CHAPTER 5

CONCLUSION AND SUGGESTIONS

E-HRM is a web-based tool to automate and support HR processes. The implementation of e-HRM is an opportunity to delegate the data entry to the employee. e-HRM facilitates the usages of HR marketplace and offers more self-service to the employees. e-HRM (Electronic Human Resource Management) is advance business solution which provides a complete on-line support in the management of all processes, activities, data and information required to manage human resources in a modern company. It is an efficient, reliable, and easy-to-use tool, accessible to a broad group of different users. With the various advantages and little disadvantages it can be recommended that all the organizations use E-HRM technology, that promises to provide a useful, efficient and increased performance through this e-HRM technology in spite of all barriers it has to face. E-HRM is a way of implementing HR strategies, policies, and practices in organizations through a conscious and directed support of and/or with the full use of web-technology-based channels. It covers all aspects of human resource management like personnel administration, education and training, career development, corporate organization, job descriptions, hiring process, employee’s personal pages, and annual interviews with employees. Therefore e-HRM is the way of doing HRM.

In this research titled “A Study of HR Practices adopted by e-commerce companies in India” I tried to investigate the practices of the selected e-commerce companies like voonik.com, snapdeal.com and shopclues.com in India.

5.1 Summary

First chapter of the research work is the “Introduction”. It deals with the introduction of e-commerce, growth of e-commerce, India’s growth potential in e-commerce, types of e-commerce and importance and uses of e-commerce. It also deals with HR traits for e-commerce industry, advantages of e-commerce, limitations of e-commerce, challenges faced by Indian e-commerce industry and various online business models. It also highlights the need of the study, scope of the study, research gap and research objectives.
Chapter two is the “Review of Literature”. It dealt with the literature published in various books and related to e-commerce.

Chapter three is the “Research Methodology”. It describes the meaning of research, hypothesis of the study, research methodology, sources of data, tools and techniques used for the analysis and research methods.

Chapter four is the “Results and discussion”. It dealt with the objectives of the study and the calculations to reach at the result of the research.

Chapter five is the “Conclusion and Suggestions”. It highlights the summary of the research and further it gives the conclusions and the suggestions of the research.

5.2 Conclusion

The first foremost work by the HR is to developed sound organizational structure with strong interpersonal skill to employees, and also to train employees by introducing them the concept of globalize human resource management to perform better in the global organization context. All these issues and challenges like, work force diversity, leadership development, Change management, organizational effectiveness, Globalization, E-Commerce, succession planning and compensation etc, Can be best management by HR manager when they will work with HR practices, such as rigid recruitment and selection policy, division of jobs, empowerment, encouraging diversity in the workplace, training and development of the work force, fostering innovation, proper assigning of duties and responsibilities, managing knowledge and other functions as are shown. Nutshell when HR works enthusiastically by keeping all the practices in mind, competitive advantages can thus be accomplished, the value of human resource can be improved, organization efficiency can be enhanced, and the organization will sustain to survive.

Based on the study, the following is a listing of some of the main findings and conclusion of my research work:
• E-commerce is more about strategy and business management than it is about technology.

• Initiatives for a strategic approach to the digital economy require a dynamic and not static approach.

• It is essential to create a policy and regulatory environment that favours the development of e-commerce and harmonizes national approaches.

• For e-commerce promotion it is not just the hardware and physical infrastructure that is enough. What is required is the right ‘info-structure’ meaning.

• E-commerce in India encompasses three areas:
  ○ Software exports
  ○ Web-enabled services
  ○ e-business and e-trade.

• Certifying and authentication authorities that have to come up as a sequel to the IT Act need to be fully operational early.

• These steps need to be matched by sorting out the issues of security and payments. Banking laws and regulations thus need to be adjusted to the new formats and requirements so that electronic fund transfers and credit card culture evolves and sets in India.

