

## **Need to Improve HRM Practices in Current Scenario in Bihar**

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### **Abstract:**

World moves towards globalization while Bihar performs poor in respect of many states of India.

In the emerging socio economic scenario of the Bihar, the challenging agenda is to enhance the priority of rural employment generation and reduce the dependency on agriculture while strengthening local delivery mechanism and institutions. Bihar has a paradoxical mix of abundance versus scarcity of resources. For quite some time large industries have not been able to make a dent in the region and exodus of capital investment has been visible due to deteriorated social and physical infrastructure. Considering the various development constraints, including the resource endowment base, rural industrialization is expected to be the springboard for sustained economic growth and bringing permanent solution for poverty eradication and improved levels of living in the State.

In order to meet the challenges of human resource management, several new approaches and techniques have been developed to improve processes like recruitment and appraisal. Work teams have become essential part of the way business is done. Organization culture, team performance, cultural sensitivity, organization structure, systems, processes and technology have considerable impact on the new generation knowledge workers. I deals with five basic objectives for First, need for integration of HR Strategy with organization strategies. Second, thrust on investment in people which is valuable for competitive edge. Third, focus on acquiring, developing and retention of talented managers which are not available to competitors. Fourth, understanding emerging challenges in HR and fast transforming HR philosophy and practices to adopt to changing environment. Fifth, the fundamental aim of HRM is to generate strategic capability for adding value to the organization.

**Keywords:** Human Resource Management Practices, Training & Development, Motivation, Performance Appraisal, Bihar and its current demands

## Introduction

People are the greatest asset of any state, but it is recently that it has been actually realized, and Human resource Management departments have been setup. There are number of reasons in the Bihar which require HR manager's attention. There are number of challenges like 'finding the right candidate' and 'how to conduct the working environment', these both are really important as to benefit the organization of State. Apart from these there are also some other problems faced by the companies are managing people, motivating employees to adopt new technologies, training, recruitment etc.

Best practices are a set of Human Resources Management processes and actions that work universally. In HRM research, there are two schools of thought on how to manage people. The first one is *best fit*, the second is *best practices*. The best fit school states that in order to add value, human resource policies should align with business strategy. This means that HR should focus on both the needs of the organization and the ones of its employees. The best practice school argues that there is a set of universal HR processes that lead to superior business performance. According to its proponents, there are certain bundles of HR activities that support companies in reaching a competitive advantage regardless of the organizational setting or industry. This means that the HR strategy and subsequent HR activities should be aligned with the organization's strategy for optimum efficiency. At the same time, there are a large number of best practices that have shown to lead to superior performance for the organization. If HR executes these practices correctly, they will add substantial value to the business and its goals. A lack of people with the right skills, which is a capability issue, can be cited as one of the biggest challenges that limit organizations from facing and adapting to the fast pace of change. One of the most effective ways to brave this digital transformation is by hiring skilled employees and also up skilling them with time so that they are able to work in a digitally challenging environment. Leading HR organizations are the ones which have already delved into the technologies by hiring the skilled employees and paving the way for a better integration of digital and human labor. They understand the benefits of automation of high volume and repetitive tasks as it frees employee time, who can then focus on tasks that create higher value for the business. Management can shift their focus from mundane activities and focus on ways to create more business efficiency, enhance performance and obtain best result. The future of HR has arrived, and it is now. HR thus needs to be a function

that takes the lead in understanding what makes people engaged, what cultures drive the most productive workplaces and what equations enable a true merging of human capability with technology. While the work from home culture is starting to gain momentum for corporates, it is also developing and increasing loneliness for many people. A complete change of work lifestyle involving social distancing and self-isolation has the tendency to bring feelings of loneliness.

### **Methodology:**

For best Human Resource Management (HRM) Practices in Current Scenario in Bihar I look at five selected HRM practices and assessed their impact on employees' performance. The main objective of the study was to examine the impacts of these HRM practices on the performance of employees in four selected fields of Studies). The sample for the study was 92 employees from the selected fields. Data for the study was collected through the administration of structured questionnaire. Descriptive statistics such as charts, tables and regression analysis were used to analyze and present the data collected. The study established a very important relationship among HRM practices and employees' performance. The selected HRM practices which formed the independent variables are training & development, motivation, performance appraisal, internal communication, and reward/remuneration while employees' performance stood as the dependent variable. It was found that, the independent variables together explained 97% of the variance in employees' performance. Internal communication came in as having the strongest relation with employees' performance in respect of all the independent variables. It contributes a high percentage of 42% to explain the variance in employee performance. Performance appraisal showed up taking the second slot in the rank of significance in terms of the individual contributions of the measurement dimensions. It accounted for 29.6% of the overall relationship among the selected HRM practices on employees' performance. Motivation came in third place of significance accounting for 23.9% of the overall variance in employees' performance considering the selected employees' performance measurement variables for the study. Training & Development of employees took the fourth most significant slot among all the five (5) measurement dimensions employed in the research. It accounts for about 22% of the variance in the overall impact of the measurement dimensions on employees' performance and lastly 14.1% of the employees' performance is explainable by reward/ remuneration.

