

Human Resource Management for Gaining a Competitive Advantage

Kaewta Poopatanapong

Ramkhamhaeng University, Thailand.

Email: nik_3240@hotmail.com

Received December 11, 2018; **Revised** January 28, 2019; Accepted **February** 10, 2019

Abstract

The organization's operations under the rapidly changing economic, social, political, and technological environment in the globalization era. Both public and private organizations aim to increase efficiency. Effectiveness and productivity in order to have a competitive advantage, so it is a challenge for management to manage the limited resources to maximize benefits. Resources such as money, materials, management and human resources, etc. But among those resources, human resources are the most important factor because human resources are managing other factors. Take care to fix any errors that occur. Choose the right technology for use in work and production for the benefit of the organization. Strategic human resource management has changed from a proactive approach to a more proactive systematic analysis and planning for all human resource management activities is linked to the organization's strategy or goals. In order to acquire the human resources that are capable and suitable for the organization Human resource development to be creative and innovative that will add value to products or businesses to give the organization a competitive advantage in the future.

Keywords: Human resource; Management; Environment; Economy; Society; Politics

Introduction

Changes affect the adaptation of new ideas or changing organizational behavior. Technological progress, labor force, management in the globalization era, many competitors factors causing the organization to change. Changes in products, roles adjustment of employment, introduction of psychology (Psychological Contract) to explain what employees expect and what

the organization should provide employees. For example, the organization wants to provide better customer service and higher productivity levels while employees expect higher responsibility. Career advancement and a balance between work and family. Employees therefore want the organization to arrange flexible working hours, convenience from work conditions, development opportunities, training and incentive payments, etc.

In addition, employee engagement refers to the level in which employees are fully involved in their work, their work strengths and organizational engagement. Employees who have a high level of work-related and organizational commitment will help the organization gain a competitive advantage and increase productivity, better customer service, fewer resignations, and job-related jobs resulting from increased employee productivity, proud of employers, satisfied with employers and tasks, challenging work and supported by executives etc.

Modern organizations need talented people to join. Therefore, Talent Management is a system of strategic planning through the practice of human resource management, from proactive procurement and staff evaluation, Learning and development of performance management, incentives for compensation for highly skilled employees and managers, career management and new management training for leaders about leadership.

Key issues in human resource management regarding alternative work arrangements, such as the use of independent contractors, temporary workers, and employment from other companies in which employees are not regular employees of the organization (Outsource) etc. Which results in more flexible labor management, especially in the globalization era, Electronic Business Development (E-commerce), freedom of time allows employees to choose the time they want to balance work and family better that resulting in higher productivity. And what are the competitive challenges that affect human resource management that cause traditional operations to change?

Competitive Challenges Influencing Human Resource Management

The trend of the organization's survival in the 21st century has caused many human resource managers to face challenges such as increasing productivity, ability to increase efficiency, management, new training, motivation and retention of employees, etc. This is to enable the organization to adapt to the changing environment. From the study, it appears that many scholars have discussed the future challenges of human resource management as follows: Schuler (2003) says that the future human resource management trend is managing diverse people. Regarding

ethnicity, religion, and regulations, there are changes to be more universal. The development of technology causes the organization to adjust its strategy to focus on creativity, quick and quality work so that the organization can compete in the world market. Human resource management therefore is more strategic.

Noe and the others (2012) says that there are 3 challenges to influence human resource management which are Global Challenge, Stockholder Need and Challenge High-performance Work. Therefore, from the above challenges have changed the role of people in the organization, integration of technology and social systems, procurement and development of good relationships with related parties, including customers, supervisors, colleagues, etc. As for the challenges in the globalization world, the expansion of the international market, preparing employees to work overseas in advance.

Cascio (2006) says that the challenges of human resource management in the future can be considered in 3 issues: the environment, organizational and the individual because the rapid change of technology, the diversity of the workforce in the globalization era affects the management of organization for competition. There is a change in the structure of the work process to be more effective, so recruiting people must be suitable for the organization with responsibility and ethics because people are the factors that help the organization to have a quality of Work Life. Therefore, it is a very challenging job for the human resources department to do under those challenges.

Gomez (2004) says that human resource management in the future has three factors to consider: the environment, the organization and the individual, each of which has challenges that are affected, whether in the globalization era, the diversity of power Labor, decentralization, organization size reduction, productivity increase. Therefore, human resource management in the future will have to consider these things by focusing on strategic human resource management which is proactive rather than defensive operation while also considering the consistency with the policy of the organization and the changing environment.

