

TRENDS IN HUMAN RESOURCE MANAGEMENT IN THE LAST THREE YEARS - EMPLOYEE PERSPECTIVES

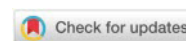
Liljana Pushova Stamenkova^{1*}, Marija Dimitrovska², Lazar Stošić³

¹MIT University, Faculty of Economics, Skopje, North Macedonia, E-mail: liljanapusova@yahoo.com

²Bosnalijek JSC, North Macedonia, E-mail: maria_bt2002@yahoo.com

³University UNION Nikola Tesla, Belgrade, Faculty of Management, Sremski Karlovci, Serbia

E-mail: lazar.stosic@famns.edu.rs



Abstract: Human resource management field has met many challenges in the past three years, mostly due to the Corona virus pandemic. This is the main inspiration for this paper, whose purpose is to examine the latest trends in the human resource management field. The COVID-19 has inevitably affected all organizations all over the world. The pandemic has created a complex and very challenging internal and external environment for the companies, which caused concerns for managers and human resource management (HRM) practitioners. Because of this, they need to find new solutions to help their employees to cope with this extraordinary crisis. The main idea behind the research is to evaluate the impact of the corona crisis on the modern workplace, i.e. to examine the influence on the pandemic on the HRM practices and trends. One of the aims of this paper is to analyze the trends in the field of human resource management, examined through the employee's perspective. The methods used are induction, deduction, generalization and structured questionnaire. The research was conducted using a structured questionnaire in an international company, based in Skopje, North Macedonia. The results obtained from the 120 respondents show that grand changes have taken place in the field of HRM, mostly due to the corona virus pandemic. Employees, as well as company managers, are facing the fast-paced changes, which occur in the global economy, under the pressure of global pandemic. The main characteristic of 21st century is dynamic environment that imposes many challenges to companies. Based on the research results that were obtained, we can draw the conclusion that HRM sector is one of the most dynamic, fast changing and prone to fluctuations. This leads us to the inevitable need for HRM practitioners and organizations to develop an adequate approach to the emerging challenges. Contemporary organizations are intensifying their efforts in order to find an appropriate human resource management model, which will enable them to successfully deal with those challenges through the efficient use of available human resources.

Key words: human resource management, flexibility, learning organizations, healthy organizations

1. INTRODUCTION

The modern workplace has imposed substantial changes in human resource management practices. HRM has changed dramatically over the last century, with an essential shift in form and function occurring especially in the last two decades. In recent years, especially in the last 3 years (since the outbreak of the Corona pandemic), the function of HRM in corporations has changed immensely. HR is rapidly being recognized as a crucial strategic value for overall company success. Why is this so? Because modern workplaces are changing at a rapid pace. HRM, as an integral part of the company, must be prepared to deal with the effects of changing world of work and business. Information technology, Digital technologies, Information and Communication Technology, and automation along with other technological advances have re-defined and re-shaped the business world, as well as all the other spheres of life. Everything, including our way of thinking, living, communicating and working has changed drastically. Our culture, economies, demographics and even society have been affected by these technological changes – it is simply inevitable.

Human resources are very complex and unique resources that cannot be copied by competitors. Due to these specificities, management of human resources is very difficult task that every organization faces. Over the last three years, organizations navigated a global Corona pandemic, which brought many uncertainties - the switch to remote work, hybrid models of work, and flexibility as the most praised work place characteristics.

*Corresponding author: liljanapusova@yahoo.com



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2. PURPOSE, OBJECTIVES AND METHODS

The main idea of this research paper is to review the latest trends in the human resource sector, which is strongly affected by the pressure of the Corona pandemic, as well as the more and more visible economic uncertainty, inflation and potential recession all over the world. The main purpose of this research was to analyze, define and summarize the emerging trends in the human resource management area.

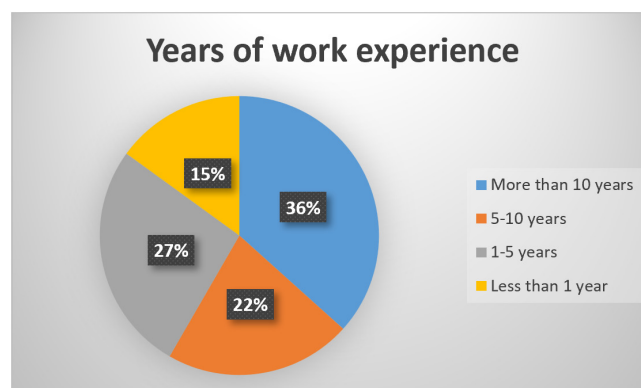
The research was conducted via structured questionnaire and it was based on the employees' perspectives in the organizations. The research was conducted in the period of one month in an international company, based in Skopje, North Macedonia. The company works in the field of sales and retail. We have received 120 fully answered of total 135 questionnaires. Some of the results valid for the purposes of this paper are given in the further text.

