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Unit-4: HRM in Global Scenario

- Challenges of HRM
- Impact of Globalization on HRM
- Human Resource Information System (HRIS): Concept, Uses, Design, Advantages & Disadvantages
- Virtual Organisation: Concept, Types, Features, Advantages & Disadvantages
- HRD : Meaning & Functions

Challenges of HRM

Employees are the backbone of any organisation as they drive growth and revenue through their expertise. The key to an organisation performing well is happy and satisfied employees.. Issues between employers and employees or within departments can negatively impact employees and the company's work culture. The following is a list of the most common challenges in HRM:

- 1. Change Management:- As they say, change is inevitable in every sphere of life. In the business sector, changes are constantly happening, whether in the form of new competition in the market, new leadership, merger or acquisition of a company, changes in organisational culture, or implementation of new technology. Unfortunately, many employees have a tough time adapting to the changes in the workplace, which eventually impacts their productivity and work efficiency. It also disturbs communication in a workplace, increases employee resistance, and stagnates an organisation's growth. Some of the best strategies for change management in HRM include conveying clear goals to the employees and explaining the reasons for various changes, improving communication with employees, and asking for feedback and suggestions.
- **2. Staff Training and Development**:—It is quintessential for companies to constantly up skill their employees to stay ahead of competitors and increase revenues. Also, from an employee's perspective, working professionals today are focusing more on growth, learning opportunities and job satisfaction. However, many organisations often struggle to develop

practical training strategies or adequate employee training and development resources. Some organisations also consider training and development exercises as a waste of resources.

So, up skilling the workforce is a daunting task in HRM that negatively impacts an organisation's growth. HRs should analyze employees' performance to understand their strengths and weaknesses and help them accordingly.

3. Attracting Top Talent:-Recruiting is a crucial but challenging HRM task. HRs put in much effort to hire candidates with the right skills and attitude, teamwork mindset, and someone capable of fitting in with the organisational culture.

The key for organisations to overcome this challenge is to focus on talent building and not solely on talent hiring. For example, HRs can consider hiring employees with base skills whose interests align with the company's culture and provide training and development after hiring them instead of searching for candidates based entirely on skills. Also, HRs should clearly convey the company's missions and values while hiring employees and set clear job descriptions.

4. Talent Retention:-Once HRs hire suitable candidates, talent retention becomes another tough challenge. Decreased employee engagement is one of the biggest reasons employees leave an organisation. Also, thanks to the huge market competition, people are constantly looking for better growth opportunities and higher salaries. So, they often switch to jobs that promise better growth and earning opportunities.

The best way to retain talent at the workplace is to provide them with adequate perks or incentives to increase motivation and work satisfaction. The most efficient strategies for talent retention are creating flexible working conditions, providing financial incentives, aligning industry-relevant upskilling programs, etc. Some other methods that HRs adopt to increase employee engagement include providing skill development opportunities to employees, encouraging them to suggest new ideas or processes for projects, and conducting regular surveys or asking for regular employee feedback.

5. Ensuring Employees' Physical and Mental Well being:-Making workplaces safe for employees is one of the biggest challenges in human resources. It is a moral duty and a legal responsibility of employers to take adequate precautions to make offices safe. There are numerous labour laws and legal compliances that organisations must follow to help their employees. For instance, companies can have an open-door policy so that employees can freely discuss stress or anxiety issues. Several companies even encourage their employees to go for therapy to deal with work-related stress and offer to pay for the same.

6. Ensuring Diversity and Inclusion:-HRs must constantly strive to make the workplace diverse and inclusive because it facilitates enhanced work culture while increasing the efficiency and growth of the organisation. However, ensuring diversity and inclusion is not as easy as it seems. Communication and language barriers, misunderstandings due to cultural gaps, differences in perspectives among employees, and discrimination are the most common obstacles that HRs often encounter while making workplaces more diverse and inclusive.

