

Shifting contours of strategic human resource management in India

Sumi Jha and Som Sekhar Bhattacharyya

Indian organisations have increased their business footprints as well as global reach in the last couple of decades. Strategic human resource management (SHRM) has played a pivotal role in the success of these organisations. Over the years, SHRM literature has mainly concentrated on two dimensions. First, the fit between human resource strategy with business strategy (Bamberger and Phillips, 1991) and second, the resource-based view (Jackson *et al.*, 2014) of human resource management. The researchers conducted semi-structured interview with 22 Indian CEOs regarding SHRM. Content analysis of responses highlighted the 11 dynamic dimensions of strategic human resource management themes in India. The 11 thematic findings on evolving SHRM practices have been outlined.

1. HR practices, policies and processes: *From rigidity to flexibility*

In Indian organisations, there is an increasing emphasis on flexible work hours, work from home and working in virtual teams. This is because of IT infrastructure improvements, which has made virtual teams and work from home possible. The second element is development of trust in context of task completion. The monitoring of

employees regarding completion of task is increasingly becoming minimal. The focus is on delivery of assignment. Another benefit of flexibility is in virtual work settings: the conflicts are task oriented, not relationship oriented. This helps in timely completion of assignment.

2. Matching of resources and capabilities: *Internal with external environmental needs*

Post liberalisation, globalisation and privatisation, organisations are changing their growth strategy from inorganic to organic. Adoption of inorganic growth techniques, such as mergers and acquisition and aligning itself to changing business needs such as digitisation, is the need of the hour. Therefore, organisations have to build HR policies that will shape internal capabilities in accordance with the dynamic external environmental needs. After liberalisation, globalisation and privatisation of Indian economy in 1991, Indian firms strategically could expand its product portfolios into domestic as well as international geographical markets. Indian organisations thus had both, choice and opportunities.

3. HRM perspectives: *From national to international orientation*

Given the internationalisation of Indian firms, HR department has to sensitise employees who have

Sumi Jha is Associate Professor at the Department of Organizational Behaviour and Human Resources, National Institute of Industrial Engineering, Mumbai, India. Som Sekhar Bhattacharyya is Associate Professor at the Department of Strategy and Economics, National Institute of Industrial Engineering, Mumbai, India.

interface with international markets about cultural and social dimensions. Indian IT service firms are developing managers who could understand Western economy and develop business opportunities with them. Similarly, Indian Engineering Procurement and Construction (EPC) firms are developing capabilities in understanding project implementation operations in the Gulf countries. Indian pharmaceutical companies are developing capabilities in marketing drugs all across the developing world.

4. Organisational knowledge management: *From centralised to distributed knowledge*

The adoption of IT technologies in Indian organisations have led to creation of more explicit than tacit knowledge. Further, there is increasing distribution of knowledge across the organisation. Knowledge sharing has become as important as knowledge development. Indian HR managers have also recognised the fact that distributed knowledge helps in developing people skills, which in turn helps in improved performance of human capital.

5. Organisational excellence: *From operational to excellence through innovation*

In the past, Indian organisations did not have focus on innovation, as technology mostly came from developed countries such as Japan, USA and Germany. Presently, Indian organisation are focusing on development in innovation platforms and R&D. HR practices are now focussing on developing innovation platforms and providing increased incentive to employees for ideation and innovation. Indian firms have now recognised that to be competitively successful operational excellence is necessary but not a sufficient condition. HR practices

should align and build overall business excellence, which includes developing capabilities in market excellence, product development and execution excellence.

6. Diversity: *From homogeneity to heterogeneity*

Over a period of time, gender diversity in Indian organisations has increased. In corporate India, the idea of being a responsible employer gathered momentum because of lateral developments in the field of corporate social responsibility. This helped in employment inclusion for differently abled sections of society. From an HR perspective, these initiatives are ushering policy level changes, increased cultural sensitivity amongst employees and infrastructure-related changes.

