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Innovation in Human Resource Practices of Indian and Foreign MNCs

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ABSTRACT

The main purpose of this paper to review about the innovation of human resource practices of Indian and Foreign MNCs. Human resource innovation is an implementation where new ideas, methods and technologies are meet for the requirement of organization to grow within its workforce. In the current world human resource has immensely grown in the field of innovations. Human resource innovation consist of human resource strategies which evolves human resource for better functioning. Human resource strategy is a long time plan to have competitive edge within the market. Human resource strategy helps to identify and guide the behavior and the action of all the employees for their overall development in the needs of the organization. It looks after the overall method of recruitment – defines process, responsibilities, staff selection and the requirements. The human resource objectives are interlinked with the goal of the organizational which consist of succession planning, workforce mobility, employee engagement, and executive leadership.

Keywords: Human resource management, HR Strategies, Performance growth

INTRODUCTION

In today's world Human resource department not only focuses Recruiting, gathering candidate applications, interviewing candidates and not only selections. Human resource management have grown to one of the important department for the successful organization where Human resource looks up to the term consist of Manpower, Labour, Personnel and associated.Human resource department depends on innovation and creativity to be on the competitive edge as the fundamental belief of organization is "Excellent care of employee"

Human resource management has various several functions such as

- Adequate need of the staff
- Training programmes for the employees

Supervision of the work

- Equal opportunities
- Ensuring high performance
- Deals with discrimination
- Deals with performance issues
- Employee sustainable growth

REVIEW OF LITERATURE

1. In the year 1992 a study was conducted by ***Gerhart and Milkovich*** on Impacts of compensation and rewards system on successful accomplishment of organisational objectives and goals. Similar to this, in 1993 a research study was conducted by Terpstra and Rozell on the fives keys of HRM selection practices interlinked with business profit. In the study of key empirical which was perform by Ulrich in 1997 on the relationship between HRM and organizational performance. States that the studies impact on HR practices results in specific successful organizational outcome.

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2. A specific concept of HRM that this study found to be very important is that provided by *Miller (1987)* when he described HRM as ' all decisions and actions that affect the management of employees at all levels of the company and that relate to the implementation of strategies aimed at creating and maintaining competitive advantage. '

INNOVATION IN HR PRACTICES ADOPTED BY INDIAN MNCs

Examples

1. Infosys Information Technology Accept the challenges of globalization Intellectually guided by values Culture of ethics, efficiency, meritocracy development and wealth sharing Employee driven campus initiatives such as "Infosys Toastmasters Club" to help employees establish a leadership center for employees to improve l eadership qualities
2. Unilever Hindustan Ltd. FMCG Improve penetration level and per capita consumption Increase efficiency and quality Reduce attrition 360 degree performance evaluation for performance management Identification of talent and talent development strategy
3. A slew of new MNCs are looking at India while old ones are scaling up their presence. Apple Inc set up an R&D center in Hyderabad last year that will ultimately employ 4,000 people and work on Apple Maps. Many like Google, LinkedIn, Uber, Group On , Facebook, Rubrik have built or are building their R&D campuses in India, their largest outside of the United States in most cases.
4. New sectors and new geographies are adding momentum to the GIC wave . More than 20 Japanese MNCs have developed or are exploring centers in India, including Sony, Toshiba, Hitachi.

The German car parts maker ZF-TRW Car, the Swiss software development company Luxoft Holdings, the Latin American beer giant AB InBev and the Falabella department store chain are all searching for a base here. “From labour arbitrage the game is now shifting to tech arbitrage. It’s a sign of India’s growing maturity in the GIC space

1. A Sunset & a Sunrise A chunk of India's $150 billion IT sector is under pressure, contributing more than 9 percent to GDP and employing nearly 4 million people. Based on cost arbitrage in the 1990s, they face challenges in their business model. The new buzzwords are digital innovation and new technologies such as cloud computing, artificial intelligence (AI), IoT (Internet of Things) and big data. According to a report from consulting firm Bain & Co, IT budgets are transitioning to digital technologies, from 20% to 45% today. Unsurprisingly, Nasscom expects digital-led companies to bring 60 percent of the IT industry's revenue by 2025 from 14 percent of today's revenue.

