

## Trends in HRM and CRM

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### ABSTRACT

There is a close relationship between. Human Resource Management and Customer Relation ship Management. (HRM & CRM) in every organization or in enterprise. The CRM and increasing it depends on employee's morals and efficiency. If we have a good HRM system, we can strongly improve our CRM. In CRM or in any enterprise the main part is customer, we should satisfy them, so we should develop our HRM and Human Resource strategies. we know the necessity of these, we know all the time we should emphasize on the humanistic materials such as, motivation, recruitment, payment, promotion and, etc. or the steps in CRM process that we should apply for having fixed and loyal customers or having a strong relation with our customers that they trust us, but how can we do this Well? We can provide some indicators that help you in managing your position, we are going to mention you one of them which called COPS checklist.

**Key words** : Human Resource Management, Customer Relationship Management, effectiveness, efficiency

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### Meaning of HRM:

Human resource management is a process of bringing people and organizations together so that the goals of each other are met. There is a paradigm shift in the role of HR manager from that of a 'protector and screener' to that of a planner and 'change agent'. Personnel directors are the new corporate heroes. The name of the game in today's business is PERSONNEL. Popularly referred to as 'Personnel', the term has evolved in title, if not in fact, through a transition to Employee Relations to Human Resources and in newer, hipper organizations to titles like People and Culture. Over the years, highly skilled and knowledge-based jobs are increasing while low skilled jobs are decreasing. This calls for future skill mapping through proper HRM initiatives.

### Meaning of CRM:

1. Customer relationship management (CRM) is a system for managing a company's interactions with current and future customers. It often involves using technology to organize, automate and synchronize sales,

marketing, customer service, and technical support.

### According to industry view, CRM consists of:

Helping an enterprise to enable its arketng departments to identify and target their best customers, manage marketing campaigns with clear goals and objectives, and generate quality leads for the sales team.

### Current Trends in HRM:

#### 1. Globalization and its implications

Business today doesn't have national boundaries – it reaches around the world. The rise of multinational corporations places new requirements on human resource managers. The HR department needs to ensure that the appropriate mix of employees in terms of knowledge, skills and cultural adaptability is available to handle global assignments. In order to meet this goal, the organizations must train individuals to meet the challenges of globalization. The employees must have working knowledge of the language and culture ( in terms of values,

morals, customs and laws) of the host country.

Human Resource Management (HRM) must also develop mechanisms that will help multicultural individuals work together. As background, language, custom or age differences become more prevalent, there are indications that employee conflict will increase. HRM would be required to train management to be more flexible in its practices.

## 2. Work-force Diversity

In the past HRM was considerably simpler because our work force was strikingly homogeneous. Today's work force comprises of people of different gender, age, social class sexual orientation, values, personality characteristics, ethnicity, religion, education, language, physical appearance, marital status, lifestyle, beliefs, ideologies and background characteristics such as geographic origin, tenure with the organization, and economic status and the list could go on. Diversity is critically linked to the organization's strategic direction. One means of achieving that is through the organization's benefits package. This includes HRM offerings that fall under the heading of the family friendly organization. A family friendly organization is one that has flexible work schedules and provides such employee benefits such as child care. In addition to the diversity brought by gender and nationality, HRM must be aware of the age differences that exist in today's work force. HRM must train people of different age groups to effectively manage and to deal with each other and to respect the diversity of views that each offers. In situations like these a participative approach seems to work better.

## 3. Changing skill requirements

Recruiting and developing skilled labor is important for any company concerned about competitiveness, productivity, quality and managing a diverse work force effectively. Skill deficiencies translate into significant losses for the organization in terms of poor-quality work and lower productivity, increase in employee accidents and customer complaints. Since a growing number of jobs

will require more education and higher levels of language than current ones, HRM practitioners and specialists will have to communicate this to educators and community leaders etc. Strategic human resource planning will have to carefully weigh the skill deficiencies and shortages. HRM department will have to devise suitable training and short term programmes to bridge the skill gaps & deficiencies.

## 4. Corporate downsizing

Whenever an organization attempts to delayer, it is attempting to create greater efficiency. The premise of downsizing is to reduce the number of workers employed by the organization. HRM department has a very important role to play in downsizing. HRM people must ensure that proper communication must take place during this time. They must minimize the negative effects of rumors and ensure that individuals are kept informed with factual data. HRM must also deal with actual layoff. HRM dept is key to the downsizing discussions that have to take place.