• In the area of privacy, which is closely related to data-collection, interpretation, dissemination, and circulation, standards are required to govern the way in which personal information is acquired, disclosed, and used on-line.

• Implementation of e-governance needs to be pushed through despite the constraints and hurdles that will develop against it.

• Capacity building in the field of information technology, in the knowledge of the existence of a global market for such skills, is crucial. This requires the development of education and training policies, to ensure that training institutions' curricula meet with the needs of industry.

• Regulating the e-commerce and IT teaching shops needs to be addressed in order to ensure standards and coordination between government and private agencies.
• Developing countries, such as India, also need to prepare themselves for the future multilateral trade agenda which will necessarily include e-commerce.

• For arriving at a national position, account must be taken of the larger economic perspective of India Inc, at both national and global levels—a perspective that should see the potential of the India as a global knowledge power. The private sector must be involved and consulted in arriving at any such position.

• E-commerce or Internet based supply of services (such as health, engineering, legal, accountancy, etc.) internationally is in India’s interest, and it would benefit from the cross-sectoral links with (and through) e-commerce in them.

• India needs to prepare strategies to access the production and supply chains at various stages in the evolving paradigm of e-trade.

• India should follow the strategy formulation framework in arriving and monitoring any such plan.

• India must become e-compatible for e-commerce and e-trade in order to preserve its existing market share in international trade. To do this, the Ministry of Commerce should launch a work programme for studying the implications and relevance of e-commerce in different product groups and areas, including services, and for working out strategies to e-enable the Indian trade and industry.

We have examined the evolving role of e-commerce on the operations of manufacturers, retailers, and service providers. A framework for describing electronic commerce components and their role in operations is set forth. For companies that fully exploit its potential, e-commerce offers the possibility of breakthrough changes: changes that so radically alter customer expectations that they redefine the market or create entirely new markets. To reap the benefits of e-commerce, firms must understand its potential, its components, their own businesses, and the businesses of trading partners. Businesses must focus on strong partnerships and the core products and structure that make e-commerce possible. They must define, develop, and use the e-commerce infrastructure that will empower their business to take advantage of new business opportunities. Development of
effective strategies for achieving competitive advantage through e commerce will be necessary for success in the 21st century. E commerce requires substantial infrastructure planning. Pursuing e commerce goals with underpowered hardware equipped with inadequate bandwidth, ill-considered software, and no coherent data management strategy is a recipe for disaster. Infrastructure planning is critical to success. A badly designed system performs poorly at best and at worst invites security problems. The infrastructure must be designed with sufficient flexibility to allow for adaptive change, as will be surely mandated with the continued evolution of e commerce.

Good infrastructure planning can make the difference in whether future e commerce developments create problems or opportunities for a business. Historically, many infrastructure services have been provided by subscription with direct monthly aggregated billing. E commerce enables other business models such as immediate payment for services. Rather than each provider providing separate user billing, a common shared billing infrastructure, similar to the credit card associations, could be developed. This may be more flexible and cost-effective and it may reduce credit risks to providers.

A necessary ingredient of e commerce, user authentication to prevent fraud, has a major disadvantage for users with the loss of privacy. Authentication allows providers to log user activities and data warehousing across a variety of suppliers and providers. Without definitive privacy policy, the development of a dynamic market may be stifled. A customer care organization can preserve user anonymity and enforce privacy policy.

The world around us is rapidly changing. The above-mentioned issues must be addressed, as must others that exists, or will arise. The Internet and other e commerce related developments have the potential to radically change the ways in which we communicate, interact, receive information and entertainment, and acquire goods and services.
For businesses to survive and prosper in the 21st century and beyond, they must develop business models that give e-commerce the prominence it deserves as a key ingredient in business success.

