



HR STRATEGIES OF MULTI-NATIONAL COMPANIES (MNCS) IN INDIA (TOP 5 COMPANIES)

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Abstract:

Due to the Liberalisation, Privatisation and Globalisation policies of the Central Government after 90s gave rise for an open market trend by permitting foreign Direct Investment in the Indian business. In the era of globalisation due to heavy competition among the business organisations, it started spreading its wings from one country to the other. A multinational corporation or worldwide enterprise is an organization that owns or controls production of goods or services in one or more countries other than their home country. The Multi-National companies expanded business in many foreign countries. The first instance of such business is found in East India Company which existed during 1600. The Dutch East India Company was founded on March 20, 1602. The mushroom growth of these foreign companies gave rise to a new Human Resource Practices. The industrial culture has shown importance to the Human Resource as a key factor of production as, other factors such as money; machines and goodwill are used only upon the potentiality of human resource. It has become a challenge for all the MNCs to retain the workforce by implementing proper HR Strategies hence it found to be an interesting area for study. This study analyse human resource strategies followed by top 10 MNCs in India.

Index Terms: Globalisation, FDI, MNC's, HR & Strategies

1. Introduction:

India is developing country; all other countries want to build their wings in India. Due to globalisation it became open opportunity to other country, because of this India faced challenges from other countries and also gained confidence to fight against giant foreign companies and to acquire it. Some countries took advantage of low labour cost compared to other Europe countries. Due to competition, companies started to give importance to greatest asset of the organisation -human resource (HR) and it is also a source of competitive advantage. (1) Human Resource is a valuable resource which utilises other resources like material, machine, money etc. To utilise this resource and to compete with others it started human Resource department followed by strategies, policies, practices etc. To retain the employees and to give the best working environment HR strategies gained importance. And presently, organisation also started to give proper attention for HR issues. Human resource strategy reflects the mission purpose values of the organisation. This study indicates HR Strategies of top 5 MNC in India.

2. Objective of the Study:

- ✓ To know the human resource strategy of top 5 companies
- ✓ Discover the methods followed by the companies

3. Human Resource:

Human resources are the people who work in the organisation. It is also called as human capital. According to Michael J Jucius, HR as "a whole consisting of inter- related, inter-dependent and interacting physiological, psychological, sociological and ethical components". Earlier Human Resource is only economic concept but now not only economic but also social, physiological, psychological and spiritual being. Human resource management (HRM) is the managing the employees by considering various factors. Human resource is the valuable resource than money machine materials which is used by the organisation by the use of human resource. In this competitive era organisation gives greater importance to employees by aiming at maximising the overall performance of employees by focusing on policies and on systems.

4. Human Resource Strategies:

It is strategies used for different division of HR like recruitment, selection and training etc. Strategies are adopted by the organisation for managing human Resource for present and future. The success of HR strategies depends on formulation of design and implement of people strategy. To be successful, the organisation must develop quality HR strategies. HR Strategic is adopted in the organisation to achieve competitive advantage. This helps to reduce the change resistance and keeps favourable attitude towards to change, encourages forward thinking, proper utilisation of resources and time and proper allocation of responsibilities. It also creates a link between Human Resource and organisational strategies.

5. Multinational Companies:

MNC is the company which is having its wings in two or more countries. Top 5 MNC's are

- ✓ Microsoft
- ✓ IBM
- ✓ Nestle

- ✓ Procter & Gamble
- ✓ Coco cola

Findings:

Microsoft: Microsoft Corporation started in the year 1975 an American multinational company which has subsidiary in India known as Microsoft Corporation India. Microsoft Corporation India started at 1990 having headquarters at Hyderabad. It is leading company in India for providing various operating systems. From 1990 it had close relation with the Government of India and IT industry. HR strategies followed by Microsoft Company like Recruitment and selection as it is the process finding and attracting the capable applicants for employment. It recruited both from campus hunt and also experienced IT professionals. The recruitment process was followed by written tests and rounds of interviews. Company can recruit employees both from external and internal factors. Selection plays the major role in the organisation because for the smooth running it has to select right person for the right job. It is the selection of best out of many. The objective of both recruitment and selection is to get suitable candidates. Training and Development: Training is given to acquire skills for a particular job. Leap Engineer Acceleration Program (LEAP) is the training program conducted to the trainees to acquire technical and personal skills required to carry out the requirements of the job. Development is a continuous process to induce change in each personnel in the organisation. Career Management here indicates that all the unit employees has both vertical and lateral growth prospectus. It is important for organisation. Flexible Work Timings is followed in the organisation so that employees can enter at any time according to their wish. Employee Retention at Microsoft Global Technical Support Center (MSGTSC)-Microsoft India initiated various programs for employee retention at MSGTSC, Bangalore, where 24 x 7 works was carried out to provide technical support services to the customer all over the nation. Compensation and Benefits plays a critical role in the organisation as it is key to retain employees in the organisation. Compensation packages offered on par or higher than the industry standard based on skills of employees. Women's Empowerment promotes a female ratio in the workforce. Work-life Balance is necessary to balance both inside and outside. So Microsoft started a program called 'Bring Your Child To Work' in a move to improve work-life balance among its employees.