Mondy and Noe (2010) says that managing human resources in the future has many challenges, including environment both inside and outside the organization, such as globalization, economy, technology, competition, customers, etc. As a result, the nature of human resource work has changed. The role of the Human Resources Division is a strategic partner to executives in order to drive the organization to the set goals.

Noe and the others (2017) says that human resource management challenges and competition that affect human resource management practices are in 3 areas: The Sustainability Challenge is the ability of an organization to remain and be successful under the competitive environment at all times. Success depends on the organization must know the needs of those involved such as employees, customers, communities, shareholders, etc. Sustainability is able to provide return to shareholders, provide high quality products to customers, promoting opportunities and fairness for employees, social responsibility and efficiency of using new methods of work, etc. Sustainability consists of the ability to manage economic and social changes that affect human resource management, population structure, the amount of labor demand, use of information in manpower planning, use of new technology in operations. Resulting in a reduction of manpower, the economy affects compensation and results.

The Global Challenge means that business operations have expanded into the international market, preparing staff for international work, long distance communication, data can be communicated all over the world, including internet, e-mail, social networking and video conferencing, etc., enabling businesses to connect and increase competitiveness. Hiring employees with diverse backgrounds or foreign business owners or sending work to less developed countries known as "off shoring", such as the United States sending work to India, China, Russia, Mexico, Brazil and the Philippines etc. Because wages are cheaper in America In the case of sending work to the countryside or out of town, it is called "on shorting" which policies or tax incentives for investment.

The Technology Challenge refers to the use of technology for communication and daily life. Many organizations have an e-commerce business model in which consumers buy products and services on-line, internet systems. Be used to create new business models that are electronically linked, and the benefits of technology have changed the way people work and work, helping to reduce management costs because of the use of mobile technology such as PDAs (personal digital assistants), I-pads, I-pods and social networking through websites, Facebook, Twitter, blogs, Linked In etc. The result is high performance, customer service development, and quality products that change staff's skills requirements. Working together more Structural changes and the creation of human resource information systems (HRIS) and e-HRM (Electronic human resource management). Therefore, human resource management to enhance the competitiveness of the organization must respond to various challenges that can occur.

Therefore, human resource management involves many variables, the response of business people, economic, social and technological conditions which is changing rapidly and from the above academic opinion about the challenges in managing human resources in the future to summarize as follows: Globalization: Human resource management in the era of globalization affects the policies and tasks of human resource management because the business scope is broader, not only within the country. Must consider the diversity of ethnicities and cultures that are different as well. Economy: When expanding economy, it causes competition. Therefore, the need for skilled employees and work more quality to create works and innovations for the organization. Social: Organization is a unit of society. Operations inevitably affect the society as a whole.

Therefore the organization must have social responsibility. At the same time, employees must be ethical, responsible to themselves and society. Technology: Since the change in technology affects the skill change of employees, the organization should arrange the development and training program for employees to have skills consistent with the technology used in the future.

Human Resource Management for Competitive Challenges As the environment changes, the competition for organizational survival affects the function of human resource management in every system, starting from human resource management. How to recruit and select highly capable people? What methods of human resource development will the future use (make) or Recruiting people by buying (buy) is a rigorous assessment of performance, trying to find a variety of methods, and the results of the evaluation should be consistent with the compensation. To create a good atmosphere at work and employees have good health and safety which will lead to quality of work life in the future and in all activities of human resource management directly related to motivation for employees to use their ability to create good products and services for customers. The following images are examples of human resource management practices that help organization can face the challenges of the following three reasons.