HRs can deal with these challenges by organizing support groups and promoting mentoring initiatives, standardizing interview procedures, conducting regular analyses or audits of inclusion strategies, partnering with a resource group, and encouraging employee collaboration.

Impact of globalisation on human resource management

Today, as the world becomes more connected thanks to globalisation, the duties of HRM, too, have changed. Today, as the world becomes more connected thanks to globalisation, the duties of HRM, too, have changed. Globalisation in HRM means that the HR team manages resources across the world. A Global HRM expert helps an organisation manage their diverse workforce, with knowledge of the country's regulations and laws, and ensures they provide employees with opportunities to grow.

- 1) Attract and integrate employees from around the world: Thanks to globalisation, as an organisation gets bigger, it's likely to catch the attention of people across the world. To this end, an increasing number of employees will come from different parts of the world and have different cultures and customs they adhere to.
- 2) Navigate local customs and laws, as well as international ones: As mentioned earlier, most employees come from different cultures and backgrounds and thus it's the duty of HRM to ensure that the organisation does not offend the sentiments of employees or make them feel unwelcome
- 3) Handle the shortage of top talent due to global competition: Today, as the world experiences globalisation on an unprecedented scale, it's natural that there's stiff competition amongst corporations for the best talent. To this end, it's the responsibility of HRM to ensure that they find the best minds for the organisation and ensure that said talent remains satisfied with the way things run at work.
- 4) **Manage a diverse workforce:** As companies continue to experience vast growth, HRM will find themselves managing a heterogeneous workforce with different physical and

mental abilities, cultural backgrounds, races, ages, genders, religions, and sexual orientations. They must hold a positive attitude towards these differences, be able to adjust to the different behaviors, and respect cultural differences.

- 5) **Meet global social responsibility requirements:** It's also up to the global HRM team to conduct their practices in an ethical way, such as when outsourcing to countries that offer a lower wage or hiring candidates to fill a certain quota.
- 6) **Employment and Tax Laws:** Global expansion is also affected by varying tax and labor laws. HR departments need to be prepared to deal with different tax rates, benefit requirements or labor and environmental regulations. These requirements may be in addition to or even in conflict with current corporate policies, so adjustments to maintain compliance with local governments are necessary.
- 7) **Long-Distance Communication Challenges:** In a small, local business, the HR manager can ask an employee to stop by the HR office to sign a form, discuss an issue with their paycheck or to handle a policy-related issue. Globalization in human resource management means you'll be managing employees over great distances and perhaps in several sites spread around the globe.

For this, HR departments face a bigger challenge in communicating with their employees. Often, they must rely on technology such as email or conference calling to relay information, thereby eliminating some of the more direct human elements of interaction.

Human Resource Information System (HRIS): Concept, Uses, Design, Advantages & Disadvantages:

HRIS, or human resources information system, is software designed to help businesses meet core HR needs and improve the productivity of both managers and employees. This is in large part possible because of automation and synchronized data, which may reduce costly redundancies and provide a trusted source of decision-making, respectively.

HRIS stands for human resources information system. It's related to human resources management system (HRMS) and human capital management. HRIS helps businesses use technology to enhance their people processes and make both HR and their organization as a whole more efficient. As a result, they may be better able to keep pace with evolving workplace trends.

Uses HRIS

Businesses who need assistance managing the complexity of an evolving workforce tend to use an HRIS. This is especially true of enterprises that are seeking to grow, expand geographically or pursue mergers and acquisitions.

