



HUMAN RESOURCE MANAGEMENT (LCMBA 7000)



Student name: Albana Luzi

Student number :1954022

Lecturer : Dr Gladius Kulothungan

Submission Date :11/12/2020

Wordcount:2500

1.	External environmental Factors Affecting Human Resource.....	3
2.	Introduction.....	3
3.	RB company.....	4
4.	Factors Affecting Human Resource and how they can be resolved.....	4
5.	Technology.....	5
6.	Privatization	7
7.	Political environment affects HR.....	8
8.	RB Company political effects.....	9
9.	Government regulations affect HR	9
10.	The economy significantly affects institutions.....	10
11.	Covid-19 pandemic effects1.....	11
12.	Conclusion.....	11
13.	References.....	12

External environmental Factors Affecting Human Resource

Introduction

Human resources (HR) can be defined as a group of people who make up personnel within an institution or business venture. The HR section or department of an institution deals with the administration of individuals working in the firm and offering supervision services on whether the employees are following various employment terms like abiding by the labor laws and proper information storage. The critical role includes hiring skilled labor that increases productivity portrays the right image for the institution. External elements that affect HR can be defined as components that the administration cannot direct. These may affect institutional performance in person or indirectly. Reckitt Benckiser Group PLC (RB) is an international firm that deals with several products required by customers (*Reckitt*, n.d). It majors in the manufacturer of products for skincare and cleansers. The HR department within the institution is majorly affected by external elements. These entail the adjustments in information technology, Competitiveness of the market, Privatization, political changes, and employees' movement. Also, the economic challenges and the government affect the human resource department. One of the recent external factors that affect the Human Resource is coping with COVID-19 effects. According to Forbes and institutions such as the World Bank, that had projected the effects of Covi-19 on business performance. Forbes' research indicates that labor or workforce will be lost in the middle of the Coronavirus

pandemic. Human activities will be stopped, workers' movement to work, and back home will be affected, and other employees may be forced to return to their foreign countries due to social and racial biases (Meister, 2020). RB's human resource management should take precautions and deep thought on how to handle the underlying issues for the business to remain in its position and continue with a high-profit rating.

Factors Affecting Human Resource and how they can be resolved

Competition is one of the elements that determine the survival of a company within the market. Its advantage within different regions is evaluated with the available use of HR. Inadequacy or the absence of human resources that is skilled and well equipped leads to insufficient production by an institution. The existence of a competent hired hand shifts the company market share since it will meet the demand. RB operates globally and highly depends on the employees' skills and capabilities to follow strict rules in the production of items such as Dettol and Harpic. To achieve extended-lasting aggressive benefits, an institution requires a well-equipped HR administration in its departments. In a competitive environment, an institution requires a different and enhanced skill that will enable it to operate at a higher level. Tactical human resource management is an essential tool for sustaining a highly competitive market (Hamadamin et al., 2019, p. 1). RB can be able to perform highly in the market with the use of prudent managerial skill. The creation and implementation of smart approaches that are different from the ones existing in the market permit excellence and increase the plant's market share. Branding of the product is an efficient marketing tool and enhanced techniques such as digital marketing to sell its products. Familiarization of the employees with the products helps in the reduction of the competition.

For a human resource to reduce competition within the market, there is a need to improve workroom equal representation such that every worker has a right to suggest. Connecting with the workers and the creation of democracy helps in the establishment of a conducive environment. Results include high performance, and the stipulated rules are adhered to by all the employees (Siriyanun et al., 2019, pp. 685-686). High production within RB cooperation will result in the uttermost product confinement and manufacturing. In the long run, this will reduce the competition and sustain the RB industry within the various regions globally. Democracy within the working environment will increase the institution's returns by eliminating the social challenges that lead to insufficient production since RB deals with a range of products within its supply chain. The existence or the presence of democracy or freedom will help improve the relationship between different management levels and the management with the subordinates.

