

# Role of Human Resource Management in the Productivity of Private Employees

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## ABSTRACT

Because a variety of human resource management (HRM) practices have an impact on workers' performance, the function of employees inside organizations is crucial to their management and survival. Similar to this, the ultimate purpose of HRM is the process of recruiting, developing, and sustaining a competent and energized staff to meet the organizational goals and objectives. In this article, the researcher has made an effort to determine the relevance of HRM, to examine the role that HRM plays in an organization's productivity, and to examine the new challenges that face HRM in the twenty-first century. In order to improve productivity and employee performance, the paper advises that HRM practices be properly implemented. The poll revealed that satisfied and happy employees perform better, which makes it easier for management to motivate them and aid the business in achieving its objectives.

**KEYWORDS:** Organization, Employees, Achieving, HR Performs, Productivity

## INTRODUCTION

Human resource management (HRM) is the administration of people through analysing jobs, planning staffing, employing the best candidates, providing ongoing education and professional development opportunities, evaluating employee output, and fairly compensating them. Hasibuan defines human resource management as "the science and art of managing people and organizations to maximize individual and organizational performance in service of shared goals" (Adillah, 2022). The company has to put money into its people if it wants to meet the demands of its current operations and, more importantly, the problems it will face in the future. Numerous instances from the real world demonstrate that even a comprehensive orientation process cannot guarantee that workers will perform their tasks effectively. This suggests that workers, especially new ones, still need training in many aspects of the positions they have been given (Davidescu et al., 2020).

Even skilled workers will need to learn new knowledge, skills, and talents since there are always more effective methods to increase productivity. In

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2021, Piroșcă et al. An employee's inaccurate or subpar work habits must be changed if they are transferred to a new position in a new setting. Since a company's vision and purpose are to achieve shared objectives, its human resources are essential to its success. However, achieving those goals needs effective and appropriate management (Ellitan, 2020).

The Human Resources management team's role within upper management is to advise on the best methods to attract and retain top talent, as well as to coordinate employee benefits, training, and development programmes. In this sense, HR performs a different business role as a consultant rather than an employee. They provide guidance to unit/department managers on a variety of issues involving workers and how they might assist the company in achieving its objectives (Collins, 2021).

**Objectives:** The objectives of the current study are-

- To study significance of Human Resource Management
- To study the Human Resource Management and Performance of organization

- To find out the challenges Emerging Challenges of HRM in 21st Century

**Method:** The nature of the current research is descriptive. As a result, the research is based on secondary sources of data. Information needed has been acquired from the books and periodicals listed below. Information has also been gathered through using online resources.

## SIGNIFICANCE OF HUMAN RESOURCE MANAGEMENT

**Facilitates professional growth:-** Employees get quality training as a result of sound human resource practices, which prepares them for upcoming advancements. Their expertise may find value not just in their current company, but in others they may choose to join in the future.

**Improved labor-management relations:-** The organization may sustain cooperative relationships with the unions with the support of sound human resource management practices. Union members begin to understand that the employer shares their concerns and would not discriminate against them, which significantly reduces the likelihood that they will strike.

**Facilitates group/team work by a person:** Human resource practices that really work teach workers to collaborate and adapt. People are becoming used to working in teams, which boosts their ability to work together effectively.

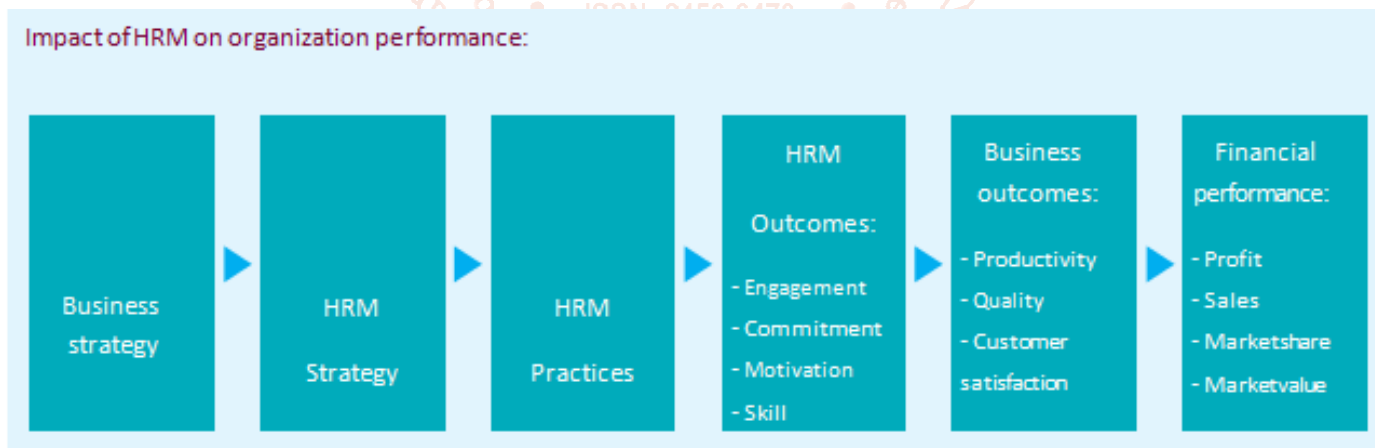
**Finds the right people for the job in the future: -** Thanks to regular training, workers always have the skills they need to do their jobs. In addition, the company can identify potential rising stars who might one day take on leadership roles. One of HRM's advantages is that it helps people become ready for the future.