HRIS software offers personalized HR tools and scalable solutions that can help businesses tackle challenges as they grow. Some of the more common HRIS features include:

- 1. **Recruitment and onboarding:** HRIS helps recruiters scan resumes, perform preliminary candidate screenings and conduct background checks.
- 2. **Payroll:** In many cases, an HRIS will automatically deduct taxes and benefits from employee wages, which saves time and helps reduce the risk of error. Some systems also offer flexible pay options.
- 3. **Time, attendance and scheduling**: Time tracking in an HRIS often supports many types of workers and communicates directly with payroll to help improve accuracy.
- 4. **Benefits administration**: HRIS typically has broad capabilities to manage employer-offered benefits, such as health insurance and retirement savings plans, as well as voluntary benefits.
- 5. **Compliance: Some** HRIS have the ability to stay current with changes in tax laws and employment regulations as they occur.
- 6. **Reports and analytics**: A centralized data set for all HR metrics is sometimes available with HRIS. More sophisticated providers make data accessible on-demand and proactively push reports, alerts or actions to stakeholders.
- 7. **Integrations**: HRIS may integrate payroll, benefits and time tracking into a unified system. Some can also sync with other enterprise systems or allow end users to create custom integrations.

Some examples of HRIS systems

There are many examples of HRIS software available to organizations today. ADP, for instance, offers the following options based on business size:

ADP Workforce Now®

Designed for mid-sized businesses, ADP Workforce Now provides an all-in-one platform to manage payroll, talent, benefits, time, people, analytics and more.

ADP Vantage HCM®

Large, multinational companies based in the United States can manage their workforces and make strategic decisions on key growth drivers, like labor costs and turnover, with the aid of ADP Vantage HCM®.

ADP Next Gen HCM

Businesses that are expanding can rely on ADP Next Gen HCM to help them adapt to rapidly changing environments and people requirements.

Designing of HRIS

The realization that there cannot be good plan without good data and there cannot be good data without a good plan to collect it, underlines the need for designing a good HRIS in the organisation. The following steps are involved in designing a sound HRIS:

- 1. **Determination of Information Needs**: Data and information are basic inputs for decision making activity. Managers at different levels may need different types of information. Hence, identification of information needed by the managers becomes the first step in designing HRIS. This involves a perspicacious study of the activities carried out in the organisation. Work patterns, their relationship and constraints affecting the HRJS also need to be analyzed. Yes, these factors may differ from organisation to organisation and from industry to industry and even from time to time in case of the same organisation and industry.
- **2. Designing the System:** At this stage, the flow of information is structured in such a manner that it is economical and matches with the information needs of managers. It is important to mention that HRIS as a sub-system of Management Information System (MIS) does not require a separate design. However, designing HRIS may require developing preferred processing techniques for desired data set by managers at different levels.
- **3. Implementation**: This is the stage when the HRIS is actually set up. In order to handle the system effectively, employees are imparted the necessary skill through orientation and training programmes. Besides, facilities are increased and upgraded, procedures are properly streamlined with an objective to integrate the HRIS with various organisational components in existence at the time.
- **4. Monitoring and Evaluation**: It involves measuring the performance, or say, contribution of the system to the overall human resource management of the organisation. By doing so, gaps are identified and corrective steps are taken to ensure its smooth operation. The system is evaluated on a regular basis so that it is evaluated in the light of changes taking place from time to time within and outside the organisation,

MODULES of HRIS

- 1. **The Payroll Module** automates the pay process by rally data on employee time and attendance, calculating various deductions and taxes, and generating periodic pay cheques and employee tax reports. Data is generally fed from the human resources and time keeping modules to calculate automatic deposit and manual cheque writing capabilities. This module can encompass all employee-related transactions as well as integrate with existing financial management systems.
- 2. **The Time and Attendance module** together standardized time and work regard efforts. The most progress modules supply broad flexibility in data collection system, labor allocation capabilities and data analysis features. Cost analysis and capability metrics are the first functions.
- 3. **The Benefits administration module** supply a system for organizations to administer and track employee involvement in benefits programs. These typically create insurance, repayment, profit sharing and retirement.
- 4. The HR management module is a component covering many other HR aspects from application to retirement. The system records basic demographic and address data, selection, training and development, capabilities and skills management, compensation planning records and other related activities. Leading edge systems provide the ability to "read" applications and enter relevant data to applicable database fields, notify employers and provide position management and position control. Human resource management function involves the recruitment, placement, evaluation, compensation and development of the employees of an organization. The significant cost incurred in maintaining an organized recruitment effort, cross-posting within and across general or industry-specific job boards and maintaining a competitive exposure of availabilities has given rise to the development of a dedicated applicant tracking system, or 'ATS', module.
- **5.** The training module provides a system for organizations to administer and track employee training and development efforts. The system, normally called a "learning management system" (LMS) if a standalone product, allows HR to track education, qualifications and skills of the employees, as well as outlining what training courses, books, CDs, web based learning or materials are available to develop which skills. Courses can then be offered in date specific sessions, with delegates and training resources being mapped and managed within the same system. Sophisticated LMS allow managers to approve training, budgets and calendars alongside performance management and appraisal metrics.

