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Review

Shifting paradigms in people management

Jayashree Sadri

Research Scholar at JJT University, Management Consultant based in the Tricity of Panchkula-Chandigarh-Mohali and Visiting Professor of H R and Business Ethics at a number of B Schools
Email: jayashree_sadri@yahoo.co.in

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During the last two decades when the author taught Human Resources Management at the postgraduate level a paradigm change was noticed in the published literature on the subject as well as in the focus of academic inquiry. The basic paradigm has shifted over the years when this specialisation called HRM developed. However, seldom is the student exposed to the development of this specialisation in socio-historical perspective. This is just what has been attempted in this paper. It traces the genesis of HR from the industrial revolution up until the post WTO regime. Having done that it indicates the trend this specialisation is likely to take in the immediate future. As such this paper is directed to professionals and scholars in the field of human resources management and lays the foundation for further discourse on behavioural and attitudinal relationships between Man and Organisation.

Keywords: Shifting, Paradigms, Management

INTRODUCTION

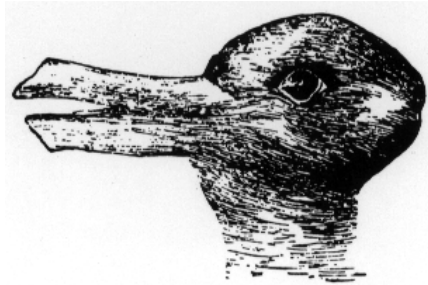
People are perhaps the most volatile of resources available to a company and the human mind is perhaps the most fathomable of the lot. Hence managing human resources is no mean feat. Man conditions the environment and is conditioned by it, in turn. Those who have to manage this resource often know what is to be done but lack in the knowledge of how best it can be done, very much like Voltaire's fabled mosquito, that 'knew what to do but was at a loss as to where to begin'. As environment changes, the knowledge of managing human resources changes and with every change, a new paradigm emerges. This evolution is like the shifting sands of time which must be comprehended first and their cause and effect only conceptualised later. This is what this paper sets out to do.

It is well known that HR is no longer restricted to meeting statutory obligations on the one hand and looking after canteens, crèches and latrines on the other. It has now emerged from a strategic option to being a strategic compulsion where the Head of HR is a part of

the strategy formulation *and* the strategy implementation team. But how did the importance of this subject come about and how did its character develop? For this we have to delve into the social and historical growth of what we call industrialised society. It will assist our understanding if we were to demarcate societal growth in stages and relate each stage to the role of both capital and labour within each of these stages. The reader would be aware that phases of growth often overlap and cannot be discretely demarcated with definite periodicity. However, a general trend can be indicated which this author has attempted. As will be seen, with each new stage of growth a new paradigm emerged up until now when it is better to call it People Management.

Definitional Underpinning

Since the late 1960s, the word paradigm has referred to 'a thought pattern in any scientific discipline or other



epistemological context'. Initially the word was specific to grammar: the 1900 Merriam-Webster dictionary defines its technical use only in the context of grammar or, in rhetoric, as a term for an illustrative parable or fable. In linguistics, Ferdinand de Saussure used paradigm to refer to a class of elements with similarities. Paradigm shift is the term first used by Thomas Kuhn in his influential 1962 book *The Structure of Scientific Revolutions* to describe a 'change in basic assumptions within the ruling theory of science'. The term has since become widely applied to many other realms of human experience, even though Kuhn himself restricted the use of the term to the hard sciences. Today it has become a part of 'management speak'.

According to Kuhn, *The Essential Tension*, 1997, "a paradigm is what members of a scientific community, and they alone, share". Kuhn in *The Structure of Scientific Revolutions* had argued, "Unlike a normal scientist a student in the humanities has constantly before him a number of competing and incommensurable solutions to these problems, solutions that he must ultimately examine for himself." However, once a paradigm shift is complete, a scientist is not allowed the luxury, for example, of positing a new possibility to a given occurrence without challenging the paradigm *de facto*. Kuhn used the duck-rabbit optical illusion (given below) to demonstrate the way in which a paradigm shift could cause one to see the same information in an entirely different way. Thus, paradigms, in the sense that Kuhn used them, do not exist in Humanities or social sciences. Nonetheless, the term has been adopted since the 1960s and applied in non-scientific contexts.