5.3 Suggestions for managing HR functions

- **Attracting & selecting the best candidate**
  
  It has become very tough to find suitable talent as this a process where every candidate will differ from others in one or the other sense. Even the managers will take decisions as per their perceptions thus possibility of bias can’t be ruled out. Every manager’s decision is influenced by his values, beliefs, political and social views. So 21st century poses the challenge of selecting and attracting the best candidates by keeping the competition in mind. The managers need to know that high-quality, skilled talent can be worth its weight in gold and all the organizations are after them to join them but nobody’s able to find them. While gold in the 19th century was found in abundance but today's high-quality, skilled talent is not.

- **Promoting organization culture**
  
  An organization is full of diverse people; which is good in a way as different minds will lead to innovation and new ideas but managing the culture with so many diverse minds and putting across the cultural values is a tough task. Since organizational culture is an important factor in attracting the new talent therefore HR manager has to put in a lot of hard work and efforts to develop a successful organization structure. Managing these people with diverse cultures like different religious, cultural, moral background is a challenging task for the HR Managers in 21st Century. Due to acquisition and mergers taking place it becomes important for the HR Manager to develop the work culture because the whole organization is to be restructured after mergers. Organizations now are adopting more flat and simple structure. Globalization will impact HR managers by requiring new skills such as language capabilities because the manager will have to speak to other nationals while recruiting them.
• **Career development of the employees**

With the coming of globalisation, there have come many technological developments and changes. Innovation is the key to survive in the business. And workforce being an important factor in the organisation has to trained and developed along with the changes in the business environment. Training should not be restricted to improving skills and knowledge alone; rather it should concentrate on the overall career development of the employee, which is a major challenge for the HR manager.

• **Adopting human investment perspective**

The HR manager will have to adopt more active than the reactive approach. He needs to focus on using business strategies in human resources policies and practices for satisfying consumers and employee’s needs. Need of the hour is to develop a workforce that reflects the diversity of consumers and clients. Thus role of HR managers is expected to change radically in the next decade. HR manager should be equipped with specific competencies to support these roles. Thus, as mentioned above also, the managers will have to spend nearly all of their time managing cross-functional work teams. The managers will have to develop an international workforce, they will have to keep the written records of other cultures and keep the management informed of the cost for not paying attention to all these major issues.

• **Catering to changing situations**

Due the globalisation, another problem that a manager faces is of managing the change in the organization and how to make people acquainted with the changes. The managers have to work hard to adapt to the changing business environment because the HRM in 21st century will become more dynamic after moving from traditional to strategic approach.

• **Business ethics and values**

With changing work culture and structure, it has become more important to have ethics and values in place which will also in the long run decides the sustainability of the organization in the global market place.
• **Making new retention & motivation strategies**

As the organizations have opened up to hiring worldwide, it has become necessary for the managers to have better retention policies. A multinational company comes with its own set of rules and policies, but they have to adopt new rules and policies keeping in mind the work culture of the country they are operating it. Only then they’ll be able to satisfy the employees of that country and thus it will reduce the attrition rate. If the employees are motivated and like their job, they are less likely to leave. The managers will have to walk that extra mile to motivate today’s employees.

• **Conflict management**

21st century brings with it long working hours, target pressures, high competition, etc. which can lead to stress and conflicts in the organisation. The HR manager’s burden increases as he will have to make sure that work is done timely and accurately but at the same time he will have to find ways of reducing stress and conflict before it can cause any serious damage. Simultaneously, he has to balance his work life and personal life as the stress and long working hours can also have a toll on him.

• **Managing Multi-Generational Workforce**

Companies have employees of various age groups and generation X employees are more aware of the technology and they prefer to work with latest techniques while the older employees may still feel comfortable with the traditional record keeping and working methods. To retain these employees, human resources departments must be ready to respond to these needs.