Technology

Information technology has critically made adjustments in the methodologies by the HR department. It has affected the selling, advertising, and conveying information to the consumer and the employees. Its ever-changing habit demands regular and up to date updates to reach all the consumers and improve the market share for the products. Improvement in technology affects the way the management conducts its evaluation. Comprehension of the utilization of software and applications that possess the employee's full information is critical in eliminating mistakes. Adjustments in these fields include the use of a digital form of communication. Also, sending money electronically and payments through the online platform and the presence of vehicles that move without the help of human beings (Kiradoo, 2020, pp. 1217-1222). The application of technology has transformed the way employees are

monitored, and currently, their supervisor does not have to move from one department to another. The RB Company needs to enhance information technology and cameras that possess capabilities to record data that is later utilized for evaluation purposes. Investigation of employees and how they are performing at different departments has been simplified with technology. Employee data on performance can be presented in various forms. It illustrates gaps that exist within the organization and areas that need improvements. RB can use the technology to improve its service delivery, and the large team of employees that requires a lot of attention is catered for effectively.

The application of information technology by RB has been critical to its success. The human resource information technology of the institution is used for the improvement of the product. It comprises the cleaning department that produces detergents. The data obtained from different sections offer training to employees through an online platform (Shahreki, 2019, pp. 1-8). RB has a chain of companies globally that include England and Australia. Assembling these employees for training purposes is costly and demands many resources to work and produce credible content. Hence, the online platform where the board meetings are conducted reduces both the management's transportation costs while increasing the company's profitable iterations within an institution. Leading to increased competition within the market, and more employment opportunities for different stakeholders are created. The privatization affects the HR such that the management will be able to hire those employees they prefer. Also, the skill level will be high compared to that of the government (Nawafy). RB employs data obtained from the previous financial year for tracing the sections that need more employees. Due to this, there is an improvement in the standard of goods offered to consumers. HR data techniques assist in the collection of information concerning the supply and demand for specific products.

Permitting RB to plan on how many employees will be needed within a department and identify shortages and those that require training to improve their performance.

Privatization

Privatization is the handing over the possession, items, or enterprise from the authority to the private section. The administration has seized control over opleh, 2017, pp. 75-79.). Privatization affects RB since the skilled labor will transform into increased production, and also the branding of products increases the market for private company products. Its effects are felt in the RB human resource departments since it will have to employ more skilled labor to meet the market changes. Privatization also leads to an increase in the number of workers within the market who are qualified. It gives rise to inadequate payment since the market is full of employees. Privatization also affects the institution's profitability, and in the long run, workers will be laid down for the company to sustain in a competitive market.

The privatization of companies increases their fruitfulness, acquiring more skilled labor (Khan, 2018, pp. 1-6). It affects the market area and the production with RB Company. RB human resources are affected since they will be forced to hire more workers with different skills. The end product is the preservation of competitive advantage over the competitor within the same market. Demand for market share will lead to private companies offering high-quality products at low prices to gain a competitive advantage. In the long run, this may affect RB, and it will be pushed to reduce its labor to sustain within the market. RB human resource section will also be forced to offer its employees skills to meet the challenges prevailing within the market. Privatization may also provide an opportunity for an institution to exit the

market. That will lead to increased market share by RB. Also, RB will offer products of high quality that may result in the closure of the privatized company. Also, the institution can decide to provide goods at a discounted rate. That will increase sales and elimination of other companies.

Political environment affects HR

The political environment affects HR and the business at large. The presence and the existence of politics will lead to destabilization. It will result in human resources movement from one region to another, leading to the absence of skilled labor. Skilled workers or experts at different levels will be forced to move to a conducive environment (Chitescu, 2016, pp. 823-824). It demands them to look for regions where they can conduct their various activities and cater to their necessities. Political unrest may lead to the closure of RB branches, and the different workers will become unemployed. Also, the political changes lead to the aging of the HR. They are shifting from young and energetic laborers in search of tranquility. Lack of a young generation leads to low productivity. An institution cannot compete effectively at the international level due to the changing market in the long run.

The political environment also leads to the absence of government regulations to meet the various difficulties in the employment sector. It allows ineffective rules regarding employees' employment and recruitment of new ones (Chitescu, 2016, pp. 823-824). Resulting in poor motivation in the workstations and depression to the various workers. Also, it may result in a breach of contracts for workers that result in inadequate guarding of the employees' rights. Also, the resolutions on various matters relating to the employees will be biased since there are no stipulated regulations. The absence of methodologies to counter prejudice permits poor relationships within the

workroom for the various employees. A low political environment results in a lack of policies and individuals to help fight for workers' rights. The absence of specialization is evident, resulting from inadequate labor. Low production and poor quality items are presented to the clients.

