



Innovation and Global HRM by 2050

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Introduction

In this fast changing competitive globalized market place innovation has become the essential factor for any organization to achieve success. By 2050 the business world will have drastic changes in its functioning. The changes in the technology, global economy, increasing ability scrutiny, threatening talent crisis and the mental illness of the employees are drastically affecting the workplace. These changes will have great impact on the business environment. The best companies with the sustained innovation derive success towards the competition. These organizations provide various opportunities to the employees in converting their ideas into a successful strategy and helps in creating innovative and creative thoughts among them. Mainly all the functional areas like HR, Marketing, Finance, Production and operation departments will have changes and go along with the development and innovation. The functioning of organization is fully relying on the HR department which provides efficient employees to the organization, innovation and creativity in this function will drive the organization towards success. The HRM and innovation has clear link in developing the employee's capabilities and performance which leads to the organizational efficiency. The HRM is more clearly embedded in the organization strategy in order to facilitate the innovation. There are various HRM practices followed by the organization to enhance the employees and it is fully influenced by the various competitive factors and changing market. The future of HRM will be converted into SHRM were innovation based strategy will be



implemented in the organization. This innovation helps them to sustain in the market by attracting & providing talented employees to the organization and helps them to retain the excellent staff within the organization.

The challenges ahead

➤ Changing role of HRM

To meet the requirements of the organization the HR professionals need to play variety of roles. Traditionally the HR department had limited involvement in the organizational affairs and goals. The functioning is limited with making staffing plans, providing job training programs, running appraisal programs and payrolls. They only focus on the short term and day to day needs of the human resources. But this situation changed and the growing importance of the HR function to the success of the business made them to be more involved in the business process. And the roles of HR department increased the involvement to the longer term and strategic directions of the organization. The changing roles of HRM are like, strategic role, monitoring role, innovator role, facilitator role, enabler role etc.

• Strategic role

The HR department and their professionals will get involved in the broader decision making process which will provide overall direction about the organization. And they need to understand the business direction in clear and act accordingly in order to achieve the strategic HRM. SHRM is proactive management technique for the people. This requires thinking ahead, and planning the ways for the organization to meet the needs of the employees, and for the employees to meet the needs of the organization. This can affect the way of HR department functioning by improving everything from hiring practices and employee training programs to assessment techniques and discipline.



- **Monitoring role**

Reviewing and evaluating the strategic plan implemented by the organization to enhance the organizational capabilities will be the major role to the HR department in future. Were there will be more responsibilities to them regarding strategic monitoring and evaluate the process and diagnose the problems in it and determine the reasons for deficiencies. Then revised action plans with all changes will be implemented.

- **Innovator role**

The organizations are asking their HR department for innovative approaches and solutions to improve productivity and the quality of work life of the employees in order to overcome all uncertainties in the work place. In this changing world innovation become a necessity for all the organization to achieve their competitive advantage. HR departments face demands same as their organizations. In order to achieve their success they must continually update their operations and redesign the work environment. The HR department review & evaluate the expenses then implements incremental changes to become efficient and stay lean. Flexible HR departments forcefully seek to be liberated and setting an example for other departments and line organizations.

- **Facilitator role**

It is necessary for the organizations to adopt new technologies, change in organizational structures, business processes, work cultures, and procedures to meet the demands of the customers. HR department has the responsibility to provide skilled labors to facilitate organizational change, and maintain organizational flexibility and adaptability. The HR department plays a significant role in organizational change. And they should guide the discussion, flow of knowledge, information and learning throughout the organization in order to achieve success.



- **Enabler role**

HR policies and procedures are fully realized by the professional and they will act as the enabler to the employees and helps them to acquire knowledge and skills about the new technologies and processes, so that the employees can easily adapt to the change and make themselves more capable towards the organizational capabilities.

➤ **The war for talent**

The talent will be the corporate resource in future. Smart, sophisticated and technologically sharp employees will be the top priorities to the organization. The traditional work force planning will be replaced by the talent strategies and the skill gap analysis. When the gap analysis is made then the HR department will have knowledge about the need of training and accordingly training can be given to the employees in order to enhance them technically efficient. And the HR department will follow the recruitment strategies like employment branding, nurturing relationships, referrals, competency fit etc. to acquire talented employees to the organization. By using these strategies they can decrease time to hire, increase the quality of candidates and reduce the expenses.

Future HR competencies

- **Outsourcing of HR functions: virtual HR organization**

The HR professionals are expected to deliver values in areas like strategic compensation activities, succession planning for employees, talent acquisition, risk mitigation, employee effectiveness and these are the key expectations by the top management. The reasons behind HR outsourcing is to reduce cost, focus more on the organizational functioning, regulatory compliance (legal risks are transferred to outsourcer and helps in obtaining expertise in specialized regulatory), access to best technologies and scarce of internal resources.



- **Healthy workplace**

There is a link between work environment, employee's health and well being. When the employees are sick and stressed out the organization cannot achieve its competitive advantage. The goal of healthy workplace development is not only for employees but also for the organizational health and success. To achieve healthy workplace development the essentials drivers are, healthy leadership, planning the actions, employee focus and healthy outcomes. And the organization should focus on the employee's health in order to improve their performance the main factors to be considered are, physical, emotional, spiritual, mental and social feelings of the employees. And it leads to organizational health i.e. productivity, attendance, high morale, high retention, creativity and innovation.