• **End of weekend**

This is also one of the challenges for the manager. Time is going to be more flexible in the coming years. With the advancement in technologies, the generation next prefers to work on palmtops and they want flexibility as to work from home or at odd hours. The internet has given birth to a virtual world and a nonstop market place. Though these work arrangements have many advantages but they are going to cause more stress to the workforce and management of which is a challenge.
• **Striking balance between home and work**

With the working hours increasing and becoming more flexible, the manager has to make sure to draw a line between leisure and work. He’ll have to help employees to find the right balance between home and work. Increased use of telecommuting can be encouraged and the employees should be allowed to work at home and avoid lengthy commutes.

• **Attracting & relocating local & foreign talent**

The manager will have to plan the placement of the employees as per the employee’s preference to keep them attached to the organisation. If an employee is forcibly transferred to undesired location then he is not likely to stick to the organisation for a longer period. Similarly during the time of crises he’ll have to send the competitive employees to the charge of the situation. Thus it’s a challenging task for the manager.

• **Employee engagement & grievance management**

Employee engagement means that HR has its eyes and ears close to the ground realities that an employee faces in the job. This deals with issues like work and life balance, fun at work, etc. The HR has to ensure the fulfilment of just needs of employees and addressing their grievances.

• **Role of change agent & business partner**

The HR manager’s role in the 21st century has become that of a change agent. The demand of HR staff has gone down and expectations from HR manager have gone up thus HR professionals will have try hard to meet this challenge of how to meet organisational needs with fewer staff while continuing day-to-day operational and political management of HR.

• **Managing virtual workplace and e-commerce**

Electronic commerce means to perform the trading activities through internet. The on-line business has become a challenge for the workers. The managers are finding it hard to hire & develop human resources who have the ability to attract, motivate, retain, and to serve as maximum customers as possible. The
virtual business world has forced the business houses to decentralize their functions as flexible work arrangements take away most of the time of the manager.

- **Managing 5 R’s**
  
  The 5 R”s are very crucial in the changing role of HR managers. The HR team has to take care of all stages starting from the stage of defining the business strategy to Resourcing, Recruiting the right talent, Retaining the talent, Retraining and Restructuring.

- **Continuous innovation**
  
  The 21st century HR manager has to be innovative on a continuous basis. Only that company will succeed who have made innovation their unique selling point (USP). The challenge for HRM is to continue to develop innovative systems by focusing on the integrated functions and systems of organization.

- **Health & safety**
  
  With coming up of new automated machines, the need for training the workers about how to use the equipment has also raised. Thus the manager has to make sure that while performing any task all the safety measures are adhered to and everybody is covered under an insurance cover in order to ensure safety of the workers.

- **Industrial relations**
  
  The management is faced with the challenge of having cordial industrial relations with the other industrial partners. One may need any kind of technological or other help from other industrial unit plus they have to follow the same law for their functioning. Thus it is always important to have cordial industrial relations with the competitors as well.

### 5.4 Suggestions for Managing Change

The challenges which are mentioned in the previous chapters are meant to change the role of the HR manager as a strategic partner. He can meet the challenges if he keeps in mind the following:
• **Become the pioneers**

The HR managers should become the pioneers of change in the organisation. They should not merely follow the policies rather they should become the change agents of the business by helping employees to enhance their capabilities to ensure organizational objectives are met.

• **Become the change agents**

The HR should initiate the change and should form new training techniques which will help the employees to adapt to the change easily and quickly. They should know how to honour the past and change the future of the organisation. They should design the model of change in such a way that it should be comfortably adopted by the employees. The managers should be able to align HR with the changes that are happening in the workplace and the economy.

• **Adequate training & knowledge**

The employees should be given proper training and know-how to adapt the change. They should become well versed in their new responsibilities and should be aware of the changes in their organisations, their job roles and responsibility. They should be trained in technical knowledge, decision-making skills and group process skills. HR practices must create value by increasing the organization’s intellectual capital. Organisations should be ready to invest in staff development.

• **Innovation is the key**

The HR partners should be able to bring in innovative ideas. They should be able to focus on cultural changes and align the diversity within national and international level. The HR employees committed to achieve the organizational goal.

