

HUMAN RESOURCE MANAGEMENT IN AUTOMOBILES

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Abstract: *One of the main HR related challenges within the automotive industry is due to the complexities of the automotive market itself which offers great profitability and success but challenges and failure are never far. The Chinese automotive market is the largest and one of the most diverse markets worldwide – as always, the greatest differences lie between rural and urban regions. The overall movement of qualified employees towards the developed coastal cities in Eastern China, means that HR Managers will generally experience major difficulties in attracting and retaining talented staff in those less developed and lower-tiered cities in Central and Western China – around 84% of young professionals work and live in either Shanghai or Beijing. Overall HR Duty is to keep the employees satisfied make sure that they get the performance bonus and also frequent hike in their salary keep them interested in working with the company which enables the employees to work more efficiently and meet their designated goals.*

Key Words: *Duties, Challenges, Measurement, HR.*

1. INTRODUCTION:

The automobiles in India is one of the larger markets in the world. It had previously been one of the fastest growing globally, but is currently experiencing flat or negative growth rates. India's passenger car and commercial vehicle manufacturing industry are the sixth largest in the world, with an annual production of more than 3.9 million units in 2011. Management of human resources basically aims at contributing human efforts through personnel employed in the organization towards achieving the objectives of the organization, and these should come out willingly with dedication and high degree of morale amongst the employees. Human resource management systems are proactive and are anticipated to bring about a cultural change in the organization. It seeks power equalization for trust and collaboration. There are many resources in an organization. Human resource is one such resource highly essential for an organization. The process of developing human resources is done systematically by an organization to Procure capabilities required to perform various functions associated with their present or expected future roles of an organization. It Improves their capabilities and 3 discover and use of their own potentials for their own and/or organizational developmental purposes. Organize a culture in which a supervisor-subordinate relationships, team works and collaboration among sub-units are strong and contribute to the professional well being, motivation, and pride of employees. The Human resource management mechanisms and techniques include performance appraisal, counseling and training, and organization development interventions are used to initiate, facilitate, and promote this process in a continuous way. As the Human resource management has no limits, the mechanisms may need to be examined periodically to see whether they are promoting (or) hindering the process. Organizations can facilitate this process of development by planning for it, and allocating organizational resources for the purpose.

2. DUTIES OF HUMAN RESOURCE MANAGER IN AUTOMOBILES:

Human resource manager, shortly called HR manager has several duties to do in an organization. Quality HR manager can help the organization in a great deal by appointing correct resource for the correct job position. HR manager should be very good in Planning and evaluating the Human resource and fit in the right person to the organization for the right kind of job. In many ways HR managers would be of great help to the organization. Let us learn about the core duties of HR manager.

Top Five Duties of Human Resource Manager

- Recruiting is the major duty of a HR manager. HR manager should recruit quality workforce to the organization by testing and take necessary interviews to select a quality resource to the company. From A to Z, every single activity of interviewing process is taken care by HR manager.
- Salary negotiation with the selected candidate is also an important duty of HR manager after the candidate is selected for the job.
- HR duty is to Conduct orientation and training programs for those who are newly selected to join the organization.
- Duty is check with the newly inducted persons whether they are satisfied with the pay and other things etc.
- HR manager duty is to see to that , the employees get frequent performance appraisals and make the employees stay motivated.

3. HUMAN RESOURCES CHALLENGES IN THE AUTOMOBILES:

An automotive business is only as strong as its employees. Within the automotive industry, human resources departments are tasked with identifying, recruiting and developing talent that ranges from cashiers to mechanics to managers and senior leaders. By remaining cognizant of the challenges they face, human resources professionals and owners of small automotive businesses can grow and improve the performance of those businesses.

Lack of a Human Resources Strategic Plan

According to business advising firm Schneider Downs, one of the biggest human resources challenges the auto industry faces is the fact that many automotive businesses lack a "comprehensive, step-by-step action plan to become an 'employer of choice.'" In other words, automotive businesses struggle with major human resources functions because they do not have a strategic, focused plan that involves hiring, training, delegating, promoting and releasing employees. Because they do not have strategic plans, Schneider Downs argues that most automotive businesses operate without both the strategies needed to find the right talent and the processes required to maximize their impact.

High Turnover

Turnover, or the number of employees who quit or are fired and must be replaced, is an key human resources problem in the automotive industry because it is both common and costly. According to Auto Dealer Monthly, the total cost of replacing a lower-level employee, such as a cashier in an auto dealership, is around \$3,000. Senior and skilled employees, such as sales professionals, managers and mechanics, cost even more to replace. To overcome this challenge, Auto Dealer Monthly suggests that automotive businesses closely review turnover metrics to identify patterns and causes of turnover. Once identified, patterns and causes can be strategically reversed.

Developing Leaders

While the Society for Human Resources Management notes that "developing the next generation of corporate leaders" is a key human resources challenge facing all industries, cultivating and training leaders is especially challenging for the automotive industry. High turnover can partially account for this challenge. When employees tend to leave a business just a few months or years after they are hired, senior staff cannot mentor them into leaders. Another reason why automotive businesses have difficulty developing leaders is the fact that the automotive industry tends to be focused on daily operations. Often struggling with few employees, numerous tasks to complete and the need to consistently redevelop marketing and advertising plans, automotive businesses regularly lack the time to institute management and leadership development programs.

Lack of Collaboration and Communication

In the automotive industry, effective human resources management means building and maintaining strong teams. However, as is true in most project-based industries, employees in the automotive industry tend to have difficulty communicating or working together. Instead, they are focused on completing the task at hand: repairing the malfunctioning vehicle, meeting an individual sales quota or completing a detailing job. According to Forbes, one of the best ways to develop leaders and meet human resources challenges is by developing employees' communication and collaboration skills.

