Intervention of HRM in Management of Un-Organized Service Industry in India

Gouri Shankar Sharma*, Gaurav Aagarwal**

Abstract

From traditional era to modern era of industrialization changed so much, we saw so many changes in manufacturing and service industry in India. Now day's government also promoting small scale companies mostly in service sector and even in India more than 80% of service sector are un-organized, where so many small players came to the field of service industry and they did so many changes in the field of service delivery. Earlier Service industries were runs and management by different government control agencies or by the government itself. Late 80s and 90s so many private stake holders came into the service sector. Government also developed PPP model of investment and management. These companies are setup and run by government sponsored facilities and incentives. At present time service is one the major industry were large number of humans are involved like other construction, mining and steel sectors etc. So, it became much more important to adopt modern HRM interventions to manage un-organized service institution India.

Keywords

Service Sector, HRM Methods, PPP Model, Industry, Un-organized

INTRODUCTION

As the time goes on industry become more complex, need more professionalism approach towards management of unorganized industry in India, service sector is the industry where huge number of human resources are involved so it's become more relevant and important to use modern HRM concepts and philosophies in management of employee in service sector of India. At present we seen these unorganized private service sectors are lacking behind in HRM practices. Due to these unprofessional attitudes so many service companies are remain behind and they went out from the competition of sustainable development inservice sector. Although, ministryof industrial development has taken so many steps to improve quality service sector in India like ASSOCHAM ranking, FICCI accreditation body, FHRAI accreditation, still we seen there is not desired level of improvement in quality management in service sector. The prime purpose of this paper is to highlight the bright side of HRM methodology in the management unorganizedservice sector in India. It will definitely help in development of positive work environment in these institutions.

Men, Money, Material and Machine these are the main source, that use in any organization. Men are most important resource. If we talk about service industry, humans are the most critical resource. Human resource has major role in organizational success. Working relationship between the employee and management is essential for

*Assistant Professor, Noida Institute of Engineering and Technology, Greater Noida), E-mail : gouri_ckg@rediffmail.com
**Associate Professor, Noida Institute of Engineering and Technology, Greater Noida)

SMS
VARANASI

standard and quality service delivery.

THEORETICAL BASE OF HUMAN RESOURCE MANAGEMENT (HRM)

HRM Function

- **Planning:-** Staff level planning needs proper assessment and evaluation of current and future needs of the organization and it must be compared with time bound demand of human resource. The appropriate steps must be planned to meet the demand and supply into balance. The initial step is to take a proper layout of existing workforce profile.

- **Staffing:-** The HRM function of staffing consist of managing organizational structure through effective and proper selection, placement, appraisal and development f human resource to fill the assigned job by the employer. It is important function of management and it is a continuous process, it needs efficient management of human resource.

- **Developing:-** Developing employees within organization is a important function and it focus on improving the skills, ability, talent and knowledge etc. this can be achieved by prove investment of time and money. It also needs strong information technology. Development and can be so many types some can be measured or some can't be measured in time and cost. Development is a one to one learning concept.

- **Monitoring:-** Employee monitoring policy should be properly framed and properly executed. Human resource has to establish monitoring policy and executed under the law

frame work of nation. It must be drafted well as the managers understand their responsibility towards human resource and employee must be aware of monitoring. Monitoring policy must be prepared in a close co-operation with legal framework.

- **Maintaining:-** To gain the continuous quality output maintenance the important function. Management should understand the importance of maintenance of hanuman resource management. The basic principle of HRM maintenance is to establish safe and healthy work place, proper industrial relations policies, collective bargaining system.

- **Managing relationships:-** In a healthy work environment, employee and employer relations must be combined and tackle by specialist management team members. It strengthens the employee and employer relationship with in the organization. It boosts job satisfaction, engagement and resolve conflict within the organization.

- **Managing change:-**Most of changes in any organization get failed, it happens due to the mental barrier of management and employees. To manage and bring better change any organization need a proactive and systemic approach, there must be proper communication about the change. A successful organizational change can be broughtonly by engaging employees in better way. Change is a slow process and it happens in different phases, management need extra care while bringing change in organization.

- **Evaluating:-**Any organization needs regular evaluation to find it productivity. Timely improvement in performance of organization,

it needs two way evaluation of organizational and individual performance. It needs to compare with past records with present performance. There must be support of top management and have principal based evaluation methods to judge organizational service effectiveness.