Advantage of HRIS

In addition to improved workforce productivity, employers may find that HRIS helps them:

- 1. **Make data-driven decisions:** Some systems have predictive analytics, including forecasting and modeling, which can help HR professionals make more informed decisions.
- 2. **Enhance user experiences**: HRIS with user-friendly interfaces and mobile apps may make it easier to complete job applications, enroll in benefits and perform other HR tasks.
- 3. **Reduce time-intensive labor**: Common HRIS features such as automation, analytics and artificial intelligence may help cut the labor costs associated with payroll, time and attendance, and other manual administrative work.
- 4. **Accommodate business growth**: Cloud-based technology is often capable of handling increasing numbers of employees, transactions and data volume, as well as expansions to new locations.
- 5. **Maintain compliance:** Some HRIS providers have monitoring capabilities to stay current with changing regulations and data security measures to help prevent incidents

Disadvantages of HRIS

- 1. **HRIS Cost**: As with any new technology, there is a cost to license and implement a new system. Costs range, and they depend on the capabilities of the HRIS system, but they may be as high as \$300 per employee for large companies with many benefits capabilities. Smaller companies should expect to pay anywhere from \$40 to \$100, and that doesn't include payroll processor costs.
- 2. **Security Breach:** As with any computer technology and database, there is the risk that hackers will access information and use it for nefarious purposes. Employees provide employers with financial, tax and personal information such as emergency contacts. A security breach could be catastrophic.
- 3. **Documents**: An HRIS platform allows a portal for all important company documents to be accessed. Everything from employee handbooks and code of ethics to evacuation and emergency plans is stored in the HRIS platform. If someone needs to access it, all they need to do is to log in and grab the file and open it.
- 4. **Staffing**: With larger installations, there's probably the cost of hiring an IT specialist to manage the system.

5. Other:

- It can be threatening and inconvenient.
- Thorough understanding of what constitutes quality Information for the user.

- Computer cannot substitute human beings.
- Lack of communication
- human error during information input
- costly technology to update your system
- malfunctions or insufficient applications to support your human resources needs
- Finding a qualified specialist with human resources functional area knowledge is difficult.
- Unauthorized Access
- Specialized Knowledge
- Data Entry Errors
- The cost per-hire for another employee in a specialized field may be a stretch for some small businesses

Virtual Organisation: Concept, Types, Features, Advantages & Disadvantages

A virtual organisation is defined as an organisation that is dependent on electronic linking to complete the process of production. It can be of permanent or temporary nature and can include groups, individuals dispersed at various locations, the entire organisation or even an organisational unit. In simple terms, a virtual organisation is referred to a company with an electronic presence and one who does not have a physical existence. It is formed informally as an alliance between two or more legal entities of independent nature. The legal definition of a company does not bound virtual organisations. A virtual organisation is referred to as a flexible network of entities that are linked by computing technologies to share knowledge and skills. This electronic network goes beyond organisational and geographical boundaries. It is often considered a boundary-less organisation in which vertical and horizontal barriers are removed.