## 5. Continuous improvement programs

Continuous improvement programs focus on the long term well being of the organization. It is a process whereby an organization focuses on quality and builds a better foundation to serve its customers. This often involves a company wide initiative to improve quality and productivity. The company changes its operations to focus on the customer and to involve workers in matters affecting them. Companies strive to improve everything that they do, from hiring quality people, to administrative paper processing, to meeting customer needs.

Unfortunately, such initiatives are not something that can be easily implemented, nor dictated down through the many levels in an organization. Rather, they are like an organization wide development process and the process must be accepted and supported by top management and driven by collaborative efforts, throughout each segment in the organization. HRM plays an important role in the implementation of continuous improvement programs. Whenever an organization embarks on any

improvement effort, it is introducing change into the organization. At this point organization development initiatives dominate. Specifically, HRM must prepare individuals for the change. This requires clear and extensive communications of why the change will occur, what is to be expected and what effect it will have on employees.

### **6. Re-engineering work processes for improved productivity**

Although continuous improvement initiatives are positive starts in many of our organizations, they typically focus on ongoing incremental change. Such action is intuitively appealing – the constant and permanent search to make things better. Yet many companies function in an environment that is dynamic- facing rapid and constant change. As a result continuous improvement programs may not be in the best interest of the organization. The problem with them is that they may provide a false sense of security. Ongoing incremental change avoids facing up to the possibility that what the organization may really need is radical or quantum change. Such drastic change results in the re-engineering of the organization.

Re-engineering occurs when more than 70% of the work processes in an organization are evaluated and altered. It requires organizational members to rethink what work should be done, how it is to be done and how to best implement these decisions. Re-engineering changes how organizations do their business and directly affects the employees. Re-engineering may leave certain employees frustrated and angry and unsure of what to expect. Accordingly HRM must have mechanisms in place for employees to get appropriate direction of what to do and what to expect as well as assistance in dealing with the conflict that may permeate the organization. For re-engineering to generate its benefits HRM needs to offer skill training to its employees. Whether it's a new process, a technology enhancement, working in teams, having more decision making authority, or the like , employees would need new skills as a result of the re-engineering process.

### **8. Contingent workforce**

A very substantial part of the modern day workforce are the contingent workers. Contingent workers are individuals who are typically hired for shorter periods of time. They perform specific tasks that often require special job skills and are employed when an organization is experiencing significant deviations in its workflow. When an organization makes its strategic decision to employ a sizable portion of its workforce from the contingency ranks, several HRM issues come to the forefront. These include being able to have these virtual employees available when needed, providing scheduling options that meet their needs and making decisions about whether or not benefits will be offered to the contingent work force.

No organization can make the transition to a contingent workforce without sufficient planning. As such, when these strategic decisions are being made, HRM must be an active partner in these discussions. After all its HRM department's responsibility to locate and bring into the organization these temporary workers. As temporary workers are brought in, HRM will also have the responsibility of quickly adapting them to the organization. HRM will also have to give some thought to how it will attract quality temporaries.

### **9. Decentralized work sites**

Work sites are getting more and more decentralized. Telecommuting capabilities that exist today have made it possible for the employees to be located anywhere on the globe. With this potential, the employers no longer have to consider locating a business near its work force. Telecommuting also offers an opportunity for a business tin a high cost area to have its work done in an area where lower wages prevail.

Decentralized work sites also offer opportunities that may meet the needs of the diversified workforce. Those who have family responsibilities like child care, or those who have disabilities may prefer to work in their homes rather than travel to the organization's facility. For HRM, decentralized work sites present a challenge. Much of that challenge revolves around training managers in how to establish and

ensure appropriate work quality and on-time completion. Work at home may also require HRM to rethink its compensation policy. Will it pay by the hour, on a salary basis, or by the job performed. Also, because employees in decentralized work sites are full time employees of the organization as opposed to contingent workers, it will be organization's responsibility to ensure health and safety of the decentralized work force.

