HR GD-PI GUIDE

Compiled by HR Direction

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What is HR (Human Resources)?

Human Resources is the department that takes care of the organization's most valuable asset, its employees. It takes charge of all employees, and employee-related operations. HR teams undertake various responsibilities in an organization such as:

- ✓ Recognize current and future hiring needs in sync with strategic goals
- ✓ Attract, recruit, retain and manage talent
- ✓ Align business objectives with employees and management
- ✓ Organize and oversee quarterly or annual performance reviews
- ✓ Ensure compliance with federal, state, and governmental labour rules and regulations
- ✓ Manage compensation and employee benefits
- ✓ Ensure effective employee relations
- ✓ Manage onboarding, training, and Learning & Development processes to boost performance
- ✓ Apply health and safety measures

Why is HR important?

Human resources management is a very important function in every organization. Without human resources management, companies would not be able to effectively recruit and retain employees, improve and enhance the organization, and they wouldn't be able to maintain a healthy, accepting workplace culture and environment. Human resources management is so important to organizations that many call this department the heart and soul of a business.

Key functions of HR

The primary objective of Human Resource Management is to ensure the availability of a competent, willing, and engaged workforce to an organization. Hiring, developing, and retaining the "Right Talent" for a firm could be the source of competitive advantage for the firm. HR Management involves discharging functions viz. HR Planning, recruitment, selection, L&D (Learning and Development), C&B (Compensation and Benefits), Performance Management, Trade Union Management, Legal and procedural compliance, formulation of company policy and procedures, etc.

Recruitment & Selection

Recruitment:

It is the process of searching for prospective employees and attracting them to apply for jobs in the organization. This involves –

- Discovering the sources of manpower to meet the requirements of the staffing schedules
- Employing effective measures for attracting the manpower in adequate numbers to facilitate effective selection of an efficient workforce for a vacant job position

Recruitment Process:

➢ Finding out the requirement (hiring vs. exit), upcoming vacancies and workforce assessment

➢ Developing best techniques to attract suitable candidates – attracting the talent pools

Selection:

It is the process of differentiating between applicants to identify and hire those with a greater likelihood of success in a job. Selection Process Involves (Sequential Steps) –

1. Preliminary Interview
2. Administering Selection Tests
3. Employment Interview
4. Reference check and Background Analysis
5. Selection Decision
6. Physical Examination
7. Job Offer and Employment Contract

Difference between Recruitment and Selection:

Recruitment is a process of searching out the potential applicants and inspiring them to apply for the actual or anticipated vacancy. On the other hand, **Selection** is a process of hiring employees among the shortlisted candidates and providing them a job in the organization.

Performance Management System (PMS)

Performance Appraisal + Feedback + Coaching = Performance Management System

A performance Management system (PMS) is a continuous process of identifying, measuring, and developing the performance of individuals and teams, and aligning performance with the strategic goal of the organization. It is based on three pillars:

➢ Setting clear and measurable goals

➢ Implementing concrete actions

➢ Imposing rigorous consequences

Performance Appraisal:

A performance appraisal (PA) system is an objective assessment of an individual's performance against well-defined benchmarks. Performance appraisals are a part of career development and consist of regular reviews of employee performance. Other aspects of individual employees are considered as well, such as organizational citizenship behavior, accomplishments, the potential for future improvement, strengths and weaknesses, etc.

Compensation & Benefits

This function involves creating and implementing compensation policies for the employees.
- ➢ Payroll administration
- ➢ Performance appraisals
- ➢ Rewards & Recognition
- ➢ Health Insurance
- ➢ Life & Disability Insurance
- ➢ Flexible spending accounts
- ➢ Retirement Plan Administration

Learning and Development

The need for Learning and Development is determined by the employee's performance deficiency which is computed as follows.

Learning & Development Need = Standard Performance –Actual Performance

Learning:

Learning refers to the process of imparting specific skills. An employee undergoing training is presumed to have had some formal education. No training program is complete without an element of education. Hence, we can say that training is offered to operatives.

Development:

Development consists of the learning opportunities designed to help employees grow. Development is not primarily skill oriented. Instead, it provides the general knowledge and attitudes, which will help employers in higher positions. Efforts towards development often depend on personal drive and ambition. Development activities supplied by management development programs are generally voluntary.