IBM: Since, 1992 in India, this company started producing and selling computer hardware and software utilities by offering infrastructure hosting and consulting services, ranging from manufacturing computers to using nanotechnology. Under its Flexible Benefit Plan, employees will design their own packages covering Leave Travel Allowance (LTA), Driver's salary, Medical reimbursement, conveyance, fuel and vehicle maintenance etc. according to their requirements. Health It gives a range of health benefits to the employees from the day they joined to the organisation even it cover family needs. They are also eligible for medical insurance, life insurance etc. Career development here includes E-learning which provides online courses for professional communities. Career sites and tools identify opportunity to the employees to build their career path. Academic Learning Assistance Program (ALAP) it assist the employees to cop up with current job by providing external education facilities. To maintain work life balance it provides child Benefit scheme for the children between 3 months to 12 years by providing program like child care, after school care and summer camps. It will receive enrolment of the children of employees for discounted tuition rates. Here children will enjoy extra ordinary childhood experiences. Flexibility is given to balance work life and personal needs. Employee as to give contributions and also on-going project

Nestle: Nestle originated in Vevey, Switzerland a food and beverage based organisation founded by Henri Nestle, it started in India in the year 1912. Its products like Nestle milk, kitkat, bar one, Nestle slim milk, nescafe etc. Continuous training is provided to employees to increase their personal competencies and interdepartmental collaboration. It also provides international training. Development programs like career counselling, guidance, sports, recreation, Management courses, Mentoring, Succession planning and small group activities conducted to the employees to further grow. Performance appraisal measures are taken by nestle to appraise the performance of employees such as functional know-how, Result orientation, decision making ability of the employees or problem solving ability, planning or organisation and personal effectiveness. Performance appraisal varies from organisation to organisation. The company also focus on employees participation in market survey, their performance. The reward and recognition is given to the employees who perform high. Employees of the nestle are provided with benefits like health insurance plan, Pension plan, Mini market, Marriage gift, baby scheme and Restaurant to differentiate from other organisation.

Procter & Gamble: This Company started in October 31, 1837 at downtown Cincinnati, Ohio, United State by William Procter and James Gamble, both from United Kingdom. It includes products like cleaning agents and personal care products. Procter & Gamble are having their own tools and systems like "Global career and skill development" this keep all track of training happens in their company globally. There will be continuous and regular training and development program for employees to have the concept of build from within which means people recruited where given well training and development programs are given to move from higher level inside the organisation. Each and every employee has to undergo annually a Work and development plan. It allows employees to seek continuing education courses. They also have their own system of Performance management called work and diversity plan system that P&G is following globally. Here superiors were

encouraged to help and develop subordinates. There are four components in Work and development planning that is previous years plan versus the results, Areas for further growth and development, near term and long term career interests and Development and training plan for the year. By this employees performance can be evaluated by comparing past years and current years. Various measures like promotion increment rating salary are given to the employees. Even employees can be evaluated by the performance appraisal method; forced distribution method is used in the organisation to collect the feedback of the employees by 360 degree feedback method where employee is judged by surrounding people in the organisation like manager, supervisor, co-workers etc. Flixi@work is the concept of P&G which allows the company to balance the needs of the company and individual. Work from home is a flexible arrangement where workers can work from home a designated % of time each week. Flexible schedule provides flexible working hours to the employees. Personal leave for 3 months is provided by the organisation without pay with continued benefits for individual interest. It provides paid leave for 6 months for adopting kids (maternity and paternity). Base salary, Medical insurance, Life insurance, Retirement plans and other recognition are provided to employees under the scheme benefits for life.

Coca Cola: It is originated in the year may 1886 by Dr John S Pemberton by creating soft drinks he entered market. In this company after recruitment employees are given training for 3 months, new employees are mixed up with old employees to learn to work and values of the organisation. Here development needs are identified by the employees in the organisation under various programs like- First few sips: this program is conducted for 5 days that includes a plant tour and asale visit. Pegasus Program: develop the all-round talent to encash the future opportunities. Mantra: university program preferred for students to get an opportunity to work on 2 months summer internship projects Women in leadership program: it is trying to increase the women talent pool by giving recruitment and internal development. Catalyst is a training program for selected managerial staff. Here performance appraisal is based on annual basis. Compensation benefits provided by the organisation like basic salary, medical facility, Social security and gratuity fund.

Conclusion:

This paper has shown the different HR strategies followed by top 5 MNC in India. By this study it is clear that Human resource strategy focuses on fulfilling the needs of employees and also organisation. Company's success depend on Human Resource, so all the companies treat human resource as valuable asset, and to compete in the present era organisation must adopt various strategy to conquer the market share by making the employees happy and best working environment. In this study it shows that organisation is giving various benefits to the employees, this not only satisfies employees but indirectly it will increases productivity and good image of the organisation.

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