**Appropriately assigning tasks:** If proper hiring practices are implemented, companies may choose the most qualified individuals for available jobs. When this happens, less people will switch employment since they are happy where they are already employed.

**Improves the economy: -** The ability to expand into new markets and start new businesses is directly correlated to the success of a company's human resource practices. Industrialization and economic expansion both benefit from this.

## HR AND PERFORMANCE:

The HR field has struggled for years with the challenge of providing evidence that good HR practices really improve business results rather than just being a pleasant thing to do. This is necessary to show how human resources "adds value" to the company, rather than just costing money. This line of thinking is founded on the premise that productive HR practices boost employee dedication and motivation, which in turn improves productivity and efficiency.



It has been difficult to provide solid evidence for this, however. Instinct tells that HR practices important, and survey results support this, as Ulrich (1997:54) observed. However, there are often ambiguous links between performance and adherence to HR practices. Even more bluntly, Guest (2011:11) states that "we are still in no position to assert with any confidence that good HRM has an impact on organization performance" despite the thousands of research papers that have been conducted. Therefore, despite the fact that research may demonstrate an empirical relationship between HR practices and organizational

performance, it is challenging to pinpoint the specific practices or elements that are crucial as well as the HR outcomes that contribute to higher organizational performance.

The six key work practices in descending order of importance are:

## Possibilities for professional growth and promotion

The ability to improve in one's career is a powerful retention and incentive tool. But being promoted isn't essential if you want to grow in your career.

Employees place a high importance on increased opportunities for autonomy, variety in their job, and skill development. Considerations for organizations include the value of offering career advancement opportunities to all workers, regardless of their current position, and the need to communicate this opportunity in a way that is both appropriate and honest.

### **Training opportunities;**

Training is the systematic application of well-planned learning and growth activities. Training opportunities boost morale and productivity when they're determined by an honest assessment of staff's actual needs. In most cases, employees learn more through "on the job" mentoring or "stretch" initiatives than from classroom instruction.

### **Job Influence and Challenge:**

The impact and difficulty of employment is significantly impacted by the job itself. When employees have discretion over their work environment and perceive their work to be challenging, they are far more likely to report high job satisfaction. Excellent job design may be facilitated by a variety of methods, including task rotation, job enlargement, task enrichment, and self-managed teams.

### **Involvement and Communication:**

Employees, in general, like opportunities to provide input and feel like their opinions matter. In order for businesses to increase productivity, tapping into the knowledge held by their employees is a smart economic move. Managers that encourage participation tend to have more satisfied employees. The method also relies heavily on clear and concise communication. The greatest intentions of leaders may be thwarted and mutual trust can be eroded if managers fail to communicate, misunderstand the message they receive, or neglect to offer feedback on what they have heard from employees. Companies use methods including employee surveys, suggestion programmes, town hall meetings, partnership committees, and works councils to increase employee engagement and involvement.

### **Performance management and appraisal processes:**

Tolerance for poor performance typically shows up as a significant cause of employee unhappiness in studies of employee opinions. Organizations must, however, define what constitutes an acceptable level of performance for managers and personnel in order to be able to spot underperformance. Furthermore, performance planning and improvement should take precedence over retrospective evaluation in performance evaluations.

The significance of efficiently executing HR rules is another crucial conclusion of Purcell and his team's study. According to the authors, workers are more likely to have unfavourable attitudes about poorly implemented HR regulations than they are towards the lack of a specific practice, even one that can be seen as crucial, like performance reviews.

### **Work-life balance**

The results demonstrate the significance of work-life balance in shaping workers' opinions of their employers. Work-life balance and desired degrees of flexibility are important considerations for all employees, not just those with young children. Many workers believe that more flexibility in setting work schedules to account for personal obligations would be preferable than a reduction in overall working hours.

