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MAIN TRENDS IN HUMAN RESOURCE MANAGEMENT IN INDIA





Overview

- the second highest population in the world (1.21 billion people)
 - corresponding figures separated for males and females are 81% and 65% respectively
 - the country has 179 languages and 544 dialects
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Employment

- Total employment in India 457,5 million.
 - Of these, 349,4 million are in the informal/unorganized sector, 62.6 million are in the formal/organized sector.
 - About 60% of the workforce is engaged in agricultural with the remaining engaged in the non-agricultural sector.
 - About 160 million people are in the middle class.
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- India has multiplied its FDI several times since adopting the New Economic Policy (NEP) in 1991 (liberalization of economy).
 - More than 20,000 multinational firms operating in India and this number is increasing rapidly.
 - India is now projected to become the world's third largest economy in dollars terms (after China and United States)



National culture and HRM


- the long rule of British and caste system played a contributory role in promoting hierarchy, power distance, low individualism (superior-subordinate relationship)
 - strong family ties, the importance of interpersonal relations
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The Labor Law Framework

India has about 50 major pieces of central labor legislation and about 150 pieces of state labor legislation.

Many argued that a lot of pieces of labor legislation have lost their relevance in the globalizing India.



Nevertheless, the legislation have to be amended so as to suit the present economic environment and help both workers and employers in the 'real' sense.



Challenges

-National factors :


different institutions such as trade unions

the legal framework

the dynamic business environment

-Worker's skill gaps

-A lot of not-qualified federal, regional, private training institutions and recruitment



Crossvergence of HRM

- India are mixing up of different management system.
- This is an outcome of the globalization which blending of work cultures.
- Japanese and American firms operating in India are able to adopt their respective HP practices in their operations with minor modifications.



Future

- India need to pursue more rationalized HRM practices and build still stronger Internal Labor Markets.
 - The workers are chosen in the form of talent and professional skills.
 - Indian firms need to be flexible and to demonstrate readiness to change, especially in modern networked organizations.
 - The increasing number of Indian students graduating from the developed countries and going back to India will contribute a great deal to Indian firms.
 - To provide the new sectors such as soft-ware, IT.
 - It encourage females to join the mainstream workforce.
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