

RESEARCH SYNTHESIS: STUDY OF GLOBAL HR ISSUES AND CHALLENGES IN AUTO COMPONENTS INDUSTRY

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ABSTRACT

The main objective of this study was to study Global HR Issues and Challenges in Auto Components Industry. This was achieved through a systematic literature review. The LR was done for three buckets – 1) Global HR Issues and Challenges; 2) Global HR issues and challenges in the auto industry; and 3) Global HR issues and challenges in the auto component industry. Based on the LR, key common trends were analyzed and presented. The key themes that emerged were response to covid-19 pandemic, global talent management, use of e-HRM, viewing HRM as a key strategic activity and corporate social responsibility. All in all, the auto component industry is at a crucial juncture where HR function needs to play a vital role in meeting the demands and challenges of the ever-evolving times.

Keywords: Auto industry, auto component industry, HRM, SHRM, covid-19, training

Introduction

The objective of this research is to study global HR issues and challenges in Auto Components industry. This was achieved by means of a systematic literature review which was divided into three parts - 1) Global HR Issues and Challenges; 2) Global HR issues and challenges in the auto industry; and 3) Global HR issues and challenges in the auto component industry.

The auto industry is undoubtedly one of the major industries for any country. It paves way for a large auto component or auto ancillary business and generates employment for a large number of people and thus creates a notable cascading impact on the overall economy. For the smooth running of the business and to achieve steady growth role of HR is very critical. The industry faces typical HR challenges such as global talent management, introduction of technology enabled platforms and moreover is grappled with the challenges brought by the covid-19 pandemic. The SLR delves into details of these issues and challenges.

Literature Review

This section is divided into three buckets – 1) Global HR Issues and Challenges; 2) Global HR issues and challenges in the auto industry; and 3) Global HR issues and challenges in the auto component industry.

Global HR Issues and Challenges

Kabrtova (2018), has posited that, this paper aims to assess what trends, issues, and challenges human resource departments face today, and which have the greatest impact on the traditional role of HR. To properly analyze these challenges, this thesis describes the evolution of human resource management (HRM) and the history of HRM in the US and the UK – the two markets which most influence the current state of HRM. Next, the thesis analyzes the main trends, issues, and challenges of 21st century HR areas like learning and development, recruitment and selection, and talent management. In terms of learning and development—namely the creation of a learning organization and an attractive learning environment—are examined. The main challenge of the recruitment and selection processes—the employment of a diverse workforce—is also discussed. The main challenge of talent management activities—the improvement of employee engagement and satisfaction—is explained. Finally, the thesis compares and contrasts the traditional and current roles of human resource departments.

Dirani et al. (2020), have argued that, the aim of this paper is to investigate the roles of domestic and global leaders and organizations to COVID-19 and to consider the new role(s) of Human Resource Development (HRD) based on the ramifications of pandemics in general, and COVID-19 in particular. The

research questions directing this work are: What are the leadership competencies required during and post times of crisis? And What roles do human resource development practitioners envision to support their organizations during and post times of crisis? In this manuscript, we provide several themes, based on the literature and case studies from international and domestic contexts, that we see as essential competencies for leadership practices in response to a global crisis. We explored leadership competencies required in the time of crises, followed by exploring cases of best practices of leadership in different contexts, followed by reflections on new roles for HRD researchers and practitioners post a global crisis.

Gulati (2018), has opined that, four M's i.e. machinery, money and materials and manpower constitute pillars of an enterprise. Where machinery, money and materials resource aspect is of non-living nature, manpower i.e. human resource is of living nature and is equipped with capability to convert the non-living category resources (money, machine, methods and material) in to output (product/service). HRM activities involve procurement; maintenance; utilization and development of workforce. Adoption and practices of HRM in a manufacturing sector are drastically different from service sector. Manufacturing industry refers to those industries which are involved in the manufacturing and processing of items and indulge in either creation of new commodities or in value addition. It may involve a range of mechanical/manual human activity wherein raw materials are transformed into finished products on a large scale. The final products can either serve as a finished useful for sale to customers or as intermediate merchandise used in the production process. Make in India regarded as a national moment in India is brain offspring of present NDA Government at Center. The major objective behind the initiative is to zero in on job creation and skill enhancement in certain prominent sectors of the economy with the end goal of delivering excellent standards with minimal impact on the environment. This paper attempts to make an analysis of numerous issues and challenges for HR system in a manufacturing sector in general

and Make in India moment backdrop specifically.

According to Claus (2019), fast changes in demographics, technology and globalization have extensive global ramifications for work and the worker. This new context is additionally disturbing talent management as known throughout the previous twenty years. Reformist organizations in all areas understand that their talent management rehearses are no longer meeting the necessities of their workers. All things considered, bosses concentrate on fostering a significant worker experience to draw in and support the talent they need. Another type of talent management professionals is fostering a HR stack that incorporates other management frameworks, for example, design thinking, agile management, behavioral economics and analytics to increase their HR competencies. Associations will not be able to reexamine their current talent management rehearses in a feasible manner except if they widen the talent management discussion.