- **Diverse workplace**

Diversity in workplace has a reputation for acceptances of employees were they are different in religions, culture, beliefs, languages, customs and traditions. Diversity in workplace is a business strategy. Were the futures of workplace will be complex collection of employees and all with different needs and wants. Diversity is good because an organization with a broad variety of people with a diverse range of perspectives is better able to do business with a variety of people, to solve a variety of problems and to make a variety of decisions.

- **Technology driven**

Technology provides a great impact on the personal and professional lives. The technology is necessary for all the organization which travels towards success and those measures should reduce employee resistance to new technology and processes and ensure that steps are taken to provide support and education of the staff to cope with the underlying changes. The future of HRM will have drastic change in the process and approach to it. The concept of HRIS (Human resource information system) will be vanished and the organizations will develop their information system to improved employee relationship management. This employee relationship management supports the relationship between



employees and the organization. It helps in achieving goals and assisting the employees in their life cycle activities for the organization.

- **Leadership development**

Leadership styles are not built through courses. It is an in born quality of the people which qualifies their character. But it needs some process to be followed for further development. Through “action learning” we can develop the leadership among the employees. Action leadership involves group of executives from various background who has strategic interests to solve the issues in the organization. Through enhancing the leadership among employees it helps in encouraging them and rewarding in risk taking. The vertical development (earned through individuals) should be focused well in order to increase their leadership efficiency. The challenges for organizations that wish to increase the vertical development of their leaders and cultures. And it helps in implementing the developmental concepts in the workplace. There should be transfer of developmental ownership to the individual in order to increase the efficiency. Collective leadership styles will be encouraged well among the existing leaders.

- **Succession planning**

Succession planning will be focused more in future to identify and develop the internal employees to the top leadership positions of the organizations. It helps in increase the availability of the experienced and capable employees to the organization to achieve success. In simple terms succession planning will be focused on talent management concept which helps in identifying talented people for the job. The HR department will change to talent department in future which focus on getting young and new talents to the organization.

- **Corporate values and culture**

An organizations cultures and values are interlinked and same is expected from the employees. An organizations culture should enactment with the core values. The values are coming from the higher level of the organization and the culture will develop through the



actions of the employees within the organization. The way to control these actions is through the process of communicating and reinforcing the core values. The process involved in developing, controlling the culture and value are:

Identify → Communicate → Hire → Train → model → reinforce

- **Knowledge incentives**

Incentives paid to the employees are based on their performance and activities in the organization. It helps in motivating individuals and group performance. Based on the performance incentives are paid to the employees but in the future it would be based on the knowledge they share with their colleagues in order to complete their tasks. Knowledge is an intangible asset to the organization for creating competitive advantage. Knowledge sharing will be a challenge to the organization because the employees may resist in sharing their knowledge to improve this knowledge sharing activity in the organization the top management should encourage them by providing new incentive scheme to the employees.

FUTURE EXPECTATIONS:

- **Strategic thinking will be new core competency of HRM:**

HRM is an integral part of innovation by bridging divide between innovation and strategic HRM. The organization started view their employees as the assets and they invest more in training them in order to make them efficient to the emerging new trends. The strategic HRM helps in providing strategic contributions to the organizations to achieve the targets in this changing environment which will leads to organizational excellence. Strategic HRM gives direction towards building the foundation for strategic advantage by creating an effective organizational structure, design, culture, employee value, systematic thinking, communication strategy and preparing an organization for a changing environment. Sustainability and corporate social responsibility comes with the organizational values and their appearance in business decision making. Strategic HRM emphasizes the organizational ethical activities, managing the societal impact of business decisions making, charity and



the role of the HR professional in improving the quality of life of employees and their families.

- **Managing remote workforce will be a new norm**

The organizations will practice distributed work management in their workplace in order to improve the efficiency of the employees. The employees in some departments will work out of the office because it will suit them and they need a quiet place to get their task completed. The employees will be exposed to all the departments and it will help them to know what is happening there and gain knowledge about the various activities of the organization. This type of new ways of working environment will be adopted by the organization in developing employee's knowledge and skills which leads to the benefit of the organization (like cost reduction, employee retention, continuity planning etc.)

- **HRM will utilize analytics to increase its value to the firm**

In the upcoming decades HR professional's career will be determined more by analysis of data and metrics. The current trends in big data will provide new dimensions for HR professionals to prove their value and they will recruit people who can analyze and make appropriate projections by using the tools, and they can drive positive change by the derived information from the analysis.

- **Intrapreneurship will be encouraged**

Intrapreneurship will be encouraged in the organization for the development of the employees. Intrapreneurship is acting like an entrepreneur while working within the organization. Intrapreneurship refers to employee initiatives in organizations to undertake new activities to perform their tasks. The intrapreneur focuses on innovation and creativity, and transforms employee's idea into a profitable venture, while working within the organizational environment. Intrapreneurship helps in achieving motivation through innovative job design and helps employees formally or informally in their workplace.



Conclusion:

In this competitive business world every organization is in the need of develop their operational activities in order to sustain in the market. There are emerging trends to be followed in HRM to improve their efficiency in providing innovational activities in the organization. So HR department increasingly adopt open innovation models and engage with external knowledge sources and they want to bring new groups into the innovation process. This leads for dedicated training of employees, new performance indicators, new rewards, new ways of communicating with and between employees etc., The HRM practices followed in the organization will have positive influence on the innovation performance among the employees and brings great impact in development. The knowledge-intensive production processes will have more expected impact in applying HRM practices on innovation performance.

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