

A Review Paper on Recent Trends in HRM

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Abstract

In recent years, there have been notable and innovative improvements in the human resource sector. In many firms, the world of human resources has been shaped by the combination of technological innovation and work practices. Human resources and their management are impacted by ongoing changes in economic, social, psychological, and technological frameworks and understandings. Management of human resources is essential to any firm. This department is a must for any business or organization. The people that work for an organization are the focus of HRM. It consists of the systems, plans, activities, and policies of an organization that affect the performance and conduct of its employees. The purpose of this study is to determine the recent trends in human resource management and review the work of many researchers to find out the ongoing trends adopted in the human resource sector. The key trends include hybrid work model, upskilling of employees, AI enabled HRM, Employee Experience, Diversity and inclusion.

Keywords: Human Resource Management, Hybrid Work Model, Upskilling, AI enabled HRM, Employee Experience, Diversity and Inclusion.

Introduction

The workplace is evolving quickly. HRM is a managerial function that assists managers in recruiting, selecting, onboarding, and developing employees for an organization. It enables companies to manage their most valuable asset—their employees. Human Resource Management is an organizational component that needs to be ready to handle the effects of the evolving workplace. HR managers are essential to the recruitment, development, and retention of talent within an organization. In order to keep up with technological advancements, HR modifies its organizational structure as required in everyday operations with the appropriate actions and strategies of the corporate executives.

Several studies have mentioned various trends in the HRM industry. Recently, and particularly in the last three years (after the Corona pandemic breakout), the role of HRM in organizations has undergone a significant shift. Organizations have experienced the impact of a global coronavirus pandemic, which has brought uncertainties. Among the most lauded aspects of the work environment have been flexibility, hybrid work models, and remote work (Pushova Stamenkova et al., 2023). Human Resource Management (HRM) is an organizational component that needs to be ready to handle the effects of the evolving workplace. For those in HR, this entails comprehending the effects of globalization, diversity in the workforce, shifting skill requirements, corporate downsizing, and initiatives for continuous improvement, as well as re-engineering, contingent workforce, decentralized work sites, and employee involvement—all of which have an impact on the organization's finances (Pawar & Bhagat, 2021). For HR professionals, this entails comprehending the effects of globalization, diversity in the workforce, shifting skill requirements, corporate downsizing, and initiatives for continuous improvement, as well as

re-engineering, contingent labor, decentralized work sites, and employee involvement—all of which have an impact on the organization's finances. From being primarily a maintenance role with little to no effect on the bottom line, HRM has developed into what many academics and practitioners now see as an ongoing source of competitive advantage for businesses competing in the global economy. Numerous powerful forces, both inside and outside the company, have aided in this advancement.

Hence, the main goal of HRM is to make sure that the organization's human resources are properly used and managed. The burden of creating and executing programs and policies that will develop people's potential and increase an organization's overall efficacy falls on HR professionals. The rapid growth of technology is causing a revolution in the HR sector. Thus, in 2024, new HR trends will be essential to preserving the HR sector's workflow.

Literature Review

(Duvvuri, 2021) conducts a study to examine various problems and most recent advancements that have impacted the HR department in the last few years. This paradigm shift is the result of the HR department's success in meeting goals due to globalization. The HR department has experienced amazing changes, and HRM's mindset has changed significantly. Technology-related factors such as outsourcing, long-distance working models, foreign employment, flexible scheduling, and the ability to work from home have all contributed to this profound change in HR. The effects of technology and globalization have changed how HRM is used. The impact of globalization and technology has caused HRM to grow in scope as a result of the department's need to adapt.

(Antony & Raja, 2012) identify various trends which came into existence as a result of technology revolution in the country and make a comparison between pre and post liberalization of HR trends in outsourcing in various sectors. It identifies four emerging trends in human resource management including HR Outsourcing, Six sigma practices, work life balance, talent management. Although it has historically been an expensive department, human resources is gradually but steadily improving a company's financial performance. Tasks including payroll, benefits, education and training, hiring, personnel administration, organizational development, and workforce management have been outsourced as a result.

Agniva Saha (2017) in his study mentions that the labor market is evolving swiftly. As a division of the business, human resource management needs to be ready to adjust to the effects of the shifting labor market. An organization's financial situation can be significantly impacted by a variety of factors, including workforce diversity, dynamic ability needs, company curtailment, reengineering, continuous improvement initiatives, reengineering, the contingent workforce, suburbanized work sites, and employee involvement. Several convergence concerns are driving the need to "rewrite the foundations". Technology is evolving at a rate that has never been witnessed before. Organizations move more slowly than people, yet people adopt new technologies quite quickly.

(G P, 2022) describes four new HRM trends in using the conceptual analysis of HRM. It includes work from home, job specification modifications, online HRM, and downsizing. Now the workers can work from home. When working from home, employees communicate by text, email, phone, and video conference. Technology innovation has also resulted in a demand for updated personnel talents, knowledge, and aptitude. Performance management, online data gathering for staff, video conferencing for orientation and induction, and phone interviews for hiring and selection are among the duties that can be completed using e-HRM. The most recent development in this sector is the application of AI into

HRM. Most companies begin utilizing AI-based HRM. The HR professionals can also use AI to manage employee performance, recruitment and selection, answer queries, and customize suggestions for career paths.