Kuhnian paradigm shifts are of interest in understanding the essence of this paper's argument. A scientific revolution occurs, according to Kuhn, when scientists encounter anomalies which cannot be explained by the universally accepted paradigm within which scientific progress has there to be made. The paradigm, in Kuhn's view, is not simply the current theory, but the entire worldview in which it exists, and all of the implications which come with it. There are anomalies for all paradigms, Kuhn maintained, that are brushed away as acceptable levels of error, or simply ignored and not dealt with (a principal argument Kuhn uses to reject Karl Popper's model of falsifiability as the key force involved in scientific change. Karl Raimund Popper writing in *The*

Poverty of Historicism stated that a theory in natural and physical sciences can be falsified but in social sciences they can only be *refuted and not falsified* since the assumptions are known to differ widely. When this is factored into the mutable nature of social reality it is difficult, if not impossible, to say that such and such a proposition is false. At best we can say, that "on the basis of data we refute the contentions made." In the case of HR, the organisation exists within a given social environment and is conditioned by it. So when the environment changes organisational policies and practices including HR change and a paradigm shift is triggered.

Conversely, according to Kuhn, anomalies have various levels of significance to the practitioners of science at the time. Kuhn's model of scientific change differs in many places, from that of the logical positivists in that it puts an enhanced emphasis on the individual humans involved as scientists, rather than abstracting science into a purely logical or philosophical venture. This point was not lost on Einstein who held that "imagination is more important than knowledge" and Vivekananda who proclaimed that "all knowledge that the world has ever received comes from the mind; the infinite library of the universe is in our own mind." Knowledge thus does not lie in facts *per se*, but rather in how we choose to perceive them and act upon that perception. Since Marx, all positive economists have maintained that man (read humankind) is the beginning and the end of analysis; he is both the subject and the object of all inquiry.

HR is not a discipline in the sense of economics, sociology, political science or psychology but rather a combination of several of these disciplines from the social and moral sciences, making it a professional specialisation. For the purpose of this paper a paradigm *is a scientific world view about the nature and content of HR taken by experts in the academic and professional communities concerned with this specialisation*. This paper will attempt to shed light on how the nature and content of HR has changed over a period of time.

Shifting Scientific Paradigms

When enough significant anomalies have accrued against a current paradigm, (or when the environment

has significantly changed) the scientific discipline is thrown into a state of crisis, according to Kuhn. During this crisis, new ideas, perhaps ones previously discarded, are tried. Eventually a new paradigm is formed, which gains its own new followers, and an intellectual "battle" takes place between the followers of the new paradigm and the hold-outs of the old paradigm. After a given discipline has changed from one paradigm to another, this is called, in Kuhn's terminology, a *scientific revolution* or a *paradigm shift*. It is often this final conclusion, the result of the long process, which is meant when the term paradigm shift is used colloquially: simply the (often radical) change of worldview, without reference to the specificities of Kuhn's historical argument.

A common misinterpretation of paradigms is the belief that the discovery of paradigm shifts and the dynamic nature of science (with its many opportunities for subjective judgments by scientists) is a case for *relativism*: the view that all kinds of belief systems are equal, such that magic, religious concepts or pseudoscience would be of equal working value to true science (Giddens). Kuhn had vehemently denied this interpretation and stated that when a scientific paradigm is replaced by a new one, albeit through a complex social process, the new one is always better, not just different. Contrast this with Sadri (1994) when he had stated that "a theory is an abstraction of reality that seeks to explain reality. If a theory cannot explain reality it is a meta theory, a quasi theory or not a theory at all." So, for him, the distinction between theory and practice disappears. A theory when fully refuted, Sadri said, is replaced by a new theory very much like Kuhn's paradigm.

There was no one correct answer and every theoretical position was *contingent upon* the situation in which it was developed. These claims of relativism are, in a way, tied to another claim that Kuhn does at least somewhat endorse: that the language and theories of different paradigms cannot be translated into one another or rationally evaluated against one another — that they are incommensurable. This gave rise to much talk of different peoples and cultures having radically different worldviews or conceptual schemes — so different that whether or not one was better, they could not be understood by one another. However, the philosopher Donald Davidson published a highly-regarded essay in 1974, *On the Very Idea of a Conceptual Scheme*, arguing that the notion that any languages or theories could be incommensurable with one another was itself incoherent. If this is correct, Kuhn's claims must be taken in a weaker sense than they often are. Furthermore, the impressive influence of the Kuhnian analysis on social science has long been tenuous with the wide application of multi-paradigmatic approaches in order to understand complex human behaviour. A good example may be found in John Hassard's, *Sociology and Organisation Theory. Positivism, Paradigm and Post-modernity*, and another in shifting HR paradigms, which this paper attempts.