HRM Practices for Competitive Advantage

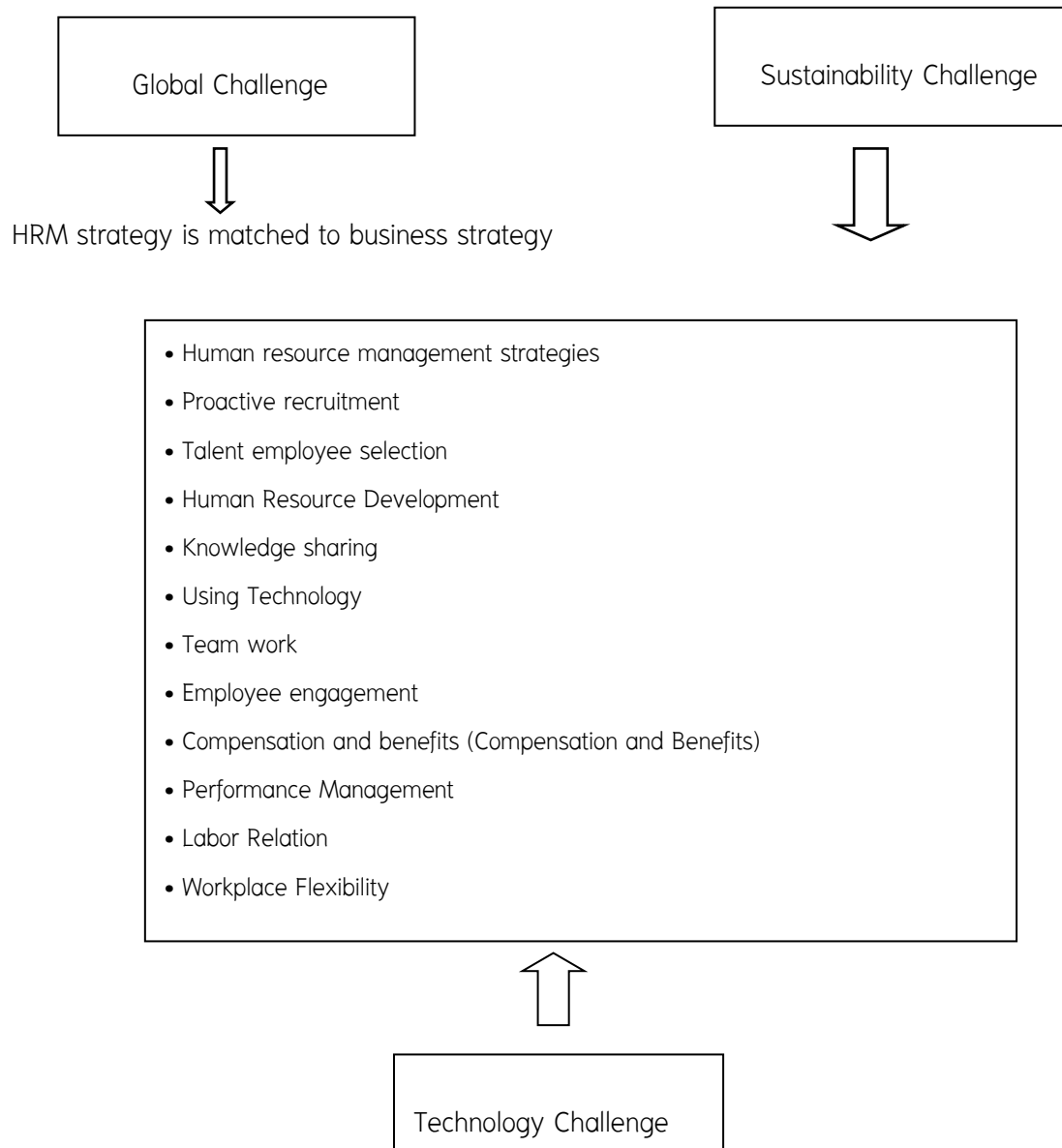
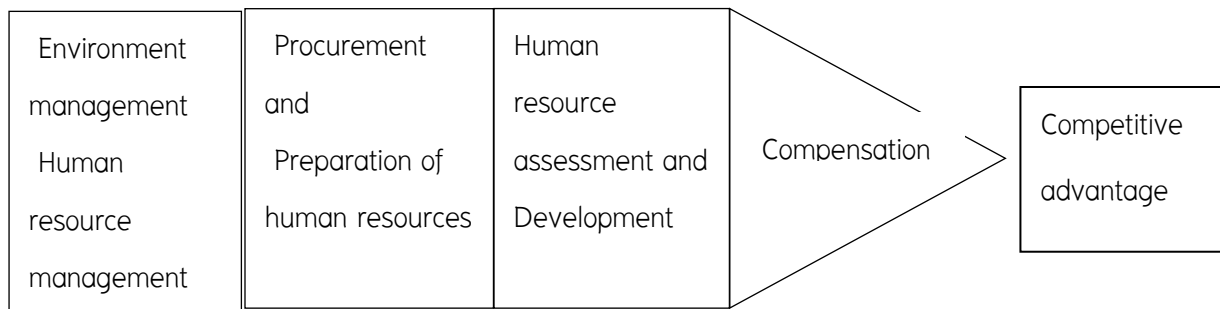


Figure 1 HRM Practices for Competitive Advantage

Therefore, the human resource management guideline which is relevant to the competitive challenge, we can consider it in 4 activities which are environment human resource management, procurement and preparation of human resources, assessment and development of human resources , compensation as follows:



From the picture, it shows guidelines for managing human resources for competition in all 4 main activities, but in some organizations there are additional specific activities such as labor relations, international human resource management, research on human resources, safety and health etc.