HRM Objectives

1. Societal Objective:- HRM must focus on *Legal compliance*, *Benefits*, *Union-management relation.* Organization must provide equal opportunity and compensation to its workers and also ensure the implementation under the legal framework.

2. Organizational objectives:- The prime objective of HRM is to achieve efficiency and effectiveness, it also serves other activities to achieve effectiveness in the organizational objectives. Societal objective of HRM are as follows- *HR planning*, *Employee relations*, *Selection*, *Training and development*, *Appraisal*, *Placement*, *Assessment*
.
3. Functional Objectives:- there are so many tasks are being performed by HRM in organization. It also ensure that the cost of facilitation never be overlap the benefits of served. The main functional objectives of HRM are *Appraisal*, *Placement* and *Assessment.*

4. Personal Objectives:- In a modern rapid changing environment we seen that there is a shortage of required talent. Organization always promotes and encourages their employees to upgrade so that employee can become compete enough. This will possible only when RHM encourage employees achieve own personal

needs by commitment. The main personal objectives in any organizations are *Training and development*, *Appraisal*, *Placement*, *Compensation*, *Assessment.*

MANAGING HUMAN RESOURCES

The main responsibility of HR department is to maintain the utility and efficiently of human resources properly. To fulfill this objectives; service sector companies need to setup proper HR department and assign the task to meet the bellow mentioned objectives like:

Ÿ Making recruitment and selection policy as per the organizational objective.
Ÿ Develop positive work place within the organization.
Ÿ Proper support and guidance provided by the organization.
Ÿ Promote the learning attitude and impart the skills
Ÿ Maintain balance between organizational and personnel need.

The following are the functions that need to consider by the management from HR perspective:

1. **Proper Recruitment and Selection Procedure**:-there are 'n' number of services are required to render in service delivery, so there must be a well educated and suitable candidate must be present there who can understand the exact requirement by the customer and have ability to indentify skill set required by the organization and customer.

2. **Employee training and development:-** Service sector is a profession that need continuous training, learning and

development. If you study the successfulservice provider companies of any country you will find that all institutions have well planned employee training and development systems. There must be specific budget for the overall training and development of employee as per the industrial and service sector requirement.

3. **Salary and wage administration:-**Service sector is a volatile industry and we know that quality service sector only be deliver by employee themselves. In a service industry it is so important to focus on employee satisfaction; to render quality service any service institution need establish better wage and salary administration. They must follow the wage and salaryadministration set by government but there are very few number of unorganized service provider in India they follow this decorum.

4. **Maintaining point base appraisal system:-** A good HR system always focus on good appraisal system. In manufacturing industry measuring and analyzing productivity or performance is easy comparatively in service sector. In service industry, there is not a uniform or standard system to measure the service quality. The service provider-service taker relations can judge only on the actual service render by the employee and satisfied customer.

5. **Sound welfare polity:-** India is a county where eighty percent of industries are informal in nature and they don't have proper welfare policy, and same as other industry in India small serviceprovider don't have proper welfare policies related to employee which bring high level of employee dissatisfaction.

Most of the private institutions hire employee on consolidation basis and they offer lump sum money to employee. They don't have good welfare schemes or they don't follow the government norms regarding employee welfare schemes like PF, ESI, Maternity benefits, Bonus etc.

6. **Promote research based quality improvement technique:-** Anyone who deliver service can't be a quality service provider, to become a quality service provider research is most important thing. At present there are so many smallservice provider companies they don't support or promote research based method to improve the service quality. This kind of culture reduces the credibility of service provider and quality as well. So small and unorganized service provider in India need to focus on research based quality improvement of their organization.

7. **Merge personal need with organizational need:-**To promote holistic service delivery and performance HRM always focus on correlation between organizational and personal need. To promote better culture both employer and employee need to fulfill the each other side's expectation.

8. **Give motivation to employee**:- Motivation is a important factor when it comes quality service delivery and boost best productivity in any organization. Service is a complete labour intensive industry. Human need continuous motivation to maintain productivity and service quality standards.

9. **Reduce employee turnover:-**If you study the trend of employee hiring and firing in small

companies or service sector institutions in India, there is a high employee turnover. In service sector institutions, the main bonding is between service provider and service taker. If employee turnover will be high, institutions can't be establishing good bonding between institute, employees and service receivers.