In *The Structure of Scientific Revolutions*, Kuhn had written that "Successive transition from one paradigm to another via revolution is the usual developmental pattern of mature science." Kuhn's idea was itself revolutionary in its time, as it caused a major change in the way that academics talk about science. However, philosophers and historians of science, including Kuhn himself, ultimately accepted a modified version of Kuhn's model, which synthesizes his original view with the "gradualist" (evolutionary) model that preceded it. Kuhn's original model is now generally seen by social scientists like Rex, Dahl and Dahrendorf as being too limited and the gradualist variant is more acceptable.

The Paradigm of Primitive Accumulation

Political economists will vouchsafe that *primitive accumulation of capital* was a concept introduced by Karl Marx in part 8 of the first volume of *Das Kapital*. Its purpose was to help explain how the capitalist mode of production can come into being. Capital (to Marx) was money that makes more money, value in search of surplus-value. In other words, it is money that gets reinvested. It originates in the activity of buying goods in order to resell them at a profit, and first emerges in commercial trade connecting different economic communities, whose production is not yet capitalist. The existence of usury capital, bank capital, rentier capital and merchant capital historically precedes capitalist industry. However the modern view is that Capital is not money but "man made aid to production".

Marx showed in *Das Kapital* how "money is changed into capital" and "how capital generates surplus-value" forming more capital. But in doing so, he had already assumed that there exists a mass of Capital available for investment, and there already exists exploitable labour power. He had shown how capitalist production could itself reproduce the conditions of its own existence on an ever broader scale. But, as he had said, "the whole movement seems to turn into a vicious circle". How this original mass of capital came about is usually explained away by "corruption" prompting Marxists to (erroneously) state that "corruption is a necessary condition of capitalism".

But market expansion is not simply a process of the peaceful, gradual increase of commercial trade. It is also a story of violence and conquest, piracy and plunder, theft and robbery, which destroys natural economy. This author would then argue that *primitive accumulation*, is nothing else than the historical process of divorcing the producer from the means of production. It appears as primitive, because it forms the pre-historic stage of capital and of the mode of production corresponding with it." Examples of such accumulation abound in the BIMARU states where labour is wantonly exploited and in most parts of rural India where exploitation of women and

children is passé. Basically, the whole purpose of primitive accumulation is to privatise the means of production, so that the owners can make money from the surplus labour of those who, lacking other means, must work for them. Agricultural labour in Maharashtra is a good case in point.

The first known rural-urban migration in India took place centuries ago (4th. Century AD) and since primitive industry was at the time either monopolised by skilled craftsmen and their guilds or owned by the monarch, reform took place spasmodically and quite infrequently. It was governed by the needs of the state e.g. war, famine, draught, trade links etc. This period lasted up until about the late 1800. Developments took place mainly in Europe, while China, India, Russia and Turkey remained very much under monarchic-feudal rule. Labour was a commodity to be exploited, misused and discarded at will. Labour had no rights but a string of obligations and duties that could never be avoided. Treatment of capital was more decorous and respectful than the treatment of labour. This was the era of trade when wealth was hoarded by the Monarch in the name of the State. Under the East India Company the despicable and slanderous exploitation of India's wealth was nothing but *primitive accumulation*, and it was only towards the last decades of the 19th century that "a new awakening of the Indian psyche" took place. In this paradigm labour was but a resource meant for maximum use and the management of labour became the "art of exploitation".

The Paradigm of Workers' Emancipation

The technology led automation that entered industry after the Industrial Revolution brought both capital and labour into direct and permanent contact for purposes of continued production. Such production was either: (a) In unique pieces where one of a kind was produced and the industry went on to make another product of another proportion but of the same kind (as in the case of ship building). (b) In batches or lots, when the mould, shape, size etc. of the product was kept uniform for that batch only (as in the case of utensils, toys, wheelbarrows etc.). (c) In mass production when the assembly line concept entered the scene and persons did just that much which was assigned to them and it contributed to the making of a final product (as in the case of the motor car).