7. Strategic orientation: *From risk mitigation to opportunity harvesting*

Post liberalisation, globalisation and privatisation because of increasing customer voice, open market, quality improvement and reduction in government control, organisations have ample opportunities and are ready to explore; unlike, where focus of organisations was risk mitigation because of monopolistic market conditions. Indian firms have freedom to expand, and HR policies are tuned to build the culture of incentivising innovation and knowledge sharing.

8. Job description adherence: *From closed predefined job fit to a state of open boundary-less job role*

In the past, Indian organisations adhered to defined job role descriptions. There used to be a comprehensive rule book which outlined rules, responsibilities and duties of job position. At present, context employees are being

encouraged to move beyond their functional siloes and work in a boundary-less form. Job rotation is encouraged and cross fertilisation of functional capabilities and ideas is promoted.

9. Human capital knowledge scope: *Increased focus on technology + people + concepts*

In the past, Indian organisations used to focus development of human capital on pure technical skills. Presently, organisations, over and above building technical capabilities, are concerned about building people and conceptual skills amongst employees. This is helping Indian organisations to develop capabilities regarding understanding the perspectives of top, middle and junior level management. This would also create a leadership pipeline of employees having skill sets that are complementary to each other.

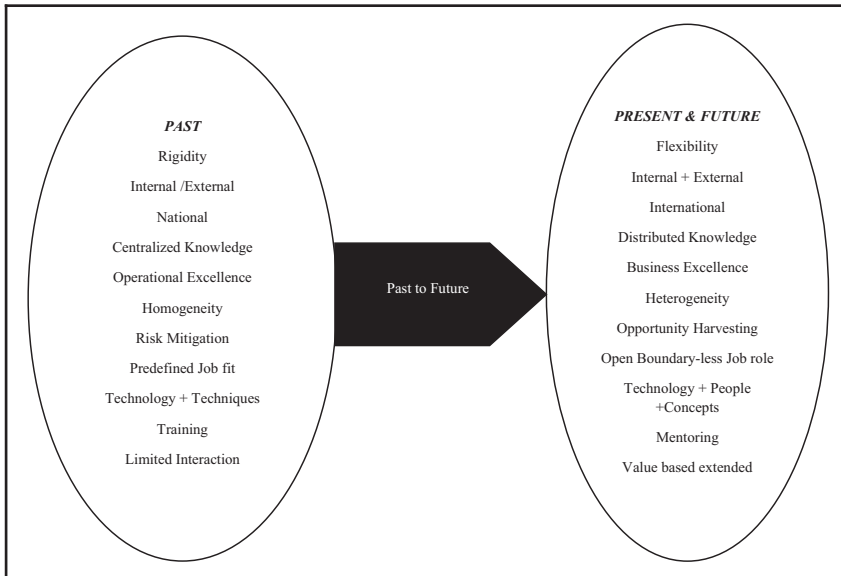
10. Delivery of knowledge: *From training to mentoring-based*

The delivery of knowledge to develop human capital has transformed in India. Previously, the focus of delivery was skill development through training. Currently, the emphasis is on systematic development of employees through mentoring and coaching sessions. The focus is on providing continuous, iterative, interactive, one-on-one personal need assessment and development.

11. Campus recruitment process: *From one-time interaction to value-based intensive engagement*

In campus recruitment, organisations are now interacting with campus students for longer time horizons added with intense interaction. This is done by case study competitions, week-end

Figure 1 Evolving strategic human resource management in India



projects and extended summer internship projects. Organisations have understood the importance and value of interns as managers get more time to know them before taking them on board.

Demographic dividend, internationalisation and technological advancement have led to dynamic and competitive business practices in India. HRM function is capturing these changing

contexts and preparing its employee base to respond positively to the emerging context. Organisations are improving its human capital index by engaging employees in varied training and development, coaching and mentoring programmes. Figure 1 depicts this tectonic shift.

References

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Corresponding author

Sumi Jha can be contacted at: sumijha05@gmail.com