HUMAN RELATION APPROACH

A better human relation is the key factor of effective and efficient function of any organization. It gives understanding and knowledge on how employee interacts and responds in any organization. This is an effort to understand and satisfy the needs of employee as well as need of organization. Organization is a bond of employee, employer and policies & procedures, to get the desired result it is important to smooth function of organization. It helps organization to understand need the employee and their problems. The long term success of any organization depends upon the style of leaderships it adopted, the democratic way of function of any organization leads to sustainable long term growth. Service sector institutions administration is concerned with the allocation of resources and efforts of people to achieve the need of service excellence. So, it is important that unorganized service sectorinstitutions must move ahead or merge Unprofessional administers office with HRM department or establish full fledge separate HR department in organization. The present system of unorganized service sectorcompanies are working on model of developing, operating and fulfilling the procedure only, but HRM will focus on satisfaction of employee rather than only following procedure. It will help in development of character and morale of employee. It will help in good relation, better policy and better practices within the organization.

CONCLUSION

The general administration of unorganized service sectorcompanies aredone by unprofessional administers, they main the employee detail and manage administration task in unorganizedservice sector. Unprofessional administers thatplays the role of head administrator. This paper is focusing on shifting Unprofessional administers office concept to HR administration concept so that it can implement proper planning, organizing, directing and controlling of both human being and resources, also focus on to understand the concept of HRM, employee behavior, need of employee and their aspirations. Attracting, developing and retaining the best talentsare the key of successful service delivery. If unorganizedservice sector companies want to grow and develop, then they need to implement these modern HRM interventions techniques rather than the old systems of personnel management.

References:-

A. G. Barto, S. Singh, , and N. Chentanez. Intrinsically motivated learning of hierarchical collections of skills. In Proceedings of the International Conference on Developmental Learning (ICDL), 2004

A. Ravichandran et al., Human Resource Practices and its Challenges in Higher Service sector Institutions in India, University of Delhi.

Awasthapa. K, 4th edition pp-17-22.

B. Hengst. Discovering hierarchy in reinforcement learning with HEXQ. In Maching Learning: Proceedings of the Nineteenth International Conference on Machine Learning, pages 243–250, San Francisco, CA, 2002. Morgan Kaufmann.

Deci, Edward L., Richard M. Ryan. 1985.Intrinsic Motivation and Self-Determination in Human Behavior. Plenum Press, New York. Deighton, John A. 2000. Frequency programs in service industries.

F. Kaplan and P.-Y .Oudeyer. Maximizing learning progress: An internal reward system for development. In F. Iida, R. Pfeifer, L.Steels, and Y .Kuniyoshi, editors, Embodied Artificial Intelligence, pages 259–270. Springer-Verlag, 2004.

http://www.iipa.org.in/upload/Final%20UGC% 20%20Guidelines%20D%20ated%2028-06-2010.pdf

M. Harris and A. Raviv, "Organization design," Management Science., vol. 48, no. 7, pp. 852-865, 2002.

Noon, M. (1992), Human Resources Management: A Map, Model, or Theory? In P. Turnbull, Re-assessing Human Resources Management. London: Sage Publications.

Nwaka, N.G. & Ofojebe, W. N (2010).Strategies for coping with Shortage of Resources in Primary School Administration in Anambra State. Journal of Service sector Leadership, 1 (1) 29-36.

P. Dayan. Motivated reinforcement learning. In T. G. Dietterich, S. Becker, and Z. Ghahramani, editors, Advances in Neural Information Processing Systems 14: Proceedings of the 2001 Conference, pages 11–18, Cambridge MA, 2001. MIT Press.

PattanayakBiswajeet, "Introduction to Human Resource Management." Twentieth Printing (Fourth Edition, May 2014), pp-8-20.

R. S. Sutton. Learning to predict by the method of temporal differences. Machine Learning, 3:9–44, 1988.

R.S.Sutton, D.Precup, and S.Singh. Between mdpsandsemi-mdps: A framework for temporal abstraction in reinforcement learning. Artificial Intelligence, 112:181–211, 1999.

S. Tyson, "Why HR management will never be the same again," Personnel Today., pp. 13, 2007.

Sukumaran Nair, M.K. (2003), Role of Public Sector in Higher Service sector: Some Perspectives, Cochin: Cochin University of Science and Technology.

T. G. Dietterich. Hierarchical reinforcement learning with the maxq value function decomposition. Journal of Artificial Intelligence Research, 13:227–303, 2000.

The journal of All India Management Association, "Indian Management", December 2010, pp.58.

Zuckerman, M., Porac, J., Lathin, D., Smith, R., &Deci, E. L. (1978). On the importance of self-determination for intrinsically motivated behavior. Personality and Social Psychology Bulletin, 4, 443–446.