Recommendations were then given in accordance with the research findings. The result of the study clearly indicates that Training and development, Motivation, Performance appraisal, Internal communication, Reward/remuneration have positive relation with employees' performance.

Bearing these challenges in mind, it is high time for the State govt. to start finding solutions. In a knowledge based industry handling the HR managers is a great challenge, because that would take-in multi-tasking responsibility. In the present era HR manger perform various responsibilities. Earlier it was only maintaining rolls and managing manpower, but now it has become more strategic due to the increasing demand of the industry. In this paper certain issues with the HRM practices in India will be discussed. They have been named below, as followed:

#### 1. Motivating the workforce

Due to the growth of the global market, a technological edge supported by a talent pool has become a vital factor for survival in the market. Due to the reason organization gives main priority to technology advancement programs. HR managers are now performing the role of motivators for their knowledge workers to adopt new changes.

#### 2. Managing people

Due to the increasing competition there is a need in the organization for knowledge workers, hence the companies always look for individual who can make a difference. Due to the reason gaining the right knowledgeable person had become a costly deal for the organizations but the attitude is different for those who are taking up responsibilities at a lesser age and experience. These factors have resulted in the clear shift in approach to individualized career management from organization career commitment.

#### 3. Competency Development

Human capital is the real asset for any organization, and this makes the HR role important in recruiting, managing, and retaining the best. The HR department has a clear role in this process and determines the success tempo of any organization. An urgent priority for most of the organizations is to have an innovative and competent HR pool; sound in HR management practices with strong business knowledge.

#### 4. Recruitment and training

Recruitment has become a major function from an imperative sub system in HR. HR managers play a vital role in creating assets for the organization in the form of quality manpower. Another challenge for HR managers is to put systems in place to make the people a perfect fit for the job. Talent redundancy has also become major issue due to which HR departments provide related training programs. These trainings are quite useful also in terms of providing security to the employees.

#### 5. Trust factor

Low levels of trust inhibit tacit knowledge sharing in the knowledge based industry. It is essential that organizations of state take more initiatives to improve the security levels of the employees.

#### 6. Work life Balance Factor

This aspect creates with it the challenge of a smoother assimilation and the cultural binding of the new comers into the organization fold. The pressure of delivering the best of quality services in a reduced time frame calls for ensuring that employees maintain a work life balance.

#### 7. Attrition/Retention of the Talent Pool

One of the toughest challenges for the HR managers in any industry is to deal with the prevalent high attrition levels. Though there is an adequate supply of qualified staff at entry level, there are huge gaps in the middle and senior level management in the industry. Further, the salary growth plan for each employee is not well defined. This situation has resulted in increased levels of poaching and attrition between organizations. The industry average attrition rate is 30-35 per cent and could range up to 60 per cent.

#### 8. Bridging the Demand Supply Gap

HR managers have to bridge the gap between the demand and supply of professionals. They have to maintain consistency in performance and have to keep the motivation levels of employees high, despite the monotonous nature of work. The same also leads to recurring training costs. Inconsistent performance directly affects revenues. Dwindling motivation levels lead to a loss of interest in the job and a higher number of errors.

Different types of training programmes may be used to improve HRM Practices in different organizations in State of Bihar :

**Technical Training** – Technical training is that type of training that is aimed at teaching employees how a particular technology or a machine.

**Quality Training** – Quality training is usually performed in companies who physically produce a product. Quality training teaches employees to identify faulty products and only allow perfect products to go out to the markets.

**Skills Training** – Skills training refers to training given to employees so as to perform their particular jobs. For e.g. A receptionist would be specifically taught to answer calls and handle the answering machine.

**Soft Skills** – Soft skills training includes personality development, being welcoming and friendly to clients, building rapport, training on sexual harassment etc.

**Professional Training** – Professional Training is done for jobs that have constantly changing and evolving work like the field of medicine and research. People working in these sectors have to be regularly updated on matters of the industry.

**Team Training** – Team training establishes a level of trust and synchronicity between team members for increased efficiency.

#### Benefits of Training

1. Training improves the quantity and quality of the workforce. It increases the skills and knowledge base of the employees.
2. It improves upon the time and money required to reach the company's goals. For e.g. trained salesmen achieve and exceed their targets faster than inexperienced and untrained salesmen.
3. Training helps to identify the highly skilled and talented employees and the company can give them jobs of higher responsibilities.
4. Trained employees are highly efficient in comparison to untrained ones.
5. Reduces the need to constantly supervise and overlook the employees.
6. Improves job satisfaction and thus boosts morale.