### 10. Employee involvement

For today's organization's to be successful, there are a number of employee involvement concepts that appear to be accepted. These are delegation, participative management, work teams, goal setting, employee training and empowering of employees. HRM has a significant role to play in employee involvement. What is needed is demonstrated leadership as well as supportive management. Employees need to be trained and that's where human resource management has a significant role to play. The emphasis laid down by HR Managers today is based on:

- Policies: HR policies based on trust, openness, equity and consensus.
- Motivation: Create conditions in which people are willing to work with zeal, initiative and enthusiasm; make people feel like winners.
- Relations: Fair treatment of people and prompt redress of grievances would pave the way for healthy workplace relations.
- Change agent: Prepare workers to accept technological changes by clarifying doubts.
- Quality Consciousness: Commitment to quality in all aspects of personnel administration

### Current Trends in CRM:

#### 1. Driving Customer Relationship Management through Deep Analytics

The aim of any business function is to maximize revenue and margin, and customer relationship management is no different. Thanks to the big data boom, more and more marketers are looking to analyze in-depth the behaviors and needs that characterize their most valuable customers, and identify the

best ways of reaching them. This trend has already caught on, and in 2014 would become the norm. The pre-requisite is the need to capture customer knowledge at every interaction, accurately. That customers want to be known for, and to be recognized, for past purchases makes this task all the more important

• **Marketers will need solutions** that integrate massive amounts of disparate and new data quickly, and also cutting-edge tools that would help them cull relevant insights from the data, to get a 360-degree view of customers.

#### 2. Optimizing loyalty programs

It costs five times more to acquire a new customer than to retain an existing one. In the age of hyper-competition, marketers are increasingly trying to retain their existing customers. Also, in the age where social media supersedes all other marketing efforts, marketers also seek to convert customers into brand advocates, who can offer credible reports through the social media. The way to realize such goals is loyalty programs.

• **Marketers now seek to innovate** and offer new loyalty programs distinct from the much-hackneyed special promotional offers and discounts. They will approach the task by sharing value with the customers, and thereby make them a stakeholder of the process

#### 3. Quantifying Investment

Competitive pressures force a justification in terms of return on investment for every initiative. In customer relationship management, the marketer first estimate the customer lifetime value using available customer insights, and then chalk out an effective lifecycle management strategy based on the perceived value the customer would provide to the enterprise.

• **Marketers are now more likely to undertake a cost/benefit analysis** rather than apply industry best practices to all and sundry simply because such practices works and are the latest fad.

#### 4. Focus on Culture

Improved customer relationship management requires optimizing customer experience at all points they interact with

customers. Marketers are now trying to chalk out effective strategies to further this end, based on a combination of customer expectations and the relative value of each customer segment. That good customer engagement requires robust processes and technology is already known.

- **What marketers are slowly but surely discovering now is that culture** plays a very important factor as well in offering a unifying experience across different and often diverse touch points. This culture may reflect in the website as the customer is able to speak or chat to a customer support executive and get direct answers, rather than search around the website for information. The same culture would reflect in the customer being able to voice a complaint directly to a customer service executive rather than pile up agony pressing buttons for 30 minutes only to be timed out, when calling the complaint helpline.

#### 5. Co-opt Strategic Partners

Outsourcing is here to say, and those willing to tread this route can realistically reap the rich rewards that comes from the tasks being undertaken by professionals qualified in their domain of expertise and who know what they are doing. Outsourcing customer relationship management and related tasks to a strategic partner would allow the company to concentrate on their key business functions, without being distracted by the tremendous amount of time and effort it takes to get this critical function right.

- **Marketers will use marketing** partners, thus helping the company acquire a valuable and strategically who adds strength and punch to the company's thrust to the marketplace.

#### CONCLUSION:

the importance of Human Resource factors with customer Relationship. we should apply these and pay more attention ,because if we want to be powerful in every business ,we should satisfy our customers. To satisfy customers we should satisfy our employees. Because they are dependent on each others. Customer relationship management as an integral part of the overall business strategy. Customer relationship management is a complex process because it raises the host of challenging business issues that lie at the interface of all over the business. Thus, in this era of increased competition, in order to proper, it has now become imperative for the industry to focus on developing long-term relationships with their customers. CRM impacts that business path is a continuing source of debate in the world of corporate management. There is a close relationship between. Human Resource Management and Customer Relation ship Management. (HRM & CRM) in every organization or in enterprise. The CRM and increasing it depends on employee's morals and efficiency. If we have a good HRM system, we can strongly improve our CRM.

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