Employee Engagement

Employee engagement is the measure of how involved and committed the workers are towards their organization and values. A well-engaged employee is aware of the day-to-day happenings of the organization, works with his or her colleagues to improve the performance of the individual and works towards the betterment of the organization. It is an optimistic attitude that the employees hold towards their organization.

Health & Safety

Safety implies the absence of accidents i.e., ensuring the protection of workers from workplace hazards. Providing safety to employees has a moral dimension as well as a legal requirement. Thousands of employees suffer from accidents every day – this could lead to total, temporary or permanent disability. Laws are framed which cover occupational health and safety regulations, and penalties for non-compliance. An employer needs to ensure that an accident doesn't lead to incapacitation/death of an employee. Monetary compensation does not bring back a person as a healthy individual.

Industry Relations

Industry Relations (IR) is concerned with the management of relations between workers and employer (management) and the role of regulatory mechanism in resolving any dispute. Employers, employees, unions, government, and judiciary have stakes in IR. It assumes its significance owing to its direct linkage with productivity, ethical dimensions, and legal compliance.

Strategic planning

HRM makes strategic management effective by supplying the human capital that is competent, committed and works in sync with organizational strategic goals. It predicts the future HR needs of the organization after analyzing the current human resources, the external labor market, and the future HR environment that the organization will be operating in.

Roles for an HR professional

HR Generalist

HR Generalists are professionals who can perform a wide variety of responsibilities and can handle all the functions related to HR. These professionals have a comprehensive knowledgebase that covers a wide range of areas. Generalists typically work directly with employees, so they can have varied responsibilities. Individuals who prefer variety and diversity in their work may be well-suited as an HR generalist

HR Specialist

Unlike the HR generalist, an HR specialist has expertise in one specific HR area, rather than little expertise in multiple HR disciplines. Specialists typically have more clearly defined goals and time-frames. They are required to exhibit a strong work ethic and keen attention to detail. Specialists tend to have more comprehensive expertise of their subject, some of which include:

HR Development Specialist	Risk Management Specialist	HR Information Systems Specialist
Employee and Labor Relations Specialist	Organizational Development Specialist	Learning & Development Specialist

HR Business Partner (HRBP)

An HR Business Partner works directly with an organization's senior leadership to develop and direct an HR agenda that closely supports organizational goals. Rather than working primarily as part of the internal HR department, the HRBP works closely with senior leadership and collaborates regularly with the C-suite. Placing a human resource professional in close contact with executive leadership makes HR a part of the organizational strategy. An HRBP should ideally have strong business knowledge, a comprehensive understanding of HR, and specific experience within its business sector.

HR Consultant

HR consultants advise and offer solutions to companies on a wide range of issues such as rewards and compensation, staffing, organizational effectiveness, learning and development, employee relations, occupational health wellness, etc. They ensure that their client company is effectively using its personnel to achieve the stated goals while ensuring the workforce is operating at a high level of efficiency. HR consulting is an exciting, challenging, and inspiring profession, even for entry-level consultants.

How COVID pandemic has evolved the role of HR in Organizations

In terms of coping with the effects caused by Covid-19 at workplaces, HR teams have been at the forefront. In the last few years, HR has shifted from being a traditionally administrative function to a more strategic function.

HRs were the torch bearers in responding to the Covid-19 pandemic, be it redesigning the work and workplace models, re-engineering the key parameter indicators, ensuring good mental health and well-being, boosting motivation and employee engagement. As employees started to work remotely, HR teams demonstrated agility, flexibility and creativity by quickly transforming brick-and-mortar offices into virtual workplaces, almost overnight. They also ensured that employees are equipped with digital infrastructure such as laptops and data cards to ensure business continuity.

Given the challenges, one can say that the role of an HR professional has evolved during this pandemic. The role of HR in controlling and maintaining morale has become critical. It is an excellent idea to develop a structured check-in process with remote workers, to ask how they cope up with the added stress during the crisis and to stay on top of any problems after things return to a new normal.

HR professionals claim that remote work is a specific barrier as it challenges HR teams to ensure that employees at home have working technology. So, HR teams are revamping the policies and processes following the new normal.