In the case of (a) skilled craftsmen and their guilds continued to hold sway. In the case of (b) a certain amount of planning and designing as called for alongside of automation. In the case of (c) the worker was alienated from the final product and technology aided automation took over. This was during the period between 1800 and 1860 and this is when a scientific concern for labour welfare first arose on a scale hitherto unknown. This was also when the 12 hour working day was the norm and the 16 hour working day as well as child labour was not

uncommon. As a result of the Second International Workingmen's Association meeting in Paris, an 8-hour working day was declared on 1st May 1849. [This is why we celebrate May 1st as the International Labour Day].

In Indian this new paradigm took shape when the Government of India passed on from the hands of the East India Company to the British Monarch in the third quarter of the 19th century, a semblance of development started. English was introduced as a medium of instruction in schools new sociological elite started to be nurtured. This elite, it was argued, would be constitute anglophiles that would serve the British masters well. However, this coincided with the spiritualist movement of Vivekananda and first Indian industries under Jamshedjee Tata and Ardeshir Godrej began to take shape. This was followed by a literary movement under Rabindranath Tagore and Bal Gangadhar Tilak which merged with a patriotic movement that Dadabhai Naoroji began and his pupil Mohandas Gandhi was to champion in the years to come.

The Paradigm of Industrialisation

The concept of labour relations started with the industrial revolution. "All value was created by labour" according to economists like David Ricardo, Karl Marx and Piero Sraffa. Hence it was in the interest of the capitalist to see that the value producing factor was hale and hearty. This was not due to any altruistic motive but pure business compulsions so that the process of generating and expropriating surplus value under capitalism went on unabated. Good health of labour was directly connected with creation of the terms and conditions that helped generate primitive exploitation. This was *not* something that was lost on the scientific socialists according to Mandel.

The origins of the concern for labour welfare may well have begun with Karl Marx and Frederick Engels in 1848 but it was long after their time that HR as a subject began to take an embryonic - nucleus form. Industrial Revolution created a supply of goods produced in the factories of Europe. To keep the supply going and maintain low costs, cheap raw materials were needed. Labour was paid just enough to stay alive because they thought that more money as wage would induce leisure and production would suffer. The goods that were being produced also had to be sold. So this role was filled up by the colonies that supplied dirt-cheap raw material like coal, iron ore bauxite, copper, gold and even indentured labour on the one hand and the nobility in the colonies bought European made goods on the other hand.

The industrialisation of Europe had a direct repercussion on the rest of the world. In particular there were three notable effects. (a) Colonialism served an economic function of supporting the industrial evolution. (b) Industry in the colonies could not compete with

Europe because of military oppression and forced closures. (c) In the name of modernisation the colonial nobility, traders and other rich classes began to westernise and use good produced in Europe.

In India, this was the point when concern for labour welfare joined hands with the nationalist-feudal cause and the people in the colonies began to unite under a common banner. (e.g. Buckingham and Carnatic Mills Strike under the leadership of Sorabji Bengali in Madras and Bombay Mills Strike under the leadership of Ranadive). Charlie Andrews and Subhash Bose organised the first worker movement in the east when the TISCO Workers Union was formed in Jamshedpur. The trade union movement in the colonies had, no doubt, started but HR had not even been conceptualised. In Europe the Trade Union Movement remained in the form of Guilds and began to take serious roots. Writers like Wilfred Owen, Alexander Dumas and Charles Dickens chronicled the plight of labour in their novels but that was it

The Paradigm of Labour Awakening

Then came the First World War (1914-18) and the Great October Revolution of 1917 which for the first time prompted labour to take control of industry in the Soviet Union. The effect of this was that the rest of Europe did not want this to happen in their country and so Labour welfare became a serious concern for the political leadership in Germany under Bismarck, France under Clemenceau, Britain under Edward VII and Italy under Mazzini. This was the birth of HRM (then called labour relations) when concern for employee welfare became a part of state policy. The League of Nations was started and the Socialist Revolt in Germany was brutally crushed at this time. This was also the period when Elton Mayo classic began work on Motivation Theory. However the concern for labour was yet to be crystallised into a specialisation and remained within the ambit of industrial psychology and industrial sociology.