It takes the help of information and communication technologies to reach common or shared interest. In a virtual organisation, members accept the help of telecommuting by using internet, phone, and e-mails to undertake their work. These types of organisations exist through information technology tools as they do not have a base or geographical location.

n a virtual organisation, the vast majority of the employees work entirely online from dispersed geographical locations. It uses informatics tool to sustain, maintain and enable the sharing of resources in distributed work environments.

In today's modern and competitive world, you will find more than enough new start-ups that are operating as virtual organisations. Even established companies are integrating them into their organisational design and also in hiring processes. As per a recent survey, virtual organisations are some of the biggest drivers of transformation, and there are considerable benefits in its formation.

Types of virtual organisation

The types of virtual organisation are as follows-

Telecommuters – This type of virtual organisation hires employees that work from home and interact with their workplace via personal computers.

Completely virtual – This type of virtual organisations are linked to a network of retailers, distributors, suppliers and customers.

Outsourcing employees – This type of companies outsource almost all or a significant part of core competencies. The virtual organisation own one or two core competencies at which it is excellent and hires the rest. The areas for outsourcing generally include information system, manufacturing, fiancé, engineering etc

Features of Virtual Organization

It is the information and knowledge that makes a virtual organisation effective. Seamless web communication is necessary to keep the organisation working smoothly. Some of the salient features of a virtual organisation are as follows-

- **1. E-mail integration:** An important notable feature of virtual organisation is the integration of SMS or Short Message Service into the e-mail. This is already an existing infrastructure that enables a company to take advantage of SMS products
- **2. Technology**: Times are changing and we are seeing tremendous advancements in the field of science and technology. This has transformed the traditional ways in which business entities used to operate and has replaced it with a new range of possibilities.

he computing industry, along with the telecommunication sector, has been the driving force behind the growth and development of virtual organisations. The CTI or Computer Telephony Integration is the reason for the new revolution.

- **3. Voice mail alert**: When the SMS technology is added to the voice mail system it creates a way to receive voice mail alerts
- **4. Office system integration**: The SMS or Short Message Service technology can enhance the new office systems or the existing systems.

5. Mobile data: Another salient feature of the virtual organisation is that it is now possible to retrieve any information anywhere in the world with the help of a mobile device network.

The laptop can be easily linked with mobile devices so that the user can remain connected to a virtual organisation from any place. Thus mobile data connections have revolutionized the way organisations are now operating.

Advantages virtual organisational

There are numerous advantages of a virtual organisational structure. These are as follows-

1. Higher employee satisfaction: The traditional employee used to work from a physical setup office space. They were happy to do a nine-to-five job and leave the office work behind afterwards. The new concept of the modern world is quite different. Employees do not want to be bound in the constraints of time. They are happy working from home with adjusted timings so that they can complete other urgent work in the meantime. Some have small children that need to be dropped at school, some have elderly parents that need supervision, some are working housewives that cannot leave their home and this is why they choose workfrom-home instead of the typical workplace.

A significant benefit of virtual organization is that it gives its employees the option of working from home. This has resulted in a happy workforce that has reported lower levels of anxiety and stress. Moreover, there are very few absentees because they are working from home and can make adjustments in their routine. This is the reason why employee morale and ultimately, employee satisfaction is considerably higher.

2. Boost in employee efficiency: An essential advantage of virtual organisation is an increase in employee efficiency. It has been proved through surveys that the amount of work done in a virtual organisation is considerably more than what one could accomplish in a physical organisation at the same time.

Thus a virtual organisation helps in increasing the efficiency levels of an employee

3. Broader talent pool: Virtual organisation does not need its employees to come and work from a specific address. This proves beneficial for such companies as they can hire employees from any part of the world very quickly without worrying about simple facts like how to raise visa or how to manage transportation to reach the office on time. Hiring employees remotely gives a virtual organisation access to a larger pool of talent that can belong to any demographic. This way the firms can expand their potential labour market. This helps them to hire as well as retain the best people from any part of the world

4. Overhead costs are low: Physical organisations are costly as it needs lots of cash to set them up. Rent of office space, hiring innumerable employees to handle the work in the physical store, costs of maintenance, expenses like lighting, furniture, cleaning, stationery, etc. are some of the costs that are an integral part of a physical organisation.