According to Jiang and Messersmith (2018), recent years have seen huge development in the field of strategic HRM. This article sums up the literature in this field by leading a meta-review, a review of the reviews that have covered different subjects of strategic HRM. In doing as such, the authors feature theoretical frameworks and empirical findings of studies in the field in the course of recent many years, recognize methodological issues and challenges in the past research, and talk about ongoing patterns in the field of strategic HRM. The author closes by recommending some fascinating and significant bearings for future work.

Caligiuri et al. (2020), have posited that, we show the pertinence of extant international business (IB) research, and more explicitly work on international human resources management (IHRM), to address COVID-19 pandemic challenges. Chiefs in global ventures have attempted different kinds of activities to reduce the effects of the pandemic. As a rule, these activities relate here and there to managing distance and to rethinking boundaries, whether at the full scale or firm-levels. Managing distance and rethinking boundaries have been the essential focal point

of much IB research since the IB field was set up as a real space of scholarly request. The pandemic has prompted expanded cross-line distance issues (e.g., as the consequence of movement boycotts and decreased international travel), and often likewise to new intra-firm distancing challenges forced upon already co-located representatives. Earlier IHRM research has featured the troubles introduced by distance, as far as representative choice, preparing, support, wellbeing and security, just as leadership and virtual coordinated effort. Quite a bit of this thinking is pertinent to tackle pandemic-related distance challenges. The present, instances of essential physical distancing need not infer same expansions in psychological distance, and likewise offer firms some knowledge into the unexpected advantages of a virtual workforce – a sort of workforce that, very perhaps, will impact the 'new normal' of the post-COVID world.

Collings and Isichei (2018), have argued that, global staffing has been a critical theme in research in IHRM for various many years. Our review affirms that it keeps on being a significant contemporary area of research in IHRM. In the current paper, we review three critical contemporary issues in global staffing research, in particular, the development of global talent management and conceivably a more strategic way to deal with global mobility, specifically changing patterns of global mobility, and the rise of the non-workers as key options in the global staffing literature.

Sharma (2020), has opined that, there is no gainsaying the way that e-HR has turned into an indivisible piece of the functioning of practically all the large business players in the current situation. It helps in incorporating the broad exercises of organizations by empowering connectivity between various organizational functions and giving precise and timely personnel information on-line and round the clock. A definitive outcome is a generous elimination and chopping down of repetitive exercises and a lift to the profit margins of the organizations. E-HR wonderfully lessens reliance on the time consuming and error prone HR paper trail. Nonetheless, as usual, technology accompanies its innate danger that of colossal set up expenses, needless excess

and loss of the "human touch." Hence, above all else it is vital for the HR professionals to become familiar with the technology before they make other individuals see the worth of such tools. This paper features the aftereffects of an examination conducted to recognize and investigate the issues associated with introducing e-HR frameworks in any organization.

According to Budhwar et al. (2019), in view of a robust structured literature review, this paper features the vital developments in the field of human resource management (HRM) in the Middle East. Using the institutional perspective, the analysis contributes to the writing on HRM in the Middle East by zeroing in on four key themes. To begin with, it features the topical need to break down the context specific nature of HRM in the region. Second, through the adoption of a deliberate review, it features condition of development in HRM in the research analysis set-up. Third, the analysis additionally assists with uncovering the challenges confronting the HRM function in the Middle East. Fourth, it presents a plan for future research as research directions.

According to Zia and Svensson (2017), the personnel of MNCs is turning out to be increasingly important for a company's prosperity. Simultaneously the competition for exceptionally skilled workers, additionally alluded as talents, are expanding for a few reasons, like globalization and demographic changes. This cutthroat environment requires a more specific set of IHRM exercises contrasted with traditional IHRM, which manages issues like attracting, developing and retaining talents. This specific subset of IHRM exercises is called Global Talent Management. However, numerous managers do not have the knowledge regarding how to address these challenges. Taking a look at past examinations, there is an absence of clear suggestions on strategies used to defeat GTM challenges. To discover inspiration of efficient GTM, we have through a contextual analysis examined into the football industry which is a less traditional industry, yet it is an industry with a long presence and with a huge global reach. Also, it is an industry mindful of the significance of their talents and where the competition for the best talent consistently has been available. Our

research shows that the football industry does, truth be told, have a few strategies to conquer the GTM challenges, which could be of inspiration for MNCs working in the knowledge intensive industry. Instances of learnings incorporate split management jobs and more customized development plans. Another key finding is that retention isn't of as high significance as attraction and development.