Then came the Second World War (1938-45) and since the League of Nations could not prevent war it had died a natural death and with it the international concern for labour had become dormant. But in 1945 thanks to President Roosevelt in USA and Premier Stalin in USSR labour came back on the state agenda and employees in India got a fresh lease of life as the de-colonisation process began two years thereafter.

The period from the beginning of the 20th century up until the 1960s witnessed the paradigm of labour awakening. The Fabian Society was founded on 4 January 1884 in London as an offshoot of a society founded in 1883 called The Fellowship of the New Life and is a British socialist intellectual movement, whose purpose was to advance the socialist cause by gradualist and reformist, rather than revolutionary means. It is best

known for its initial ground-breaking work beginning in the late 19th century and then up to World War I. The society laid many of the foundations of the Labour Party during this period; subsequently, it affected the policies of newly independent British colonies, especially India, and is still in existence today, one of 15 socialist societies affiliated to the Labour Party. Similar societies exist in Australia (the Australian Fabian Society), Canada (the Douglas-Coldwell Foundation and in past the League for Social Reconstruction), and New Zealand. The Fabians also founded the London School of Economics and Political Science and their writings had a great impact on the initial Indian labour movement of Bengali and Ranadive.

The *League for Industrial Democracy* (or LID) that was founded in 1905 by a group of notable socialists including Jack London, Norman Thomas, and Upton Sinclair took inspiration from the Webbs and other Fabians. Its original name was the Intercollegiate Socialist Society, and its stated purpose was that of "educating Americans about the need to extend democracy to every aspect of our society." Under its former name, the League focused its efforts on proselytizing to college students about the labour movement, socialism, and industrial democracy; in 1921, it assumed its new name and enlarged its scope to society at large. The Students for a Democratic Society (SDS) grew out of its youth section, the Student League for Industrial Democracy (SLID). By 1965, however, SDS had totally divorced itself from the LID. Its influence on Indian labour movement was relatively less than that of the Fabians but nevertheless they introduced the concept of pamphleteering within Indian labour movement.

It was during the post 1945 period of this era that India witnessed the rise of Labour Officers who were usually retired armed services personnel employed for four reasons: (a) Maintain discipline. (b) Prevent the formation of and break-up the leadership of trade unionism. (c) Handle Recruitment and Termination; and (d) keep some form of attendance and personnel records. Between 1950 and 1967 (approx.) these Labour Officers controlled labour matters with a stern hand. With Industrial Policy Resolution of 1956 the need for educated Labour Officers rose and it is during the same period labour legislation became very important and many Labour Officers had to obtain Law Degrees to meet statutory obligations. It became an era where regulators and regulations held sway.

The Paradigm of State Capitalism

The rise of India's public sector between 1950 and 1980 is well chronicled and with it the State emerged as the largest employer of labour acting as if it were a capitalist. Some economists like Sadri therefore refer to this as State Capitalism. In its classic meaning, State capitalism, is a private capitalist economy under state control. This term was often used to describe the controlled

economies of the great powers in the First World War. In more modern sense, state capitalism is a term used to describe a system where state is intervening in the markets to protect and advance interests of big business. This practice is in sharp contrast with the ideals of free market capitalism. This term is also used by some economists to describe a society wherein the productive forces are owned and run by a state in a capitalist way, even if such a state chooses to call itself socialist. Within Marxist literature, state capitalism is usually defined in the latter sense: as a social system combining capitalism — the wage system of producing and appropriating surplus value — with ownership by a state apparatus. By that definition, a state capitalist country is a country where the government controls the economy and essentially acts like a single giant corporation. The term itself was in use within the socialist movement from the late nineteenth century onwards and German Socialists like Wilhelm Liebknecht and Rosa Luxemburg had equated State Socialism with State capitalism.

There are various theories and critiques of state capitalism, some of which have been around since the Great October Revolution. The common themes among them are to identify that the workers do not meaningfully control the means of production and that commodity relations and production for profit still occur within state capitalism. The Nehru-Mahalanobis Plan for India's economic growth borrowed heavily from Keynesian interventionism. For instance, the *Industrial Policy Resolution* 1956 and the *Monopolies and Restrictive Practices Act* 1969 made it abundantly clear that the Indian State preferred to promote the public sector and the small industries sector while not hesitating to clip the wings of the private sector. It is unfortunate that while Keynesian economics was meant for an industrialised country in a state of recession, India's economy (at the time) was semi-industrialised with a high degree of dependence on agriculture and registering modest economic growth!