The benefit of creating a virtual organisation is that it is possible to minimize the operating costs to a great extent. It has been proved that these companies can save a considerable amount that they later can use for various other business purposes. Hiring remote workers and working without a physical space will undoubtedly lower the overhead costs.

- 4. Improved scalability: Physical office space needs overhead costs, but a virtual organisation does not require any such expenses. The company has enough free capital to improve its growth potential and scalability. It is a proven fact that virtual organisation teams are more agile and willing to work for more hours than the employees in a typical traditional workplace
- **5. Improved employee retention**: The employees working in a virtual organisation experience greater job satisfaction and thus are likely to stick around for a more extended period. Their salaries are competitive and they have the advantage of working from home. This is the reason why a virtual organisation shows a better rate of employee retention than a physical outlet
- **6.** Access to new markets: Virtual organisations can tap new markets easily because they do not rely on physical space. These rely on sales teams that operate remotely and can reach out in new horizons to new customers.
- **7. Savings:** Virtual organisation helps to save time and travel expenses because there is simply no need to reach the workplace. The money that is saved is savings for the employee
- **8. Organized:** Although the employees are in various geographic locations, still the virtual organisation works in an organised manner. The head of the company is in constant touch with each of the members and keeps a vigilant eye on their movements
- **9. Balance in life:** A virtual organisation offers the employees a golden chance to accommodate and balance their professional and personal life
- **10.** Use of experts: Business entities might some time or other need the help of an expert for a specific work. In a physical workplace, there is a process to hire an expert and it is no doubt a lengthy process as well as an expensive venture. In a virtual organisation, the expenses can be cut down smoothly as you can save on logging, travelling and downtime

11. Smooth movement: Tasks and projects are an integral part of the workplace. In a physical organisation, the shifting of employees from one project to another is a time-consuming process.

In contrast, in a virtual organisation, the team leader gives you the required information, and you can shift your base from one project to another with the help of few strokes of the keys or a single click of the mouse. It is thus very easy to move people from one project to another

- **12. Multitasking**: It is not easy to multitask in a physical organisation until an employee is equipped to handle the responsibility because of his expertise and he is comfortable to move from one place to another for the project. In a virtual organisation, it is easy and straightforward to assign employees to concurrent and multiple teams.
- **13. Swift response time:** In a virtual organisation, the relevant information can be accessed at a faster pace through online mediums. There is no need to find files from the storage room. This helps the company to offer a swift response so that it can quickly meet the demands of the market.

Disadvantages of virtual organisation

The disadvantages of a virtual organisational structure are as follows-

- 1. Lack of solidarity: In a physical space you will feel the team bonding that nudges employees to work harder for the team. This type of warmth and bonding is absent in employees working for a virtual organisation. The workforce includes members who rarely speak face-to-face with other employees. There are video chats and use of Skype no doubt but it is not enough to create a bond that will motivate and stimulate members to build a sense of camaraderie that is an integral part of work culture. Fewer opportunities for interactions is the reason why people do not know each other on a personal basis. There is no effort on the part of a virtual organisation to a team or various teams together that will boost solidarity amongst the members
- **2. Reputational risks**: People are still not comfortable in dealing with companies that do not have a physical presence. They vary from remote employees, and this is why they do not take such companies seriously. If by any chance the virtual organisation runs poorly then it will have to face severe consequences in terms of reputational risk
- **3. Less communication**: Virtual organisation has the best possible means to have an open channel that will facilitate increased communication between all the members. The fact is quite different from the assumption as the remote teams are simply not interested in passing

any information as they are still unknown for each other. It is up to the virtual organisation to keep on nudging its members for constant communication. In most cases, it is the responsibility of the company to provide tools so that proper communication can take place.