How future organizations look like:

➢ Remote working to be an integral part of every organization
➢ Working hours, locations, and even the work arrangements to become more fluid
➢ The popularity of contractual jobs and freelancers to grow
➢ Workforce to continually upgrade and work on capability enhancement to remain competitive
➢ Focus on learning and development to increase to make employees future-ready

Future trends in HR

Hybrid Workplace and Remote Working

Remote work is a setup that allows professionals to work outside of a traditional office environment. It helps organizations create a hybrid workplace using remote technology that enables employees to work from home and not commute long distances every day. It is based on the concept that work does not have to be done in a specific place to be executed successfully. Companies have already started working towards the new normal where in-person and face-to-face interaction will be minimized, and transacting digitally and conducting business through virtual platforms will become increasingly prevalent and eventually a de facto standard.

Advancements in technology have made it clear that employees can work smoothly from their homes with little to no interruptions. The majority of employees believe that they are more productive when working from home. While companies can save up on the real estate and infrastructure costs when employees work remotely, employees appreciate the chance to avoid long morning office commutes and looking after their homebound kids. So, remote working is here to stay and will more than ever become an integral part of the way we work.

Gig Economy

A Gig Economy is defined as a labour market characterized by the prevalence of short-term contracts or freelance work instead of permanent jobs. Broadly defined, it is the talent acquired for a specific period. It comprises independent contractors, online platform workers, contract firm workers, on-call workers, and temporary workers.

In times of the current COVID-19 crisis, organizations are looking to develop agile models by incorporating gig workers into their workforce. Digital transformation has surged to the top of priority lists, leading to a monumental shift in openness to remote work. The benefits of an agile, flexible workforce have become increasingly apparent in an environment of profound economic uncertainty.

Big Data and HR Analytics

Human resources analytics, or talent analytics, is applying business analytics techniques to collect and analyse human resources (HR) data. Some of the metrics for which HR analytics can be used are: offer acceptance rate, turnover rate, absenteeism, etc. To implement this, an organization needs to understand the business goals and identify metrics to achieve those goals. A thorough analysis and communication of the impact of the collected data on the organization need to be performed. HR analytics help measure how HR initiatives are contributing to the organization's goals and strategies.

The use of analytics and data-driven processes have permeated into the hiring process and is a crucial part of recruitment today. Recruiters are now using predictive analytics to gauge patterns and trends from resumes, applications, tests, and even candidates' social media profiles. By understanding this data, and comparing it with that of other candidates, organizations will be in a stronger position to hire the best fit for the role. HR teams use predictive analytics to stay proactive in assessing, anticipating, and pre-empting outcomes or candidate behaviours on actual data.

Companies such as Google, Cisco, Sprint etc are pioneers in this field. Cisco and Google have long been admired for their enviable culture and unique employee experience driven by data analytics. From recruitment to policies, they use analytics in HR decision making. They have introduced revolutionary predictive analytics programs for recruitment, retention, and talent management.
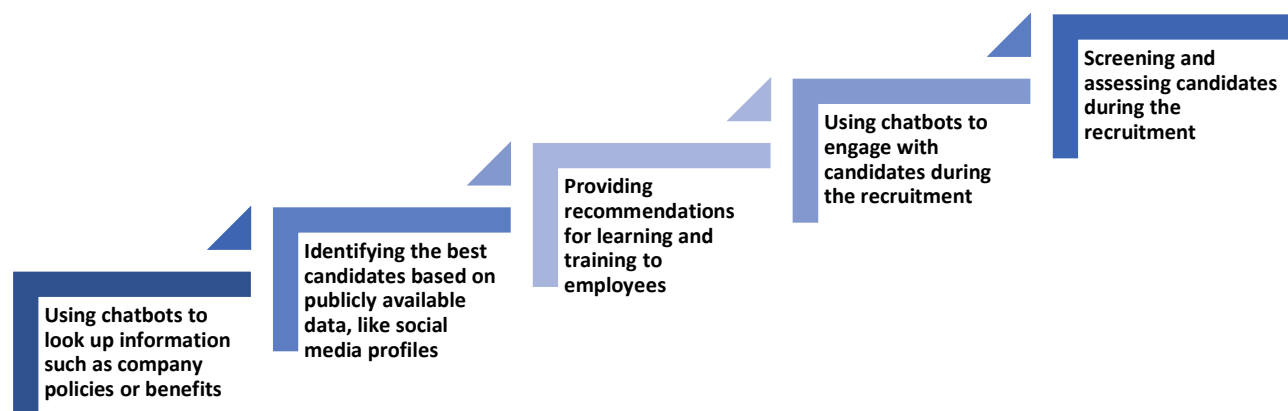
Artificial Intelligence and IoT driving HR Tech

Much like service, healthcare, and even the education sector, Artificial intelligence (AI) is on its track to make a considerable impact in the workplace and revolutionize the HR industry. With the addition of AI, HR managers are empowered to further streamline standard processes, leverage data in decision-making, and optimize the efficiency that goes into researching and retaining the best candidates. Scores of

administrative tasks are getting automated. Organizations use HR Tech to schedule interviews with candidates, hold video interactions for screening, enable them to transact and communicate with the organization.