Environment management, human resource management

Human resource management under the rapidly changing environment of society, economy, politics and technology, resulting in human resource management now and in the future. Must consider environmental factors, both internal and external, such as labor force, laws and regulations, society, economy, competitors, customers and technology, etc. This is to ensure that human resource management is appropriate and in line with those environments.

Therefore, the human resource management environment has activities in this scope. Including human resource management strategies in accordance with the objectives of the organization by analyzing external and internal environments in each area. Defining guidelines and design for work that motivate and create satisfaction for employees and pay attention to good product and service quality. Monitoring that the organization is effective and competitive is determined by the satisfaction that satisfies the needs of those involved. Related parties are shareholders who want good return on investment, customers need high quality products or good service and employees want to do interesting work and receive fair compensation. The community wants the organization to have activities and projects that do not affect the environment, etc.

Procurement and preparation of human resources

The need for new products and services influences human resource management in relation to procurement. Human resources include determining the number and type of employees that agencies need to take a break from, promotion, retirement, etc. Managers have to predict the number and types of employees that are faced with customer needs regarding products and

services. Managers must determine the potential of current employees that can make products and services successful.

Therefore, human resource management activities in this area involve defining human resource requirements or human resource planning, recruiting and selecting staff, training staff to meet the skills required for their operations.

Human resource assessment and development

Managers must ensure that employees have the skills necessary for current and future work. Because of new technology and quality movements, many organizations design new jobs, focusing on teamwork. As a result, managers and employees must develop new skills for the success of a teamwork environment. Organizations need to create an environment to support the work of employees and other non-work activities.

Therefore, human resource management activities in this area are related to employee performance measurement. Preparing employees for future work, determining job interests, goals, values, and evaluating career progress of the department.

Human resource compensation

Job attractiveness, wages and benefits are the most important factors in motivating employees. The organization can offer exchanges for increased productivity, quality, and customer service. Wages and benefits are used to reward employees working in the organization and attract new employees. The positive influence of new job design, new technology, wage movements and benefits If employees are dissatisfied about the level of wages and benefits or the belief that wages and benefits are unfair. Therefore, human resource management in this area includes creating a wage system, providing support, rewards and providing benefits to employees.

In addition, the roles and competencies the human resource manager is concerned with is the ability to develop new human resources activities and partnerships, change management strategies, employee representations in connection with executives. Defining the use of technology and process design to increase efficiency and reduce costs. One of the greatest challenges in human resource managers is the transition from routine operations to strategic work for the future, and another major challenge is getting human resources ready in the future performance.

Administrative and control roles are reduced due to the increase in technology usage. In managing human information systems and allowing employees to use information more and more,

however, human resource management will be more effective depending on the analysis of the necessary skills, measurement and evaluation of human resource activities. Therefore, human resource management throughout the period, there has been increasing importance, especially in the future, the effective management of human resources transportation picking affect the performance of the organization, allowing employees to satisfy customers and other stakeholders contribute to building a competitive advantage to the organization.

Human resource management to create a competitive advantage therefore emphasizes the importance of humans in the organization. Human resource management faces the challenges of competition, including sustainability, globalization, technology, and more. The activities of effective human resource management should be consistent with the business strategy by analyzing internal and external environment such as economy, society, competitors, technology, employees, customers, etc. Set guidelines for employees to satisfy customers with quality products or services. Management of diverse labor later activities proactively procure and prepare human resources rather than defensively in order to recruit talent into the organization. Assessment and human resource development by developing skills necessary for the job. The use of technology in operations focuses on teamwork, knowledge sharing, employee involvement, transparent and fair evaluation, clear indicators, and encourages staff to progress. In a career compensation is an important activity that affects attracting and motivating people to work and makes employees work better. Lastly, the role and competency of the human resource manager who must work with the executives in formulating strategies, preparing employees for future work, promoting morality and ethics, etc. From all of the above, the author is confident that human resource management will be an important factor that gives the organization a competitive advantage.

References

Luis R. Gomez. (2004). *Managing Human Resource*. New Jersey: Prentice Hall.

Mondy and Noe. (2010). *Human Resource Management*. 8th ed, New Jersey: Prentice Hall.

Noe, Hollenbeck, Gerhart and Wright (2010). *Human Resource Management: Gaining a Competitive Advantage*, 8th ed, McGraw Hill.

Noe, Hollenbeck, Gerhart and Wright (2017), *Human Resource Management: Gaining a Competitive Advantage*, 10thed, McGraw Hill.

Susan E. Jackson and Randall S. Schuler (2003), *Managing Human Resource*, South-Western

Wayne F. Cascio (2006), *Managing Human Resources, Productivity, Quality of Work Life, Profits*, 7th ed, McGraw Hill.
