

BEST PRACTICES IN HUMAN RESOURCES MANAGEMENT: A REVIEW**Shubhangi Shankarrao Sawant**Research Scholar, Shri Jagdishprasad Jhabarmal Tibrewala University
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Abstract

The concept of "best practice" HRM has garnered a great deal of attention in recent years, thanks in part to Jeffrey Pfeffer's contributions. This, together with further contributions from the USA and the UK, has led to claims that a specific set of HR practices may boost profits regardless of the organizational, industrial, or national setting. In this study, we examine how HRM is defined in various texts and consider whether, upon closer examination, the behaviors that are often accepted as "good" might not be as advantageous to employees as they seem. The idea of "best practice" is said to have several flaws, both in terms of what constitutes a particular practice, how consistent it is with other practices, and the assertion that this particular implementation of HRM is applicable to all situations. This literature's unitarist foundations are also revealed. This is not to say that HR practices and policies have no impact on organizational performance; rather, it is to say that the available research does not allow us to make this determination. Although the conclusions on "best practices" seem appealing, more research is needed.

Keywords: Human Resource Management; Best Practices; Automation; Literature Review

Introduction

The belief of 'best practice' HRM ought to be fairly familiar to most experts in HRM and industrial family members, however it might be worth reiterating the main elements within the list produced by way of Pfeffer (1998) before transferring on to assess whether or not those do honestly constitute 'fine exercise' or are less 'excellent' than the call may mean. The precise emblem of HRM that he seeks to propagate is one that is based on employers adopting high-fee, high-skill employment guidelines and, as mentioned above, it's far one which many teachers have long argued for. Such a version allows corporations to compete on fine and productiveness (Nolan and O'Donnell, 1995). However, considering the fact that this technique to labour control involves very real expenses in investing in personnel, it's miles some distance from fashionable. Essentially, Pfeffer identifies seven practices of leading organizations, reduced from his in advance (1994) listing of 16 by means of combining numerous of those collectively, as well as drawing upon the results of other studies.

Literature Review

In recent years, there has been considerable interest in the concept of "best practice" human resource management (HRM), inspired, at least in part, by the work of Jeffrey Pfeffer (1994, 1998). In two of his recent books, *Competitive Advantage through People* (1994) and *The Human Equation: Building Profits by Putting People First* (1998), Pfeffer argues that a particular set of human resource (HR) practices can increase company profits, that the impact is more pronounced when complementary groups (or "bundles") of HR practices are used

together, and that this conclusion holds for all organizations and industries regardless of their context. Pfeffer's work has been complemented by many other American studies (e.g. Arthur, 1994; Huselid, 1995; MacDuffe, 1995; Delaney and Huselid, 1996; Delery and Doty, 1996; Huselid and Becker, 1996; Ichnialowski et al., 1996) and by some also in Britain (Wood, 1995; Wood and Albanese, 1995; Patterson et al., 1997; Guest and Conway, 1998; Wood and de Menezes, 1998). Unfortunately, it is difficult to draw generalizable conclusions from these studies due to the differences in the HR practices that were examined and the proxies that were created for each of these studies procedures, in the methods used to collect data and in the respondents from whom information was sought; as Guest (1997: 263) argues, there is 'little additive value in them and, although statistically sophisticated, they lack theoretical precision'. However, this did not prevent broad conclusions from being drawn from these studies.

Best Practices in HRM**1. Ensuring the safety of employees**

The first best practice in human resources is occupational safety. Life is unpredictable and work is a stable factor that is very important to most people. Having an employer that allows an employee to support themselves and their family is basically the number one reason people come to work. There is both a formal contract (work for money) and an informal contract (you put in some extra effort, we take good care of you) between the employee and the employer. Job security allows employees to go home after work and provide for themselves and their families. This concept of security is essential and underpins almost

everything HR does. When job security is threatened, such as when restructuring or layoffs occur, you immediately see ripples through the organization. Job security also benefits organizations by helping them retain their people. For example, when employees are laid off, it is usually the organization that pays the price. It is they who have invested in the selection, training and development of these employees. This is an expensive process. If an organization does not work to retain its people, they are more likely to leave and work for a competitor. In 2020, the survey found that job security is the third most important factor for employees. 28% of the 1,100 UK professionals surveyed cited job security as an important factor. Occupational safety is important across global human resource management practices.