According to a study conducted by Mercer, Eighty-eight percent of companies globally already use AI in some way or the other for HR, with 100 percent of Chinese firms and 83 percent of U.S. employers relying on some form of the technology.

According to Mercer, HRs have been using AI for:

Using chatbots to look up information such as company policies or benefits

Identifying the best candidates based on publicly available data, like social media profiles

Providing recommendations for learning and training to employees

Using chatbots to engage with candidates during the recruitment

Screening and assessing candidates during the recruitment

Also, Companies planning to invest in AI in the coming years are targeting:

- ➤ Chatbots for employee self-service, such as changing benefits or requesting time off
- ➤ The ability to identify employees who are disengaged or at risk of leaving
- ➤ Suggestions of job openings or career paths for current employees
- ➤ Help in the performance management process
- ➤ Customization or improving benchmarking in compensation

Despite the noise and concerns around AI 'stealing' jobs and replacing human talent, it is looked upon as an added resource that complements human intelligence and supports strategic decision-making. However, AI should be used very carefully with limitations as it learns from the already fed historical data, which can sometimes lead to biases.

Some of the world's biggest companies, such as Amazon, Google, IBM etc are relying on AI to build a better workforce. They use artificial intelligence for recruitment, onboarding, talent management, retention, employee engagement, and many other people related domains. Many technology start-ups are venturing

into this high potential HR Tech by developing innovative solutions that integrate technologies into HR systems for enhanced organizational performance.

Gamification

Gamification is the usage of game mechanics and game thinking in non-game scenarios like business environments. It uses attributes of games like fun, transparency, design, competition and applies these to a range of real-world processes inside a company, which helps to increase engagement and collaboration. Before implementing this process, a company needs to strategize and identify the requirements which would not only engage and motivate the employees but will also lead to effective development.

To leverage the advantages of gamification in learning, the first and the most crucial step is to identify the learning requirements. After identification, the company can collaborate with game developers to suggest or develop games suitable to the company's needs. The design should be such that the actions and achievements are visible to the trainees and are not just for entertainment. It is designed so that the employee competes with the co-participants or participates individually and, through this interactive exercise, learns and earns rewards for his/her performance.

Companies like Deloitte, Cisco, Walmart, Cognizant etc. have been increasingly adopting gamification for recruitment, onboarding, and learning and development functions of HR.

Employer Branding

Employer branding is the process of managing and influencing your reputation as an employer among job seekers, employees and key stakeholders. It encompasses everything you do to position your organization as an employer of choice.

Having a strong employer brand has many opportunities. In the modern business world of talent acquisition, employer branding is used to introduce the company as a great place to work. It's used for communicating with current employees as well as attracting a new, generally passive, workforce. Research shows how strong the employer brand has a direct impact on talent acquisition. Companies with better reputations have higher-quality and more satisfied employees.

Inclusive culture

With the Black Lives Matter movement and other social justice efforts, many employers and HR teams have changed tunes when it comes to prioritizing diversity and inclusion (D&I) in the workplace. Having a diverse and inclusive workplace is not only the right thing to do, it can also benefit your business. In 2022,

HR staffs will pay closer attention to their D&I initiatives in relation to recruiting new employees and creating a safe and inclusive workspace for their teams.

Focus on cybersecurity

With an increase in the use of data, cybersecurity will be one of the major challenges for future HR. New cyber security and WFH policies will be formed to overcome issues such as data confidentiality and employee privacy.

Work from Home leading to Work from Anywhere

The next generation of workers will not just log in to their HRMS from home. They will also be able to log in from anywhere. There is a revolution coming in the facilities and infrastructure domains that will enable solutions to a permanently mobile workforce.

Train the Workforce with Virtual Reality (VR) and Augmented Reality (AR)

With the advent of digital integration, every department, including HR, is wielding the best of novel technologies like VR and AR for employee growth and hands-on experience. They have become go-to training methods for a multitude of organizations such as insurance, customer service, retail, construction, and safety training, to name a few.