With the Nehruvian model of growth through State Capitalism, especially during the 1960s Indian industrialisation got an additional fillip with the rise of the Public Sector especially in basic and key industries. It was felt by both management and unions that to get more productivity wage incentives were needed and this also included better working condition. Hence *more* functions were added to this specialisation and the period saw the rise of qualified Labour-Welfare Officers. These functions included managing housing and guest houses, upkeep of canteens, latrines and crèches, ensuring the filling and filing of statutory returns to governmental agencies and record keeping for employed personnel.

The paradigm influenced the labour function being neatly divided into two by 1970; Personnel Officers who looked after industrial relations matters and dealt with the trade unions. Establishment Officers looked after personnel records, performance appraisals, and wage

administration. The Personnel Officer and Establishment Officer complimented each other. In large companies like TISCO, TELCO, SAIL BHEL, NTPC and HPCL one more function was added and Welfare Officers were appointed to look after the wellbeing of employees and their families after working hours. Sports, housing, rehabilitating dependants of diseased workers, education in *bustees* were their main concern. The Personnel Officers, Welfare Officers, and Establishment Officers were usually similarly qualified so job rotation was easy and they all reported to the Chief Personnel Manager. [Clerks who had become Establishment Officers by virtue of seniority were excluded from job rotation]. Some companies had Training and Development Sections but these invariably were not under the jurisdiction of the Chief Personnel manager and remained an independent specialist activity concerned with *Skill Development*. By 1976-77 only did *Behavioural Development* become a major concern and it was only by the beginning of the 1980s that people in this specialisation started speaking of *Attitudinal Development* as well. It is a remarkable, (and yet seldom stated fact), that except for a handful of public sector companies real time training interventions were successfully mooted in the public sector companies.

The Paradigm of Industrial Democracy

The 1970s saw the growth of militant trade unionism, an impetus towards industrial training and the rise of worker participation in management. The three were not homogeneous tendencies and inevitable contradictions arose in actualising them. However, one term that was bandied around both by the employer and the employee was "industrial democracy". Perhaps it is a bitter anachronism of history that Sydney and Beatrice Webb's *magnum opus* by that name was published in 1898 (wherein the term was first used), became a rallying point of workers almost a century later. Industrial democracy is the involvement of staff in making decisions (through structures and processes) which involve the sharing of authority and responsibility in the workplace. Benefits of Industrial Democracy include the following: (a) less industrial disputes resulting from better communication between management and staff; (b) improved decision making processes resulting in higher quality decisions; (c) enhanced creativity, enthusiasm and commitment to corporate objectives; (d) lowered stress and increased wellbeing; (e) Better use of time and resources; (f) improved productivity including service delivery; (f) Increased job satisfaction resulting in reduced absenteeism; and (g) improved personal fulfilment and self esteem.

This was the era when employees were given a certain amount of empowerment and TQM began to be practiced albeit on a small scale. There are two Forms of Industrial Democracy: *representative* and *participative*, both of

which were amply witnessed on the Indian industrial scene during this era.

Some examples of *participative* activities are:

1. Regular meetings with:

- An agenda collected from staff
- A rotating chairperson, and
- Discussion on sectional work allocation, maintenance & administration.

2. Group discussion before decisions are made.

3. Active promotion of an involved team environment.

4. Participative redesign of jobs or work systems.

Some examples of *representative* activities are:

1. The formation of committees and consultative forums consisting of staff and/or union representatives.

2. The formation of working groups of staff and/or union representatives to analyse and make recommendations about specific issues. These can be 'occasional' Agency bargaining groups or 'standing' such as the Organisational Health and Safety committee.

3. Setting up channels for continuous communication between management, unions and staff.

In some companies there were *worker directors* on the Board but they were effectively marginalised by the majority especially since corporate governance had yet to make its appearance on the industrial scene and the concept of having *independent directors* on the Board was alien. During this era the fabric of state capitalism was in tact and marginal employee empowerment did not amount to industrial democracy. What a cynic would probably say is that there was indeed a measure of empowerment of managers without adequate safeguards to ensure accountability thereby allowing *tyrants* to develop. On the other hand, there was a degree of accountability for supervisory staff without commensurating empowerment allowing *subservience* to set in.