Global HR Issues and Challenges in Auto Industry

MacDuffie and Kochan (1995), have posited that, we investigate the normal assertion that U.S. firms invest less in human resources than key international competitors, testing four alternative explanations for differences in training effort found in survey information from an international sample of 57 automobile assembly plants. We track down the strongest support for the view that the level of training is derived from the requirements of the business/production strategy and the overall "bundle" of human resource policies—beyond training—adopted by the firm.

Monaco (2017), has argued that, by investigating the industrial conflict that has affected the Indian Maruti Suzuki since 2011/2012, the article reflects on the meaning of the lean manufacturing paradigm today. It explores what continues to make it prevailing, and the ultimate frontiers it has reached. It argues that its global significance couldn't have been established without the exploitation of local labor regimes, and without stretching their competitive advantage to the detriment of workers. Specifically, the desirable condition currently looked for a global level is the chance of relying on regimes based on undeniable levels of casualization, permitting the progressive "replacement" of permanent workers. However, as the Maruti case likewise reveals, working class composition and the maintainability of the local labor process can generate mechanisms and unexpected alliances that might actually destabilize the system. Indeed, the case shows how corporate strategies intended to fragment and depoliticize labor, inbuilt into the paradigm, were directly challenged and encountered resistance. Ultimately, however, the case likewise shows

how, without strong legal and political support, the potential of a labor movement can be suffocated by institutionalized violence. In this sense, lean reacts, and the despotic imposition of consent becomes visible as never before.

Park et al. (2004), have opined that, in the human resource management literature, there is a continuous debate regarding which is the key organizational resource: human resource (HR) practices or HR capabilities. Our investigation attempts to address this debate by examining which resource HR executives in the Asia-Pacific region observe to be important for the future organizational and people needs of their firms. Results indicate that HR capabilities are central to organizations. Development of core competencies, agile organizations, and effective management of human resources will be significant to responding effectively to future business needs. Results additionally indicate that the lingering effects of the Asian monetary emergency and competition from local and global competitors will affect organizational and people management in the years to come. These discoveries inform HR practitioners and shed light on the use of the resource-based view of the firm to the investigation of human resource management.

According to Murugan and Ganapathy (2019), SHRM is a process of developing practices, projects and policies which helps to the organizational objectives. SHRM practices are those practices specifically developed, implemented and executed based on a deliberate company's strategy. SHRM is concerned with the relationship between HRM and strategic management in an organization. SHRM is a methodology which relates to decisions about the nature of employment relationship, recruitment, training, development, performance management, reward and employee relations. SHRM means to improve business performance through people and meet the needs of the organization's employees. This paper center around identifying the relationship between SHRM practices and Employee commitment in auto industry.

According to D'Costa (2011), this paper examines how the pattern of investment in the Indian auto industry has changed. The author argues that the industrial relations climate has

been an important determinant of that pattern. Industrial relations climate is politically and institutionally determined hence any shift in the broader capital-labor relation in the wider global economy due to globalization is argued to be tempered by India's particular national and local institutions governing industrial relations, unionization, the specific trajectory of the Indian auto industry, and economic development strategies. When a large part of the global industry is reeling under the financial crisis, India's industry has been expanding. However, the power of workers has been declining in conflict-ridden states similarly as globalization and deregulation have hastened capital trip to more favorable business regions. The paper draws some approach suggestions for employment security and lessons for other countries in these turbulent times.

Global HR Issues and Challenges in Auto Components Industry

Kurbetti and Maheshkar (2020), have posited that, today organizations are drawing in themselves in giving back to the society. They are widening their vision to foster a sound and wise nation alongside the business. CSR drive makes a huge effect on the society. This action is brought through corporate engagement and partnerships. Organizations are understanding the significance of CSR drives and are effectively pacing towards it. The exploration paper illuminates the interaction continued in Auto Component industry in Pune industrial belt. In light of the different practices took on by significant organizations, the researcher has studied the current role of HR and its issues and challenges. This investigation will attempt to discover significant areas of CSR in Auto Component industry. By understanding the appropriate areas of CSR, organizations can unite organization worker volunteers and serve the society in a superior manner. It can propel its representatives to serve the country as mindful resident. This paper is absolutely founded on the secondary information and reactions from experts which are reflected. Analyst has assessed the accessible information, literature accessible and cooperation with key individuals in association and society.