Competence Awareness and Training

The requirements of ISO 9001 and ISO/TS 16949 regarding human resources (HR) are identical. It is necessary to:

- a) determine the necessary competence for personnel performing work affecting product quality,
- b) provide training or take other actions to satisfy these needs,
- c) evaluate the effectiveness of the actions taken,
- d) ensure that its personnel are aware of the relevance and importance of their activities and how they contribute to the achievement of the quality objectives, and
- e) maintain appropriate records of education, training, skills and experience.

ISO/TS 16949 puts even more emphasis on HR management by requiring that the organization must establish and maintain documented procedures for identifying training needs and achieving competence of all personnel performing activities affecting product quality. Personnel performing specific assigned tasks shall be qualified, as required, with particular attention paid to the satisfaction of customer requirements.

4. EFFECTIVE MANAGEMENT OF HUMAN RESOURCE:

It is common to divide company processes into the management processes, the value creating processes (also, the main or customer oriented processes – COPs) and supporting processes. The HR processes belong to the key supporting processes. All processes should be continuously improved, not just when shortcomings occur or in response to failures identified, but also as a result of a continuous review. An essential tool for improving processes is the ability to measure performance.

PROCESS ORIENTED STRUCTURE

4 Main clauses ISO 9001/9004

- Management Responsibility
- Resource Management
- Product Realization
- Measurement, Analysis and Improvement .

‘If you cannot measure it, you cannot control it
 If you cannot control it, you cannot manage it
 If you cannot manage it, you cannot improve it!’,
 Peter Drucker.

Every effectively managed organization tries to implement the “DEM-KAWA” MODEL principal as follows:

- Develop mutual interests
- Employee suggestions
- Personnel communications
- Employee participation
- Synchronizations - (internal) customer’s requirements and supplier’s specifications
- Information exchange
- Commendation & correction
- Promotion to influence.

5. MEASUREMENT OF THE PROCESS HUMAN RESOURCES

To be able to keep the HR processes effective and improve them, we have to define suitable processes and their measurement (performance indicators). These performance indicators are regularly reviewed by the management (typically monthly) to decide on appropriate action plans. Obvious measures that come to mind are the drawing up of the assigned HR budget, the number of performed training sessions, and the number of training days per year per employee. Then, we want to measure the effectiveness of the training sessions themselves. The training participants measure the performance of the training instructors, the content of the training material and success in reaching the training objectives. The most important measure of the training is its contribution to the improvement of workplace processes, in other words, it is the application of the acquired knowledge in the participant’s performance at work. This cannot be measured right after the training itself, it is measured after two to four months after the training, jointly by the employee and his/her supervisor. This ensures that the effectiveness of the training is measured as it affects the use of the newly acquired knowledge at the workplace. The employee satisfaction survey provides the opportunity to define many other important performance measures. These may concern communication of important information to the employees (info boards, closed TV circuit, etc.), the leadership of the management, the incentive program for improvement suggestions, quality and environmental awareness, safety at the workplace, etc. It is also very important to have well defined categories and measurements reflecting the reasons why the employees leave the company (turnover). Attending to the employee needs, and eliminating or mitigating the causes of the employee turnover is most important to stop the outflow of employees and stabilize the company performance. Only in the environment of openness and steady improvement of the employee / workplace conditions can the company objectives be met and provide the necessary conditions for the company culture.

6. HUMAN RESOURCE ISSUES IN THE AUTOMOTIVE INDUSTRY:

China’s automotive industry is booming and already holds a global market share of just under 20%. However, one of the most common challenges within the industry remains to be Human Resource Management which, still today, causes some of the largest issues faced by the industry. The following segments illustrate some of the most pressing considerations.



During the past few decades, ever more steps within the value chain of European automotive suppliers were outsourced to China. Whereas, in the early 90s, mainly manufacturing related processes were outsourced, later on in the same decade marketing, sales and distribution activities followed. Additionally, at the turn of the century, sourcing and servicing activities were localized and R&D including product development began to take place in China. This transfer of the entire automotive value chain caused an overall shortage of mid-management employees and lack of young professionals.

Job requirements make it increasingly difficult for young professionals in China to find work and in return shows the talent shortage that has become obvious throughout the automotive industry. Due to the rapid economic growth over the past three decades as well as the large waves of foreign direct investment (FDI) into China, the soaring demand for

skilled and qualified labour had to be mostly satisfied through local supply. Given the country's recent transition towards a market economy as well as the overall relatively low levels of education, supply shortages were inevitable from the start. It was then up to Human Resource Management to solve the labour and employment problems caused by this major change within the business landscape of China – a difficult task considering that 80% of employees in China do not plan to stay at their current jobs for more than two years and 55% actually change their jobs within three years.

7. CONCLUSION:

One of the main HR related challenges within the automotive industry is due to the complexities of the automotive market itself which offers great profitability and success but challenges and failure are never far. The Chinese automotive market is the largest and one of the most diverse markets worldwide – as always, the greatest differences lie between rural and urban regions. The overall movement of qualified employees towards the developed coastal cities in Eastern China, means that HR Managers will generally experience major difficulties in attracting and retaining talented staff in those less developed and lower-tiered cities in Central and Western China – around 84% of young professionals work and live in either Shanghai or Beijing. Overall HR Duty is to keep the employees satisfied make sure that they get the performance bonus and also frequent hike in their salary keep them interested in working with the company which enables the employees to work more efficiently and meet their designated goals.

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