determine wage and salary structure.
- 3. Social Factors:** Religion, caste structure, occupation, social roles of people, mobility of resources, social upbringing of people determine the organisation. HR manager has to tackle there issues wisely.
- 4. Political Factors:** Political stability or instability, formation of new parties, alliances, rivalries, political ideologies etc. govern the trade union policies, conflicts between the unions, intra union gimmicks. It's a big challenge for HR managers to tackle the same.
- 5. Legal Factors:** The laws and legislations change all the time. The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, The Employees State Insurance Act, 1948, Payment of Gratuity Act, 1972, The Maternity Benefit Act, 1961 all these govern the employees either directly or indirectly. HR managers are expected to study and apply the provisions of such legislations while developing the organisations.

**Additional Factors Governing the Organisation:** In addition to the above internal and external factors some additional factors determine the work environment, such as:

- 1. Industrial Relations:** the labour–management relations are called industrial relations. Trade unions play important role in that. Workers need simple, lucid and easy to understand policy for the regular work. HR managers are the key persons to deal with labour force and make them happy and contented.
- 2. Organisational Capabilities:** New skills and knowledge is to be acquired by the persons working in organisation. The psychology of the staff is to be understood by the HR managers while talking about organisational capabilities.
- 3. Size of Workforce:** Workers have become more and more conscious about their rights. They have become more united and accessible to each other with the advent of modern technology. It's a challenge to handle them tactfully.
- 4. Human Relations Movement:** Not only the wages and salaries but the awareness created by the modern education has made the workers more conscious. They are aware of their rights and responsibilities. High level of professional competency s needed to develop value system in the organisation to deal with such conscious workforce.

**Conclusion:**

All the internal and external factors determine the organisation. HR policies are to be framed according to the needs of the modern times. While dealing with the dynamic changes taking place in all these thrust areas the HR managers have to handle the most prominent resource carefully and properly. The management has to develop sophisticated technology and conducive approach to enlighten the workforce. HR policies is the only way to face these new and dynamic challenges.

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