4. Compliance and security issues: A virtual organization means passing information remotely. Some data are confidential and very important. There is always a chance of breach or cyber hack, and it could result in loss of the data to a third party who could misuse it for his gain. In some sectors like finance and health, it is too risky to opt for passing data back and forth through online mediums. This is why a virtual organisation is considered a red zone for compliance and security issues.

HRD: Meaning & Functions

Human Resource Development (HRD) is that part of Human Resource Management which specifically deals with the training and development of employees.

HRD helps the employees in developing their knowledge, skills and abilities to achieve self-fulfillment and aid in the accomplishment of organizational goals.

HRD can be defined as organized learning activities arranged within an organization in order to improve performance and/or personal growth for the purpose of improving the job, the individual, and/or the organization.

HRD includes the areas of employee training, career development, performance management, coaching, mentoring, key employee identification, talent development and organization development. Developing a highly productive and superior workforce is the aim of HRD activities.

The main components of HRD are:

- 1. Individual Development: It refers to the development of new skills, knowledge and improved behaviour that contribute to his productivity. As a result of this training, his job performance is improved. Individual development mainly takes place through informal activities like coaching or mentoring by an experienced senior. Some companies, may, however provide formal programmes for such training.
- **2. Career Development**: It is an approach to match employee goals with the requirements of the organization. The interests, values, abilities and competencies of the individuals are identified to analyze how their skills can be developed for future jobs. At an individual level, career development includes career planning and career awareness. Mentoring, providing

career counselling, career development workshops, human resource planning are the steps the organization takes for career development.

3. Organizational Development: Organizational develop-ment means an organization wide effort to enhance organizational effectiveness. It includes making improvements to the organizational structure, culture, processes, etc. through activities like performance evaluation, change management, succession planning, process analysis and team building. The first step in organizational development is to discover its internal problems and weaknesses, and then work towards solving them. The organization should try to become a more functional unit by fostering a close relationship among its various units.

Functions of Human Resource Development

- 1) Training and Development: This concept aims at improving the skills, abilities, and knowledge of people at work by training and educating them. As soon as a person joins organization several activities like orientation, skill training, counselling and coaching starts. These are meant for training and developing the employees as per organizational needs.
- 2) Career Development: Career planning and development is another important function of human resource development. It is a continuous process whereby the individual improves and develops his skills. Career development comprises of two processes: career planning and career management. Career planning means the activities that employees need to perform. Whereas, career management means steps that employees need to follow to achieve the plans.
- 3) **Performance Appraisal**: The human resource development concept aims at providing rewards and promotions to employees on the basis of their performance. It keeps a check on the performance of employees and ensures whether it is at an acceptable level.
- 4) **Employee's Participation in Management**: Participation of peoples working in organization in decision-making is a must for better understanding and exchange of ideas. Human resource development managers work on encouraging employees to participate in organizational management. It provides a platform for mutual learning and development.
- 5) **Improves the Working Environment**: Human resource development aims at providing a better atmosphere for people working in an organization. It ensures that all employees get fair remunerations, proper working hours and various other welfare services.
- 6) Organizational Change and Development: It facilitates organizational change and development as per the requirements. It diagnosis process, structure and task force of

organizations from time to time and accordingly design all training and development programs.

7) Other functions

- Improve performance of individual on present job
- Improve competence of individual to perform future jobs
- Improve group dynamism and effectiveness
- Improve individual's attitude
- Integrate goal of individual with the goal of the organization
- Optimize the available human resource in an organization
- Encourage creativity
- Provide opportunities and facilities to individual for full expression of their talent potential
- Improve interpersonal relationship and work culture
- Bring industrial harmony
- Increase productivity.
