

PREFACE

Strategic Human Resource Management covers the concepts and practices that guide and align Human Resource Management philosophy, tactical planning and practice with the strategic and long term goals of the organization, with a particular focus on human capital.

It deals with the macro-concerns of the organization regarding structure, quality, culture, values, commitment, matching resource to future needs and other longer term people issues. Strategic Human Resource Management gives direction on how to build the foundation for strategic advantage by creating an effective organizational structure and design, culture, employee value proposition, systems thinking, an appropriate communication strategy and preparing an organization for a changing landscape, which includes downturns and mergers and acquisitions.

Sustainability and corporate social responsibility come within the ambit of this discipline, especially with reference to organizational values and their expression in business decision making. Strategic Human Resource Management emphasizes organizational codes of ethics, managing the societal impact of business decisions, philanthropy and the role of the human resource professional in improving the quality of life of employees, their families and the community at large.

A rapidly changing economic environment, characterized by such phenomena as the globalization and deregulation of markets, changing customer and investor demands, and ever-increasing

product-market competition, has become the norm for most organizations. To compete, they must continually improve their performance by reducing costs, innovating products and processes, and improving quality, productivity, and speed to market. With this special Research Forum on Human Resource Management Practices and Organizational performance, we hope to contribute to a better understanding of the role of human resource decisions in creating and sustaining organizational performance and competitive advantage.

It is needless to mention that Human Resource Management has undergone a tremendous change for the past few years. The key challenges before Human Resource Management professionals are to become proactive and result oriented and thereby contributing to the profit side of the enterprise. The motto, in today's changing time, should be Human Resource Management for results and not promises. The need for Human Resource professionals is to become far more proactive than ever before. Proactive is a thought process that HR adopts to remain agile in its business. Re-engineering the Human Capital is the need of the hour. Goethe said "Treat a man as he is and he will remain as he is treat a man as he can and should be, and he will become as he should be.

Unless one believes in the unseen human potential, there will only be status-quo. Man is the index and the foundation too. Man stands on the threshold of a big change. Man is the maker of his own destiny "One must not treat human being like a machine. A great plasticity is needed in dealing with its complex motives" said Sri Aurobindo, the great prophet & yogi. Every advancement begins

in a small way and with the individual only. Development of man is the only means for the formation of a perfect society in general and the organization in particular. Man is to raise above his self-limiting interest to the level of good man, a satisfied man with broad outlook. Man is a technological animal, thus he is sometimes called homo Faber, man the maker. Man has evolved to a point where he can alter consciously and radically himself, his biological make-up his physical environment in particular and nature in general.

Strategic approach to Human Resource Management Practices has to focus on turning organization and its people to become achievers and not merely remain performers. Strategic Human Resource Management has to ensure that each and every manager becomes master and not victim of change. The agility will come as the organization progresses and natures itself from one state to another. Thus, Human Resource Management will have to play a crucial role in transforming leadership at all levels.

As it is known several years ago natural resources provided countries with an important comparative advantage. Today the major resource is human capital and adding value to it contributes to gain competitive advantage. Human Resource Management aims at effective utilization of manpower and through such utilization accomplishing the corporate objectives. The vitality of the organization depends upon the quality of its human resources. Thus, the human aspect has come to acquire vital importance for the success of any business enterprise or an organization. Human Resource is now being heavily depends and relies upon for giving additional thrust needed for creating new vision, mission and

direction to transform corporate goals into organizational realities. It is needless to mention that the human being is the only asset which appreciates, provided it receives due attention by way of positive HR intervention. Employees are the hidden treasures in the organization. Therefore, they should be treated with utmost care.

Human Resource is required to be handled very delicately so that he contributes his best for achieving the objective of the organization. Human Resource Management refers to the strategies, policies and practices of an organization which make up a system of managing people intended to utilize human resource to the organization's best advantage and to meet its goal. Strategic Human Resource Management should focus on preparing people to cope with challenge of adjustment.

In light of the above scenario, the Human Resource Management function is increasingly being called upon to add value to the organization and in today's context this means customer value i.e. both the internal and external customers. This expectation can be met only if Human Resource Management impacts on the behaviour of employees in ways which improves organizational performance.

If the employees want to continue in the organization with the expectation of their individual growth, they will have to play a major supportive role to ensure success of business. Similarly if the organization wants to reduce costs and maintain the quality of goods and services and thereby acquire competitive advantage in the market; it has to be necessarily dynamic. Their human

resources have to be continually developed to acquire capabilities and adopt the values and beliefs and aptitude, according to the changing requirement of the organization. As Charles Darwin said "It is not the strongest of the species that survives, or the most intelligent. It is the one that is adaptable to change" and thus "Adaptability to change decides the future".

Individual change is a means to organizational change. There is an imperative need to make first hand and in-depth case studies realizing the differences in environment of organizations and their unique characteristic feature. Such studies, viewed in the context of their own not adequate in number, assume no importance. They help to understand the existing policies and practices as well as review them closely in order to improve practices. This study is a modest attempt to fill up the gap as to know what is going on in the organization in regard to strategic management of human resources. Knowledge management and managing the knowledge workers are the major challenges in the new millennium.

The present enquiry is a case study of Visakhapatnam Steel Plant, one of the major steel industries in Andhra Pradesh