Kurtkoti (2018), has argued that, employers assume a significant part in engaging their employees in the firm. As of now, HR administrators are confronting a major challenge in engaging and retaining employees of the firm. HR experts need to think about the worker's passionate sentiments and the employee's performance. Motivated employees can work on the top line and bottom line of the organization. Employee engagement can be considered based on level of worker's commitment and involvement the employees have towards their association and its values. Better connected employees spur themselves and help the association in accomplishing its goals. A questionnaire was utilized to complete survey for 40 employees in auto component industry utilizing convenient sampling method. The aftereffects of survey uncovered that larger part of employees have proceeded according to organization's set targets. Employees felt that their work has been recognized by their association. Employees needed adaptable timings and high remuneration. Appropriate training will assist them with improving their insight and abilities.

Sheriff (2013), has opined that, staffing or acquisition of efficient manpower is the imperative task of HR department. Recruitment and selection are the quintessential steps involved in staffing process. As a consequence of globalization, organizations across the world witnessed vigorous development and tremendous expansion. This necessitated Indian auto-component firms to embrace e-technological tools with their recruitment and selection practices in order to create a huge pool of talented workforce to meet ever-increasing demand. E-recruitment sources like intranet, job portals, company websites and Social Networking Sites (SNS) have been assuming a predominant part in appealing the prospective employees and animating them to go after the position and E-Selection techniques then again have simplified the process of selection and have made it profoundly effective. This paper manifests the manner by which auto-component firms have been leveraging e-technological tools to increase the efficiency and effectiveness of their recruitment practices by reducing-cost and cycle time of recruitment and by increasing

candidate volume. It additionally explores the ramifications of e-recruitment on process consistency and auditability of recruitment practices.

According to Geetha (2017), electronic Human Resource Management has achieved a paradigm shift in the manner operational, relational and transformational functions of HRM are performed. The vast majority of the companies across the globe have digitized their HR practices of recruitment, selection, training, performance management, compensation management, leave and attendance management, time management and other operative and strategic functions either through reception of integrated software applications like SAP or Oracle People, or through reception of standalone applications like Applicant Tracking System, Recrumax, Learning Management System, Payroll, Performance Management Suite and so on. Through this examination an effort was made to analyze the effectiveness of e-HRM in auto-component industry according to multi-dimensional perspective. e-recruitment, e-selection, e-learning, e-performance management and e-compensation management are the five core dimensions of e-HRM considered for the examination. A research premise was developed and tested based on the assessment survey of around 110 HR practitioners at Senior and middle levels of management from 44 select auto-component firms. The discoveries explicate that technology integration with HR practices in auto-component industry is yielding critical benefits to the organizations as reduced cost per hire, increased applicant volume, and enhanced quality, simplified processes, reduced cycle-time of HR and numerous others which are discussed exhaustively in this paper.

According to Jordaan (2008), proponents of lean production (LP) argue that successful implementation is dependent on creating an organizational climate that complements the adoption and implementation of innovation. Transformation of the organizational climate, from a culture of adversarialism (management versus workers) and worker exclusion (in terms of decision making) toward a culture of co-operation and worker support, is in this manner a necessary complement to LP. Successful

implementation of LP, and associated practices, in this manner requires the commitment of all stakeholders. This investigation explores worker attitudes towards progress to LP inside a chosen company in the South African auto components sector. The investigation focuses on understanding worker perceptions of shifts in Human Resource and Industrial Relations practices which are associated with the progress to LP. The research reports on two surveys of workers to better understand their perceptions of the changes to the relationships among workers, and between workers and management.

Findings and Conclusion

Based on the literature review, we present our findings divided in three buckets – first, based on Global HR issues and challenges; second, HR issues and challenges pertaining to the auto industry; and lastly HR issues and challenges pertaining to the auto component industry.

Machinery, money and materials and manpower are the four most important pillars of any enterprise. Manpower is the only living thing which helps convert other resources into revenues for the firm. Hence it is the most important aspect to manage. The other most important issue globally is managing the challenges forced upon by the covid-19 pandemic. It has created lockdowns and imposed restrictions on the mobility of the workforce. How to maintain motivation among employees is the key challenge during this time. Moreover, this time requires exceptional leadership qualities to navigate through the crisis. Another important area of focus is the global talent management given global business landscape. Global talent management should encompass all the aspects right from recruitment, development and retention.

The findings from the auto industry suggest that, there should be more focus on the training aspects given the rapidly changing technology. Equally important finding is that the industrial relations should be smooth in order to manage various stakeholder expectations. Moreover, HRM function should be viewed as a strategic tool which covers entire spectrum of HRM.

The finding from the auto component industry suggests that, global talent acquisition is key to maintain industry leadership. Yet another

important aspect is the role of electronic platforms to manage the traditional HR functions. Organizations day by day are investing in platforms like SAP etc. and the HR needs to adopt these technologies in order to improve profit margins. Last but not the least, the industry needs to focus on CSR activities

which is an important element of sustainable growth and development.

All in all, the auto component industry is at a crucial juncture where HR function needs to play a vital role in meeting the demands and challenges of the ever-evolving times.

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