The Paradigm of Transition

After the assassination of Indira Gandhi her son took over the reigns of government and had the foresight to bring foreign technology into India by way of transfers. Rajiv Gandhi thus ushered in an era of modernisation but unfortunately in spite of having a thumping majority in Parliament no really progressive legislations were passed. In around 1985 concern began to shift toward Human Resources Development to such an extent that the HRD function and the Personnel Function was clubbed under a common head. It became fashionable to call the person at the departmental apex as the "Chief of HRD" and there was considerably confusion even amongst CEOs on whether HRD stood for Human Resources Department or Human Resources Development. Consultants who entered the arena as trainers compounded this and their only real skill was the *gift of the gab*. The trainers dished out outdated theories

in outdated formats and added in a few gimmicks for good measure. Transparencies and handouts were not changed for years on end and very few of them had any personnel exposure to research in the field. Case studies were copied from foreign books to be used in training sessions and merely the names and data were indigenised. These consultants built alliances with key people in organisations so that they kept getting invited time and again irrespective of participant feedback or the utility of their programme.

This period of transition marked the hay day of training interventions. There was often a subtle *quid pro quo* involved whereby (a) desired changes were caused to be recommended by the consultant making them appear objective and (b) if the consultant was from academia the managers would be invited as visiting or guest faculty from time to time thereby helping to beef up their bio-data. The gullible CEO who was often a technical person either swallowed the bait or saw HRD as window dressing to give his concern the modernised corporate image without his personal commitment.

The Paradigm of Strategy

In the 1990s, we saw the advent of *HR as a Strategy*, which meant that HR interventions were used selectively as and when the CEO felt like it would aid the attaining of the company or top management objectives. The era of HR Strategy was indeed important since Neuro Linguistic Programmers and experts on Motivation and Stress became consultants who were seen to have delivered results. Some well-known names were Baldev Sharma, Udai Pareek, T V Rao, D M Pestonjee, Rooshikumar Pandiya, and R. P Mohanty. The HR function was professionalized and it was no longer a matter of "managing labour".

Human Resources Management became the flavour of the season and HR was being discussed not as a strategy option to be selectively used but as a strategy flowing out of the overall mission and objectives of the company. As was discussed at length in *Geometry of HR.*, Human Resources Management consisted of several sub-specialisations viz. industrial relations, training & development, information systems, personnel, and manpower planning. Consequently, after 2000 Indian companies witnessed the advent of *Strategic HRM*, which meant that HR was not a selective strategy any more. The HR Expert was now a part of the Corporate Strategy Formulation and Strategy Implementation Team. He had graduated from the role of specialist to that of a super specialist and thence to the corporate leader. People who have led this movement were Dave Ulrich (USA), Sorab Sadri (India) and David Guest (UK). Knowledge management is no longer a buzzword and one had to keep running just to remain in the same place- so intense is the competition. Ethics, Governance, and Excellence

enter our sphere of concern at this juncture. Unethical behaviour consequently came under close scrutiny as Jayashree's (2006) paper demonstrated. Power and politics began to be studied and discussed openly, the mediocrity began to be more threatened than ever before and HR, as a profession, began to inch its way towards meritocracy.

India saw the advent of the Second Generation Reforms in 1998 and this process (to an extent) culminated in 2005 when India became a part of the new WTO regime. The priorities of HR intervention changed. To begin with Business Ethics no longer became a feel good-do good kind of initiative; rather it transformed into a business necessity. As has been argued in the Sadri and Jayashree (2007) work, Business Ethics *without* Corporate Governance is wishful thinking and Corporate Governance *without* Business Ethics is somnambulist bureaucracy. Business Ethics forms the pedestal on which Corporate Governance rests and it is this that will transform governance from an activity managed by regulators within a set of regulations into a dynamic growth mechanism powered by corporate strategy. Jayant Oke (2007) in his doctoral work at Pune University tows this line and in the process tries to come up with an instrument to measure the worth of the corporate governance intervention. Pravin Dange (2007) in his doctoral work from BIT Mesra, meanwhile, is using business strategy and ethics to launch his study of why businesses take initiatives in promoting Corporate Social Responsibility. That era was also a time when management gurus spoke of the *driving forces of change*. Business Ethics and Corporate Governance entered the HR lexicon and organisational excellence became a buzz word in corporate circles. HR strategy was expected to guide the organisation towards excellence.