**HRM Future Influencing Factors:** Several contemporary elements have a role in shaping the labour demographics:

Organisations in today's market might acquire an advantage via the employment of qualified people. Companies that invest in human resources and develop concrete, measurable, or useful human capital that boosts production capacity will be in a stronger position to compete. Human resources, as defined by Beatty and Schneier (1997), play a crucial strategic role in determining an organization's viability.

According to Ruona and Gibson (2004), the first factor is the increased value placed on people as a driver of organizational success. The rising value of employees has a major bearing on how we evaluate HRM's contribution to organizational success. As a consequence of resource growth, intellectual and social capitals are increasingly crucial.

The second component is proactive HRM's focus on whole-system and integrated solutions. Human resource management has the challenge of developing innovative methods while also directing attention to the interconnected structures and processes of businesses. Third, efforts and expectations have integrated strategic alignment and the effect of human resources for the twenty-first century, suggesting that these factors will likewise grow in importance over time. Adaptability is taken into account only as a final resort. Organizations nowadays must adapt to a complex and ever-changing environment, so they work hard to create systems and strategies that can keep up with the environment's natural, incremental changes. Human resource specialists need encouragement from their employers. They need to be assuming an increasing amount of initiative by

offering tools and approaches to develop crucial abilities via ongoing learning. According to Schoonover (2010), "HR professionals need to lead flatter organizations by encouraging people to exercise more initiative, autonomy, and accountability through provision of concerned tools and techniques that improve their effectiveness while having acquisition of critical competencies through continuous learning opportunities."

### **Emerging Challenges of HRM in 21st Century:**

Due to significant changes in the global economy, HRM strategies as a whole have been restructured and now include new elements. The employee-employer relationship has changed as a result of the shifting business climate, necessitating new approaches to employee motivation and management. Organizational success requires hiring people and giving them opportunities to learn new skills, be more adaptable and flexible, and think more broadly. Significant difficulties in human resource management include:

**Demographic shift:** As a consequence of environmental changes, the demographic transition is more challenging than ever. The terms "demographic category" and "demographic subgroup" are often used interchangeably. Increases in female labour force participation mean that by 2008, women will make up 48% of the labour force. As urbanization rose, so did the number of employment available to women. In America, women make up five out of every six new employees. 10,000 "baby boomers" reach retirement age every day, yet many organizations continue to hire workers over retirement age owing to the value of their job or financial considerations. These days, businesses recruit people from other nations, creating a distinct work atmosphere due to their diverse languages and cultures. Organizations each have a unique culture that encourages open communication between staff members and with upper management.

**Work arrangements:** Another factor influencing workforce transformation is work arrangements. The newest technology, such as high-speed internet and mobile communication, has greatly increased the diversity of how and where workers may work. Many workers now work in the suburbs. Software developers, for instance, get their tasks via internet connectivity and work from home rather than in offices. Another incredible reason for the workforce's variety is job choices.

**Knowledge-based economy:** In order to compete in today's knowledge-based economy and obtain an edge over the competition, HRM strategies need to be varied. In order to satisfy both customers and employees, the economy is transitioning from an

industrial model to an information-based one. In the knowledge-based economy, the manager's focus has shifted from efficiency alone to effectiveness and efficiency in the workplace. Knowledgeable workers who can think outside the box and build successful businesses are in high demand today.

**Improvements in creativity and innovation:** In order to keep up with the ever-changing business landscape, reputable companies place a premium on the skills and teamwork of their employees. Companies like Apple have research centres all throughout the world to learn more about customer tastes. By keeping up with the times, their output is consistently innovative.

**Gaining the largest possible market share:** Due to variety, it is important to concentrate on the market and market expertise in order to understand client demands and desires and to create items that will garner the largest possible market share. Teamwork and team abilities have increased in value as a result of drawing experiences, making it easier to respond quickly to possibilities in a new market.

**Connection between employee and employer:** In the twenty-first century, there is also a shift in this connection. Organizations function in a flexible environment without centralization. The working atmosphere is pleasant. Employees are devoted to their employers and give their jobs their all in the highly competitive global economy. They may readily discuss new market strategies and trends with the senior management. Through the exchange of ideas, they arrive at fresh, inventive solutions that are very beneficial for accomplishing organizational objectives.

**Conclusion:** The significance of human resource management in ensuring worker happiness, increased corporate productivity, and performance is critical. As a consequence, this may provide the company a distinct competitive advantage and directly contribute to overall organizational success. Correctly selecting new employees is the top HRM concern for increasing company output.

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