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# A master of man-power

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An Organisation is defined as “a formal group of people with one or more shared goals.” From a business point-of-view, an organisation is a means to achieve business objectives. Since people form the core of any organisation, so arises the need to manage these human resources (HR) for the sustenance and growth of business. HR managers do just that.

It wouldn't be wrong to say that to understand how progressive an organisation is you should look at its HR policies. Terms like “equal opportunity employer” are highlighted by some companies to convey that they have healthy HR practices.

## **The Importance Of HR**

In recent years, HR professionals have perhaps seen the maximum upheaval in the approach towards manpower or HR management (HRM) as our economy has turned from machine-driven to knowledge-driven. In a business scenario where people are perhaps the only inventory that businesses carry, knowledge-economy companies cannot survive without a proactive human resource management department that is capable of attracting qualified employees, retaining good ones by limiting job turnover, and improving employee productivity by offering innovative support systems and incentives.

This includes the basket of software, BPO and ITeS companies as well as highly manpower-intensive businesses like banking and retail companies.

HRM has moved from its primarily back-office status of being just a staffing function to a position where it is expected to play a central role in building and shaping the organisation.

## **What Is HRM?**

Formally defined, HRM is engaged in the process of identification and development of suitable manpower resources within the parameters of the socio-legal framework of the organisation. Broadly, the functions include recruitment, selection, training and development, handling of compensation issues, personnel performance appraisal, staff welfare, business law, industrial and labour relations. Formal training is available at the master's level in the form of core specialisations either as part of an MBA or by enrolling at specialist institutes like XLRI, Jamshedpur, or the Tata Institute of Social Sciences (TISS), Mumbai. Roles And Path

## **Career opportunities for an HR professional are:**

HR Development: You start off as a trainee or at an executive level with either a mid-sized or a large organisation and get involved with functions like recruitment, induction training and motivational issues. These activities are directed towards development of the people in the organisation. As you grow into the role of a departmental head, you handle recruitment, performance appraisals, compensation design and evaluation as well as training and development. There is a clear vertical path in a large organisation that takes you to positions of general manager, vice president and director of HR. Unfortunately,

few HR professionals take on the role of a CEO unless they start their own human resource consulting business.

**Industrial Relations Managers:** As an IR manager, you are most likely to work in an old-economy company such as large manufacturing organisations like Maruti, Bajaj and Tata Steel. You will focus on labour management and will be expected to handle all staff union-related activities. To grow, you should consider acquiring a law degree along with your HRM qualification.

**Training and Development:** As businesses aspire to become 'learning organisations' where people at all levels, individually and collectively, are continually increasing their capacity to produce positive results, the role of training and development increases. You are expected to create courses and deliver them. You need to have a very high level of presentation and communication skills, team orientation, sense of humour and flexibility to adapt to different adult learning styles.

This is a stimulating function for people seeking a cerebral role. In at least one large bank, HRM executives are engaged in conversion of their paper-based content into e-learning courseware and are responsible for interfacing with external vendors that offer course conversion services.

**HR Consulting:** This is one growth area that provides entrepreneurial opportunities to experienced HR professionals. HR consulting has acquired the status of a mid-sized industry with specialist firms like Mafoi offering consulting in virtually every area of HR to large organisations. With an increase in the requirement of temp (temporary) workers, these firms take on the role of a complete HR department that operates externally to an organisation for a fee. While working with any of these firms, you can start off in any one area of HRM and go on to specialise in it as you grow. The scope for lateral movement also exists.

In the UK, where practically every mid-sized to large company goes through a recruitment consulting firm to meet its employment needs, there is a huge demand for HR professionals who specialise in recruitment of potential employees for specific industries.

**HR Outsourcing:** Out of the knowledge economy has emerged another green area for HR professionals. Large companies in the West as also now in India are getting inclined to outsource their back-office functions such as HR and accounting to specialist BPO firms. Primarily these firms are focused on executing HR-driven administrative tasks —like payroll administration, pension and PF benefits administration, risk management such as workers' compensation, dispute resolution, safety inspection, office policies and handbooks — for a fee. This type of arrangement helps the client organisation to become lean and gives it space to focus on its core business.

Predictably, India is a hot destination for HR outsourcing companies to set up their businesses due to well-known reasons related to labour cost arbitrage and English language skills. Companies such as Fidelity, Exult and Mafoi and Indian life Hewitt (ILH) are some of the prominent HR outsourcing services providers in India servicing clients like GE Capital, Ford Motors, Hyundai Motors, Satyam Group, Infosys, Haldia Petrochemicals and HSBC.

### **Work Environment**

As a HR professional you could be working in any industry. This is primarily a desk job and interfacing is mostly intra-company, unless you happen to work for a HR consulting firm where you also liaise with your client. In the current scenario, if you happen to work for a large new-economy company, you are likely to frequently visit some of the top campuses for your annual recruitment.

Salaries vary from company to company, but very generally speaking, HR professionals may draw lesser than other functions unless you happen to get into an organisation with a pro-active HRM department or work for a large HR consulting firm.

### **Do You Have HR Quotient?**

HR is all about effectively managing people in a work atmosphere. A high degree of patience, affability, listening skills and an unbiased attitude are some of the traits that a good HR professional must possess. Tact and the ability to manage conflict, computer literacy along with strong written and oral communication skills are also required. In the current context of increased competitiveness, where employers are fighting for a slow-growing skilled manpower pie, you would grow professionally if you demonstrate innovativeness in employee retention.

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