#### Benefits of Development

1. Exposes executives to the latest techniques and trends in their professional fields.
2. Ensures that the company has an adequate number of managers with knowledge and skill at any given point.
3. Helps in the long-term growth and survival of the organization.

4. Creates an effective team of managers who can handle the company issues without fail.
5. Ensures that the employees utilise their managerial and leadership skills in particular to the fullest.

### **Conclusion:**

It is noteworthy from the findings of this research that, in today's volatile and increasingly innovative business atmosphere, the study's outcome more or less support the conventional wisdom that employees are the most valuable asset of a business organization of any state and that an effective practice of Human Resource Management Practices to develop and tap this invaluable potential of employees will save the future of businesses. The significant relationship that the research elicits between the selected HRM practices and current scenario of the state is in support of the various similar studies and this therefore should be indicative to researchers and business practitioners across board, not to downplay the importance of HRM Practices as a strategic tool to achieving comparative advantage. Nonetheless, further research can be undertaken to further broaden the knowledge in this topic area of human resource management practices and current scenario of the state Bihar.

### **Suggestions & Recommendations:**

With a wide range of employee engagement solutions coming up, organizations will have to make mindful and intelligent choices in choosing the right technology to keep their workforce satisfied. Organizations can solicit and track feedback from employees, recognize and reward their achievements, mentor and coach them regularly and let their career expectations flourish. Engagement goes beyond just technology and will also include solutions around continual provision of on-demand training and focus on their continuous improvement. The demand for outstanding talent is going to increase with time, and so is its scarcity in the talent market. The only way to stay competitive is by ensuring that the right people are hired, kept happy, motivated and retained. Understanding what employees want and what drives them should become business priority in order to survive in the unpredictable times coming up.

On behalf of the research topic I recommend following HRM practices to improve the organizations of Bihar :

1. Providing security to employees



The first Human Resource best practice is employment security. Life is unpredictable and work is a stable factor that is very important to most people. Having an employer who enables the employee to provide for themselves and their family is, in essence, the number one reason why people come to work. Employment security enables employees to go home after work and provide for themselves and their families.

## 2. Selective hiring: Hiring the right people

The second HR best practice is selective hiring. This enables an organization to bring in employees who add value. You can't just hire anyone; you want people who are fit for the job. Companies do their utmost best to hire exceptional people because they add the most value to the business. Commonly used selection instruments are structured and unstructured interviews, IQ tests, personality assessments, work tests, peer assessments, and reference checks.

## 3. Self-managed and effective teams

We all know that teamwork is crucial in achieving goals. High-performance teams are crucial for any company when it comes to achieving success. Teams provide value because they consist of people who are and think differently but are working towards a common goal. This means that different ideas are generated to help achieve the goal. These ideas are then processed and combined, resulting in the best ones being selected. Team members can generate ideas that are different while feeling comfortable bringing these up and discussing them. Creating and nurturing high-performance teams is one of HR's key responsibilities. Individual personality assessments are also often used as they help to understand how other team members think and behave.

## 4. Fair and performance-based compensation

Contingent compensation is the fourth Human Resource best practice. It has everything to do with compensation and benefits. First of all, if we hire the right people, we want to compensate them above average. These are the people that will add the most value to the organization so it tries to retain them and pay them fairly. This is an example that shows how different best practices work together to provide more value than they would alone, in this case, selective hiring, contingent compensation, and employment security. Paying people above the norm also has a number of potential disadvantages. For instance, it discourages bad



employees to leave. However, if you're consistently hiring world-class performers, an above-average compensation is a must.

#### 5. Training in relevant skills

This HR best practice states that companies should invest heavily in training time and budget for its employees.

After recruiting the best people, you need to ensure that they remain the frontrunners in the field. This has become even more relevant today as the rate at which technology is developing is growing exponentially. This is where learning and development come in.

Different training can be given to employees at different levels. The following training methods may be used for the training of skilled workers and operators- Specific job training programmes, Technical training at a training with live demos, Internship training, Training via the process of rotation of job.

Training given to people in a supervisory or managerial capacity is – Lectures, Group Discussions, Case studies, Role-playing, Conferences etc.

People in managerial programmes are given this type of training- Management Games to develop decision making, Programmes to identify potential executives, Sensitivity training to understand and influence employee behavior, Simulation and role-playing, Programmes for improving human relations and managerial skills.

#### 6. Creating a flat and egalitarian organization

This best practice in HR is rooted in the egalitarian practices of Japanese management. Although we just saw that some employees are more critical than others for the organization's success, this shouldn't be communicated in such a way. Every employee is a valuable member of the organization and should be treated as such. In Japanese organizations, this is expressed with common canteens, company uniforms, and similar sickness and holiday entitlement. Such an egalitarian culture shows that everyone deserves equal respect and could help in promoting the sharing of ideas.

#### 7. Making information easily accessible to those who need it

Information sharing is essential to achieve the requisite goal of the organization within time.

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