(Umadevi, S. Muttagi, 2016) conducted a study titled “Recent trends and challenges in human resources management in India” which describes various trends and challenges of the HRM Industry. The various trends includes globalization, work force diversity, corporate downsizing, continuous improvement programs, reengineering work flow process, mass customization, decentralized work site, employee involvement, family work life balance. The competitive market environment and the understanding that human resource management needs to take on a more strategic role for a company to succeed are driving changes in the function of the human resources manager. It also described various challenges faced in the process of recruitment and selection, training and development, performance appraisal and change management that has actually lead the companies to adopt latest trends to automate their process.

(Pushova Stamenkova et al., 2023) in their research assess how the COVID-19 pandemic has affected contemporary workplace practices and trends in human resource management (HRM). The study was carried out in an international company with its headquarters located in Skopje, North Macedonia, utilizing a standardized questionnaire. The analysis's findings demonstrated that the HRM industry is one of the most dynamic, quickly evolving, and volatile. The hybrid work model has been increasing as a result of the altered conditions, and it is expected to become the predominant work model in the next years. Another emerging trend is the healthy workplace and the well-being of employees.

Emerging Trends in HRM

1) Hybrid Work model

The majority of businesses currently allow their workers to work from home or in hybrid roles, even after the pandemic has passed .In order to enjoy a social life outside of work, many young, talented individuals prefer flexible working hours and work from home environments .It is currently among the most important HRM trends (Pushova Stamenkova et al., 2023). The ideal "new normal "is an inclusive hybrid workplace where all workers are engaged, productive, and feel like they belong—regardless of where they work. Many company sectors have therefore begun to update their working arrangement policies.

2) Upskilling

Companies always require a certain level of ability for certain employment categories. For effective corporate performance, the HR department must thereby address this tendency in human resource management. In order to help the staff members acquire pertinent, cutting-edge skills for future career advancement, they can begin training and development programs. Since most businesses set aside money for development and improvement initiatives, upskilling is also a prevalent trend in worldwide HRM. It aids workers in getting ready for a shift. (Li, 2022). Employee retention can be raised and comprehension of the job design process can be gained by upskilling staff members. Additionally, it lowers the possibility of human error while enhancing efficiency and security.

3) AI enabled HRM

HR specialists are able to focus on developing strategies by using AI to automate time-consuming and repetitive duties. Additionally, AI enhances decision-making by providing insightful data through predictive analytics and human resources. For example, AI can increase hiring efficiency by speeding up the candidate selection and screening process. HR managers can ensure fairness and competitiveness by

keeping pay in line with market and industry rates with the help of AI-enhanced HRIS consulting services (Alsaif & Aksoy, 2023). AI is also capable of analysing performance trends to support merit-based raises and bonuses, guaranteeing that judgments about remuneration are founded on facts and are unbiased. In addition to automating processes like payroll and benefits administration, artificial intelligence (AI) is being utilized for a wide range of other purposes, such as the quick production of new contracts, job descriptions, policies, interview questions, and so forth.

4) Employee Experience

Today's workers demand a positive work culture and a healthy work environment in addition to a good wage. According to HRM trends, competitive pay keeps employees on board, while experience and a suitable work environment also help. HR managers should implement strategies to promote a healthy work environment and increase employees' adaptability to changes and disturbances. Companies now provide goods, services, and strategies to improve employee experiences not just for their own company but also for other companies (Kulkarni & Mohanty, 2022). Staff management, time and attendance management, employee self-service portals, leave management, etc. are some of the current trends in HRM culture.

5) Diversity and inclusion

Everyone feels involved and supported in all areas of the workplace in a diverse and inclusive workplace, regardless of their identity or origins. Human resources operations and the HR department's interactions with employees are impacted by diversity and inclusion. The majority of businesses favour a diverse workforce. Through improved creativity, innovation, and decision-making, the firm prospers. Human resource management hires people with a variety of backgrounds, genders, ages, languages, social classes, ethnicities, religions, and lifestyles. Hence, the businesses can become more competitive in the market and people are empowered to add their personal experiences to the workplace (G P, 2022).

Benefits

AI has the potential to be beneficial to the organization's overall expansion. It is serving as a support role for the management of human resources. These days, hiring, motivating, and keeping staff all need carefully thought-out and organized processes. Research from companies such as IBM shows that roughly sixty-six percent of CEOs believe AI can make a big difference in the HR space. HR professionals are now more equipped to handle more human-like tasks including empathy, problem-solving, and creative thinking as a result of HRM's increased automation (Tewari & Pant, 2020). Data analysis estimates will be the most significant HR trend. Organizations have stated that big data investigates massive data sets to identify hidden patterns, unknown relationships, market trends, client preferences, and other relevant business information (Jose, 2023). The methods and strategies used by businesses to satisfy employee needs, enhance the value of the company, and match certain tasks with market demands are influenced by trends in human resources. Many HR departments adjust their procedures to improve the company and employee experiences as industries and society change.

Conclusion

While the HR industry has done a good job of adapting to the technological transformation brought about by artificial intelligence, there is still more work to be done. The area of human resource management is always changing, therefore remaining current with the most recent developments is crucial to maintaining your competitive edge. Employers need to invest in the necessary tools and tactics to stay

ahead of the curve in the market. These include adopting flexible work schedules and remote work, as well as leveraging AI and automation to utilize data-driven insights. The changing patterns are leading to an increase in the human resources industry, from hiring to managing work from home. Because of this, HR specialists try to comprehend the current developments in HRM and prepare and create policies to avoid the challenges that may occur while adopting HR trends.

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