• **Individual & organisational integration**

The goals, vision, mission of the individuals should be aligned with those of organisations. If an individual will work towards achieving the organizational goal only then he’ll be able to achieve his individual goal. The benefits and profits of the organisation should also be shared with the employees. And management should trust its employees including the lower level ones. HR practices must be aligned with company strategies.
• **Sponsoring higher education**

The organisations should have certain policies of sponsoring higher education of competent employees. This can be done by giving paid leave for pursuing the course of by providing interest free loan for higher education. This way the employee will become more loyal towards the organisation.

• **Investing in technology**

The organisations should invest in the right technology to maximise their returns. In today’s competitive world the need for the hour is to invest in the right technology and be armed with the right expertise to use that technology. Technology has changed everything from the methods of production to the process of recruitment to training techniques. Thus it has become necessary to invest in new technology.

• **Effective talent acquisition**

The skilled talent is becoming scarcer. The companies are fighting to retain their skilled employees. The companies need to invest in innovative programs to attract and retain high-quality; skilled workers will have the opportunity to discover a gold mine of talent for tomorrow. It is very important to retain such employees in order to have a competitive edge over others.

• **Re-arranging staffing functions**

The management should re-decide and re-arrange the staffing functions, for recruitment selection, training and transfer, promotion, dismissals, placement, demotion and layoffs of the employees as per the changing needs. This way more talented people can be brought into the organization.

• **Managing workforce diversity**

Globalization has lead to acquisition of employees from diverse cultures. The manager should have knowledge of the language of the country in which the business is operating or else he’ll have to keep a translator to communicate with his employees. Thus HR manager should make such strategies which help to adjust employees in global organisation; HR must develop the ability to compete in the
international market. The HR system should be consistent with other organizational elements.

- **Develop new competency models**
  The HR should develop new competency models to revitalize HR workforce. The newly developed competencies can offer HR practitioners an opportunity to define excellence and demonstrate what they can bring to their organization.

- **Face the challenges**
  The HR managers should be able to face the challenges of the business environment. If the managers are responsible then they can motivate others also to face the challenges and increase their efficiency and performance. HR professional of the 21st century must emerge their roles along with the identification of new competencies needed to get their job done.

- **Developing in-house marketing campaign**
  The HR manager should develop an in-house marketing campaign that should highlight the services HR can provide to the organization. This should be marketed within the organisation and then it should be marketed outside the organisation. Even the company should have a website for the same. This has a strong potential for generating revenue for the company and can surely add some value of HR functions to the managers.

**5.5 Recommendations to attain Competitiveness in 21st Century by HR Manager**

- In the present era most of the organizations are competing globally for their best reputation, by keeping in view the above issues and challenges the HR managers are responsible to train all the young workers, to provide them best rewards as a result they will show their commitment and loyalty.
- Technology has changed each and everything with great extent, the methods of production, the process of recruitment, the training techniques, new equipment and technology should be introduced and purchase by the organization and training should be provided to young and educated workers.
• Keeping in mind by HR manager the issue of Globalization, to cope this issue the concept of Globalize Human Resource Management (GHRM) should be implemented to prepare the skill people or manager worldwide. This way the trend of globalization can be minimized with some extent.

• Human resource manager should develop such a HR system which consistent with other organization elements such as organization strategies, goals and organization style, and organization planning.

• One of the great debate also going on work force diversity, the HR manager responsible to make such a broad strategies which help to adjust employees in global organization, HR must develop the ability to compete in the international market.

• Organization culture is also another important element which must be consider by the HR manager, the culture must be like to shape their behavior and beliefs to observe to what is imperative.

• To provide more and more talent people into the organization the HR manager must re-decide and re-arrange the staffing functions, for recruitment selection, training and transfer, promotion, dismissals, placement, demotion and layoffs of the employees separate strategies should be developed and implemented.