2. Selective Hiring: Hiring the right people

The second HR best practice is selective hiring. This enables the organization to bring in employees who add value. You can't just hire someone; you want people who are right for the job. Companies go out of their way to hire exceptional people because they add the most value to the business. Creating a structured and fair selection process should also be a priority. This reflects legal requirements, internal diversity goals and the fact that a more diverse workforce better reflects society. This can be extremely beneficial in understanding broader consumer behavior and the needs of different customers. Research shows that the difference in performance between an average player and a high performer can be as much as 400%! This applies to a variety of industries and job types, including researchers, entertainers and athletes. Bringing in the right people is therefore key to building a competitive advantage.

3. Self-directed and effective teams

We all know that teamwork is necessary to achieve goals. High-performing teams are key to the success of any company. Teams provide value because they are made up of people who are and think differently but work towards a common goal. This means that different ideas are created to help achieve the goal. These ideas are then processed and combined, resulting in the selection of the best ones. The best teams are cognitively diverse and psychologically safe. This means that team members can generate and discuss ideas that differ.

4. Fair and performance-based compensation

Contingent compensation is the fourth HR best practice. It has everything to do with compensation and benefits. First, if you're hiring the right people, you want to compensate them above average. These are the people who will add the most value to your

company, so you want to keep them and pay them fairly. This is an example of how different best practices work together to provide more value than they would on their own, in this case selective hiring, contingent compensation, and job security. Paying people above the norm also has some potential downsides. For example, it discourages bad employees from leaving. However, if you are consistently hiring top performers, above-average compensation is a must.

5. Training of relevant skills

This HR best practice states that companies should invest significantly in time and budget for training for their employees. After hiring the best people, you need to make sure they remain industry leaders. This has become even more relevant today as the speed of technology development is increasing exponentially. This is where learning and development come into play. Employers are increasingly investing in qualifying forms of training. According to the Economist's Lifelong Learning special report, the number of on-demand courses has grown exponentially. Thanks to the Internet, everyone is connected and can learn anything, anytime, anywhere.

6. Creating a flat and egalitarian organization

This best practice in HR principles is rooted in the egalitarian practices of Japanese management. Although we have just seen that some employees are more critical to the success of the organization than others, it should not be communicated that way. Every employee is a valuable member of the organization and should be treated as such. In Japanese organizations, this is expressed through common canteens, company uniforms, and similar sick and vacation entitlements. Such an egalitarian culture shows that everyone deserves equal respect and could help encourage the sharing of ideas.

7. Making information available to those who need it

Sharing information is essential. This is an area where many large companies struggle: How do you keep track of who knows what so you know where to go with your questions? According to Pfeffer, there are two reasons why information sharing is so important. First, open communication about strategy, finances and operations creates a culture where people feel trusted. It truly engages employees in the business. As an added effect, it discourages crosstalk and negative informal chatter. Second, if you want your people to share their ideas, they need to have an informed understanding of what's going on in the business.

Conclusion

The best practice seems problematic. Without a box, these practices are far less "best" than one might hope, sometimes seeming to present conflicting messages, not universally applicable, and tending to ignore any active input from employees - other than to help recruit employees goals - to organizations for which work. It is not clear that employees are as enthusiastic about the model as their employers, and if they are, their opinions are not given the same space. In arguing for the adoption of "best practice", human resource management is of the essence the employment relationship itself is oversimplified and distorted. Although this debate has been useful and has certainly catapulted discussions of the links between HRM and performance into the limelight, much more research is needed to make this happen, meaningful and careful enough to stand up to critical analysis. So much attention has been focused on the issue of performance that the nature of what is meant by "best practice" in HRM has been relatively ignored.

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