Furthermore, the methods of induction, deduction and summarization were used. Additionally, the most recent research findings, papers and scientific literature about the impact of the corona virus pandemic on HRM practices were analyzed.

3. RESULTS – TRENDS IN HRM

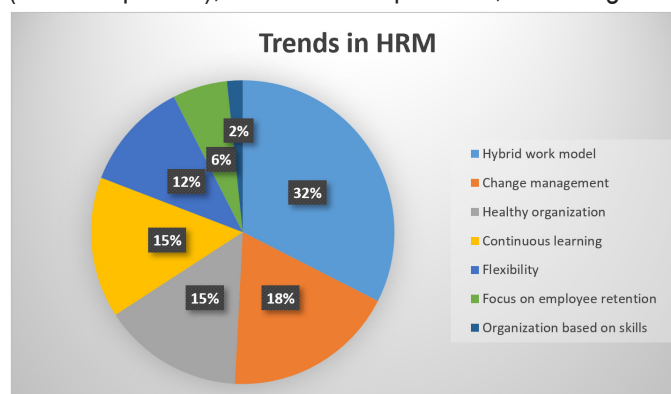
The total number of respondents is 120, out of 135 delivered questionnaires. The research was conducted in electronic form.

The first question was about the years of experience in the company which is a subject of research. 36 percent of the respondents have more than 10 years of experience in the company, 22 percent have 5-10 years of experience in the company, 27 % have 1-5 years of experience, whereas 15 % of the respondents have less than one year of experience in the company.



Graph 1. Work experience of respondents
Source: Own research

In the graph below we have shown the results of the next question, regarding the trends in HRM sector. Respondents were offered 7 emerging trends, and they were supposed to rank the trends with 1 (most important) to 7 (not so important), due to their experience, knowledge and work practice.



Graph 2. Trends in HRM sector Source: Own research

3.1. Emphasis on the hybrid work model

As shown in the graph, most of the respondents (32%, or 39 of the 120 respondents) identified Emphasis on the hybrid work model as the most important trend in HRM in their company in the last 3 years.

With things getting back on track after the Corona virus pandemic and the strong misbalance which was caused in the business world, the workplace is now re-shaped and re-defined in order to provide a more suitable approach for its employees and their productivity, which is best shown the form of a hybrid work model. The hybrid work model is a mixture of office and remote work, in accordance with the company possibilities and employee's preferences and it is a very flexible work model with the employee in its center.

The importance of the hybrid work model is noticeable all over the world. In relation to this, according to a report (<https://www.zippia.com/advice/hybrid-work-statistics/>) "74% of U.S. companies are using or planning to implement a permanent hybrid work model." As the number of organizations that are adopting this work model increases, it is very clear that the hybrid work model will be very important for the HRM sector in the upcoming years.

As the results from our research show, big number of Macedonian employees also emphasize the importance of the hybrid work model, so employers shall make various changes to adapt to this trend.

3.2. Change Management importance

Change management as an emerging trend in HRM in the last 3 years was chosen as the most important trend by 22/120 respondents, or 18%.

Change management as a basic management practice in the last decade is focused on the changes in the organization's goals, internal processes or used technology. Change management's main intention is to implement changes within the frames of the organization, with as low as possible rate of revolt and ignorance by its employees. The process of acceptance and adaptation to changes is crucial. How can managers do this? If employees are included in the everyday challenges happening in the organization, if they are encouraged to recommend improvements that are to be made, if they are involved in certain basic decision-making processes, employees will grasp the concept of the changed processes and new initiatives in the organization. Thus, employees will be motivated by the change and the meaning of the change for their everyday work, they will accept it easy and the company will be able to fulfill its mission.

3.3. Healthy organization

In the past decade, many companies have finally paid attention to the employee's health and overall wellbeing. The burnout syndrome is very common and it is present in nearly all industries. The uncertainty of the work posts, the pressure of the Corona virus pandemic, the closure of many businesses or the reduction of the scale of businesses has brought even more pressure and problems for the workers. However, HR managers are very familiar with the trend of employee's mental and physical health care and overall wellbeing. Many companies offer different benefits and even programs for employee's good health and wellbeing. The research results show that 18/120 respondent (15%) said that this is the most important trend in HRM in the last three years.

Globally, one of the newest trends is "The Healthy Organization" (https://joshbersin.com/wp-content/uploads/2021/10/HW-21_10-DefGuide-The-Healthy-Organization-ExecSum.pdf), which represents a holistic and more inclusive approach to wellbeing of the employees. This concept of the healthy organizations goes beyond the physical health and safety of the employees, which are now seen as a basic need, and aims to provide greater flexibility and more diverse opportunities for their training and empowerment.

The Healthy Organization concept is consisted of these elements:

- Physical Health
- Mental Well-being
- Financial Fitness
- Social Health and Community Service
- Safe Workplace
- Healthy Culture

All of the 6 pillars of the healthy organization are consisted of separate parts, given in the picture below.



