

# FACULTY OF JURIDICAL SCIENCES

# Lecture-5



# **Challenges of HRM**

The following is a list of the most common challenges in HRM:

## **1. Change Management:-**

As they say, change is inevitable in every sphere of life. In the business sector, changes are constantly happening, whether in the form of new competition in the market, new leadership, merger or acquisition of a company, changes in organizational culture, or implementation of new technology. Unfortunately, many employees have a tough time adapting to the changes in the workplace, which eventually impacts their productivity and work efficiency. It also disturbs communication in a workplace, increases employee resistance, and stagnates an organization's growth.

Some of the best strategies for change management in HRM include conveying clear goals to the employees and explaining the reasons for various changes, improving communication with employees, and asking for feedback and suggestions.

## **2. Staff Training and Development:-**

It is quintessential for companies to constantly upskill their employees to stay ahead of competitors and increase revenues. Also, from an employee's perspective, working professionals today are focusing more on growth, learning opportunities and job satisfaction. However, many organizations often struggle to develop practical training strategies or adequate employee training and development resources. Some organizations also consider training and development exercises as a waste of resources.

So, upskilling the workforce is a daunting task in HRM that negatively impacts an organization's growth. HRs should analyze employees' performance to understand their strengths and weaknesses and help them accordingly.

## **3. Attracting Top Talent:-**

Recruiting is a crucial but challenging HRM task. HRs put in much effort to hire candidates with the right skills and attitude, teamwork mindset, and someone capable of fitting in with the organizational culture.

The key for organizations to overcome this challenge is to focus on talent building and not solely on talent hiring. For example, HRs can consider hiring employees with base skills whose interests align with the company's culture and provide training and development after hiring them instead of searching for candidates based entirely on skills. Also, HRs should clearly convey the company's missions and values while hiring employees and set clear job descriptions.

## **4. Talent Retention:-**

Once HRs hire suitable candidates, talent retention becomes another tough challenge. Decreased employee engagement is one of the biggest reasons employees leave an organization. Also, thanks to the huge market competition, people are constantly looking for better growth

opportunities and higher salaries. So, they often switch to jobs that promise better growth and earning opportunities.

The best way to retain talent at the workplace is to provide them with adequate perks or incentives to increase motivation and work satisfaction. The most efficient strategies for talent retention are creating flexible working conditions, providing financial incentives, aligning industry-relevant upskilling programs, etc. Some other methods that HRs adopt to increase employee engagement include providing skill development opportunities to employees, encouraging them to suggest new ideas or processes for projects, and conducting regular surveys or asking for regular employee feedback.

### **5. Ensuring Employees' Physical and Mental Well Being:-**

Making workplaces safe for employees is one of the biggest challenges in human resources. It is a moral duty and a legal responsibility of employers to take adequate precautions to make offices safe. There are numerous labour laws and legal compliances that organizations must follow to help their employees.

For instance, companies can have an open-door policy so that employees can freely discuss stress or anxiety issues. Several companies even encourage their employees to go for therapy to deal with work-related stress and offer to pay for the same.

### **6. Ensuring Diversity and Inclusion:-**

HRs must constantly strive to make the workplace diverse and inclusive because it facilitates enhanced work culture while increasing the efficiency and growth of the organization. However, ensuring diversity and inclusion is not as easy as it seems. Communication and language barriers, misunderstandings due to cultural gaps, differences in perspectives among employees, and discrimination are the most common obstacles that HRs often encounter while making workplaces more diverse and inclusive.

HRs can deal with these challenges by organizing support groups and promoting mentoring initiatives, standardizing interview procedures, conducting regular analyses or audits of inclusion strategies, partnering with a resource group, and encouraging employee collaboration.