New Paradims in Management

Post 2005 saw collapsing structures and functions, the evolution of matrix organisation structures and change was both non-linear and non-Newtonian. Accordingly, when India became a part of the global WTO regime new rules of the game had to be framed and accompanying systems set into motion. Since then and up until today, the environment of organizations has changed a great deal. A variety of driving forces provoke this change. Increasing telecommunications has "shrunk" the world substantially. Increasing diversity of workers has brought in a wide array of differing values, perspectives and expectations among workers. Public consciousness has become much more sensitive and demanding that organizations be more socially responsible. Much of the third-world countries has joined the global marketplace, creating a wider arena for sales and services. Organizations became responsible not only to stockholders (those who owned stock) but to a wider

community of "stakeholders." As a result of the above driving forces, organizations were required to adopt a "new paradigm," or view on the world, to be more sensitive, flexible and adaptable to the demands and expectations of stakeholder demands. Many organizations have abandoned or are abandoning the traditional top-down, rigid and hierarchical structures to more "organic" and fluid forms.

Today's leaders and/or managers must deal with continual, rapid change. Managers faced with a major decision can no longer refer back to an earlier developed plan for direction. Management techniques must continually notice changes in the environment and organization, assess this change and manage change. Managing change does not mean controlling it, rather understanding it, adapting to it where necessary and guiding it when possible. Managers cannot know it all or reference resources for every situation are just unavailable. Managers must count on and listen more to their employees. Consequently, new forms of organizations are becoming more common, e.g., worker-centred teams, self-organizing and self-designing teams, etc. as argued by Marilyn Ferguson, in *The New Paradigm: Emerging Strategic for Leadership and Organizational Change*

In any academic inquiry certain preconditions are usually laid down. This is especially so when we treat a specialisation from a position of authority. HR is no exception and in the author's opinion, the pre conditions for understanding the subject matter of human resources management are and positing a new paradigm which in sync with objective reality are:

- First, organisations must learn to thrive on the cutting edge of competition, for which good people management is important.
- Second, good people management helps the individual and the organisation to leverage their strengths and sideline their weaknesses.
- Third, all this can be sustained in the long run if all management is value based and is approached with a positive attitude.
- Fourth, there must be absolute clarity of vision, mission, goal and role if the intervention is to succeed.

This author has earlier (2003) argued that business ethics and corporate governance combine to create the conditions for achieving organisational excellence and this theme was taken up and expanded in Sadri and Jayashree in their 2008 work. But excellence is like a rainbow or a horizon one moves towards and on reaching which the goals are reset and the horizon moves more distant. Excellence then becomes a pie in the sky and therefore must be converted into business sustainability to bring it to *terra firma* as Sadri and Guha (2008) have later argued.

When the HR Manager becomes a part of the strategy formulation and strategy implementation team, he/she *ipso facto* becomes a party to business policy. More

specifically in, identifying and actively managing risk and uncertainty; recognizing the value and limitations of both quantitative risk analyses and subjective risk perception in situations characterized by significant uncertainty; maintaining a level of precaution in the face of potentially major negative consequences that is cognizant of stakeholder concerns and values.

In sum therefore, business ethics, corporate governance, organisational excellence and business sustainability have been added to the corporate agenda and become the prime concerns of HR interventions today. This of course, *is in addition to* the usual functions that the HR Manager traditionally performs. The success of this initiative can be achieved through proactive HR intervention towards a dynamic corporate culture building. And, this new corporate culture must provide a fertile ground for innovation and creativity to flourish. This new and dynamic corporate culture, moreover, must be *robust* in its values and *vibrant* in its ethics. In this process HR has now become a SBU from its erstwhile status of an SSU and corporate thinkers have seriously started talking of HR Accounting (Infosys), HR Benchmarking (Tata Motors), HR Quality Assurance (Godrej & Boyce) and HR as a Profit Centre (Larsen and Toubro). A combination of these is increasingly visible in the non financial service sector especially among the progressive minded BPOs. That is the direction future research in Human Resources Management, in my considered opinion, should take. What remains now is for corporate houses (especially those who are into the basic and key industries) to realise this fact and postgraduate levels teachers to emphasise this in their lectures and academic papers. This change in focus of HR is now, albeit, a trickle but soon this will surely become a flood forming the kernel for a new emerging HR paradigm, now increasingly being referred to as People Management..

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