INNOVATION IN HR PRACTICES ADOPTED BY FOREIGN MNCs

1. Ford Automotive People Orientation Increase quality Starting new products for various markets Reduce costs and increase operational efficiencies Align employee attitude with corporate culture Phased retirement plan Cafeteria Planning Productivity Management program to increase managers ' ability to think creatively, manage their time effectively and enhance their worries
2. Google Information Technology Support system with data Crowdsourcing-product strategy Aggressive usage of data and testing to support ideas Attract best talent, develop happier and more productive employees Hiring through People operation Relaxation area with entertainment Innovative technology tools that enable all aspects of the HR function Learning and leadership development program

General Electric’s Innovation Strategy

1. Identify the market climate patterns. The business surveys what is happening around it in the world every year. This knowledge will then influence how it will continue its efforts to expand and develop. This year, the company described the growth of emerging markets, infrastructure development (mainly enabled by emerging markets), significant demographic changes, and environmental awarenesss

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2. Apply business goals that can not be met if the units remain focused on the current business climate. This move was linked to a point made earlier by Govindarajan–that company focus can be divided into three segments: 1) controlling the core business 2) expanding into adjacent markets and 3) developing completely new businesses.
3. Set out the challenges, the patterns, the priorities, and speak to key team members. The company brings together representatives from each of its divisions and discusses the above-mentioned details and develops the strategies it will need to meet the goals. Then the chairman reviews these innovation initiatives once a month, which increases the visibility of these activities across the business and enhances the importance of innovation.
4. Prudential Service — High turnover — Disciplinary and trustworthy — Open management approach — Access to share employee history
5. COMPUSOFT, WASHINGTON CompuSoft is an American, Washington-based multinational technology company that develops, produces, licenses, funds and markets computer software, consumer electronics, and personal computers and services. CompuSoft hires more than 100,000 people worldwide, with sales close to US$ 85 billion, US$ 20 billion of operating income and US$ 17 billion of net income. CompuSoft India Private Limited is a CompuSoft Corporation subsidiary, based in Hyderabad, which was founded in 1988. Eversince worked closely with the Indian government, the IT sector, academia and the local developer community to launch some of the IT market's early successes.

ANALYSIS

On the key drivers for employee engagement and commitment, HR strategies have improved effectively. Company globalization poses challenges specific to cultures around the world, therefore concentrating human resources on valuing diversity is vital to employee engagement and satisfaction and eventually maintaining and improving through proper training programs. Investment in guiding programs dramatically with the number of employees. HR strategic practices have been noted to have a positive relationship with Indian and Foreign MNC success and development.

Mechanism of reengineering by which regular meetings and worker motivation are carried out. The organization therefore stressed and contributed to the training programs. TATA retained McKinsey & Co. as an international consultant to set up the Quality Ethnic Program to encourage young, diverse management staff. Today, Maruti is the undisputed market leader with roughly 84 percent control. Mahindra and Mahindra Ltd. suffered from inefficiencies in production, low productivity and poor outpuffs.

FINDINGS AND SUGGESTIONS

The research note gives an overview of creative HRM literature. The main insight derived from reviewing existing studies in this area is that innovative HRM is three distinct meanings: it can refer to HRM innovation, HRM as an innovation response, and it can be about how HRM contributes to organizational innovation. This insight has implications for both research and practice.

LIMITATIONS

Finally, the reasons for diffusion concentrate on mechanisms of legitimization. The main argument here is that by using clear HR policies and practices, others (such as financers, clients, governments, and competitors) may consider organizations as legitimate actors. The main question here is how policies and practices are diffused within a nation, region or business

CONCLUSION

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