Picture 1. The healthy organization

Source: https://joshbersin.com/wp-content/uploads/2021/10/HW-21_10-DefGuide-The-Healthy-Organization-ExecSum.pdf

3.4. Continuous learning

The trend of continuous learning can be defined as one of the newest, but also oldest trends in the HRM field. Continuous learning is simply an everlasting trend, it is inevitable for successful organizations and it must happen every day. During the Corona pandemic and the quarantines, many professional have finally found time and resources to learn new skills. As knowledge leads to personal and professional growth, this is one of the main resources for the modern organizations. Continuous learning for companies and employees is inevitable in the modern economies. With the fast transfer of information and knowledge, only the companies which adapt fast to this will be successful. More and more companies invest in continuous learning programs for their employees, enabling organizational and personal growth. Many modern companies invest in courses, online workshops, e-libraries, transfer of knowledge programs, etc.

Our research has shown that continuous learning is the most important trend for 18/120 respondents (15%).

3.5. Flexibility for all employees

Flexibility is the trend which is defined as the most important for 14/120 respondent which took part in our research. Even though the importance of flexibility has been on the rise before the pandemic, corona virus pandemic has demonstrated everyone that companies must be flexible and adaptive in order to survive in the fast-changing environment. Flexibility was inevitable even for the companies that were not ready for it at the time of lockdowns and curfews. Companies had to adapt to non-traditional work environments, such as remote work, hybrid work models, flexible schedules etc. Nowadays, when the business world is more or less stable and the pandemic has passed, increased number of companies have decided to stay as flexible as possible and did not go back to their pre-pandemic routines. Flexibility is very important for organizations and for employees, because it shows that employees can be productive no matter where and when they do their work. However, this greatly depends on the work position and work obligations, as some of the work can not be done from home.

A flexible work environment offers many benefits for both organizations and employees. For employees, it helps them to balance their personal/professional life. For companies, it increases the company's work ethics, company's morale and shapes the organizational culture.

3.6. Focus on employee retention

One of the biggest trends in the HR world is the focus on employee retention. Today, companies are increasingly concerned about losing their top talent and recognize that it is more profitable to invest in retaining existing employees than to constantly recruit and train new ones. If a company is faced with a loss of the best employees, this can lead to workloads that are hard to manage, as well as lost morale and problems in the organizational culture. This brings us to the conclusion that companies must be proactive, not reactive when it comes to employees retention strategies. Companies have a handful of strategies at their disposal – compensation reviews for employees, rewards for skilled workers, loyalty programs, lifelong learning opportunities, reskilling programs, etc.

Even though this is an important trend in the world, our respondents did not recognize this as an essential trend for the organizations – only 7 out of 120 respondents said that this is the most important HRM trend.

3.7. An organization based on knowledge and skills

The results from the research show that only 2% of the respondents see the organization based on knowledge and skills as the most important HRM trend in the last 3 years.

The knowledge and skills-based organization is not only a fundamental paradigm shift in talent management, but also changes the way work is organized in companies. This approach allows skills-based organizations to achieve greater agility as they can quickly target and reallocate talent to respond to changes in real time.

4. CONCLUSION

The field of human resource management has been broadly impacted by the corona virus pandemic. Covid – 19 has caused significant challenges for HRM managers, but also for the companies, employees and businesses in general.

In the past, the only focus of the HRM was to pick, to train and to maintain the right person for the right job. This has changed immensely in the last three years, which were a subject of research for this paper.

As the research has shown, new paradigms have been defined in the field of management of human potentials in the companies. Due to the changed circumstances, the hybrid work model has been on the rise as never before. Increased number of companies are adopting this model of work, as it showed that it could bring equal, if not better results than the classical in-office work. The research, as well as the literature review, has given the nuisance that the hybrid work model will be the primary work model in the upcoming years. Furthermore, research has shown that companies shall work on their change management strategies, as employees want to feel that they are part of the changes which are happening in the company where they work. This means that employees do not want to be only a mere spectator of the company's changes – they want to be the engine that stands behind the need and realization of company's changes. Employee well-being and the healthy organization are also a rising trend. A big number of companies offer programs for stress reduction, mental and physical health, overall well-being. In North Macedonia the number of these programs in the companies is still small, but it is on the rise. Additionally, modern companies should pay attention to knowledge transfer strategies, learning opportunities, lifelong learning possibilities for employees. The need for continuity in the education, mostly caused by the fast changes and fast technological development, is now greater than ever before. Knowledge is becoming obsolete very fast and this is the reason why companies and employees should invest in knowledge transfer practices, continuous education and professional development of staff. Another trend that is noticed in the past three years is the focus on flexibility – the idea that workers can be productive no matter where and when they do their work. Moreover, this trend has impact on the organizational culture, work ethics, employee's morale, etc.

Companies and HRM can never be prepared enough for the fast changes that are happening in this sector. The work environment is very dynamic. Human resource managers should be always proactive, dynamic, willing to learn and reactive to the fast development and changes.

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