RB Company political effects

RB Company can move its employees from politically affected regions (Chitescu, 2016, pp. 823-824). It is safeguarding company resources and its creation of confidence among employees of the institution. Also, the protection of assets is essential because of the number of years used to train several institution employees. The institution may also decide to rotate the employees critical to its endeavors from regions affected by political turmoil.

Government regulations affect HR

Government regulations affect HR management in an institution. Institutions cannot be able to manage workers without interference from the state laws. Various rules that include the Trade union act, Workers' compensation acts, and the maternity benefits affect HR significantly (Brewster, 2016). Failure to comply will lead to the firm's closure, and complying with the various laws increases the company's overhead costs. Also, the multiple laws reduce the number of earnings obtained by the employees leading to employee dissatisfaction. The regulations also determine the amount of money paid by the employer according to the nature of risk exhibited in the working environment. RB will be required to follow the various regulations, as this will permit a smooth working environment for its employees. The facilities may decide to invest in regions that have fewer rules with a high market. It may also choose to invest in areas where the currency is weak to gain from the exchange rate.

The economy significantly affects institutions

The state of the economy significantly affects institution's HR; this is because a recession may lead to losses and laying off the employees in the institution (Barnes, 2017). That is channeling losses of the skilled laborers leading to insufficient production. Widespread economic challenges within a region result in reduced production, but qualified management results in permits success. Management abilities are very critical in the course of a recession.

The upward stage of the economy also allows the institution to increase its profitability and hire more qualified employees (Meijerink, 2019). RB can be able to perform better in different markets. The occurrence of recession occurs in one sector, resulting in the transfer of products that will be moved to another section of the market. Shareholders and employees can maintain their positions. The company may also decide to rotate its managerial team to manage the affected regions by changing the economy. Changes in the economy help RB identify areas where it yields to the maximum with minimal product changes. Also, the institution can gain profits as the economy starts to stabilize after the recession. It is conducted by vigorous marketing to increase the market share.

Covid-19 pandemic effects

Human resources are mostly affected by Covid-19. The effects range from the loose of worker force to reduce production activities. That is due to employees' sickness, change of work time from full-time employees to part-time workers, employees working at home to observe the social distance, stoppage of overtime workers due to curfew, and death of employees (Meister, 2020). The human resource cannot easily do their performance appraisal and assign work appropriately due to the

Covid-19 pandemic. The implantation of new strategies can solve the drastic changes brought by Covid-19 in the workplace by human resource managers. The new system includes using new technologies, video conferencing platforms such as Zoom, Google meeting place, and other chat rooms for communication between employees and employers during their work at home and shift scheduling. More workload can be added approximately to employees who work on the night shift to maintain their productivity. Counseling, guidance, and training should be provided online to the employees to embrace the new Covid-19 situation. The RB Company should improve its influence on social media, website, and online marketing to covert competition and strengthen its sales. The company should open its doors to research and innovations to better deal with the Covid-19 pandemic (Meister, 2020).

Conclusion

Human resource management is essential to any organization. The most valuable assets that the institutions possess are the workers who work to increase their productivity and meet their objectives. External environmental elements may affect an institution, but safeguarding the HR will propel an organization to new levels. Regular training of employees leads to improvements in all the sectors of the firm. RB can increase training employees on current issues, especially technology and Covid-29. And this will increase the productivity and sustainability of the company within the market. Also, the institution will be relied on as the most effective if its paramount obligation is to protect the employees' rights. Ensuring that the stipulated regulations by the government are followed reduces the legal challenges that may face RB.

References

- Barnes, E. and Adam, C., 2017. The importance of human resources in a globalised economy: A conceptual framework. *Canadian Journal of Applied Science and Technology*, 5(2), pp.134-142. <https://core.ac.uk/download/pdf/234606576.pdf>
- Brewster, C., Gooderham, P.N. and Mayrhofer, W., 2016. Human resource management: The promise, the performance, the consequences. *Journal of Organizational Effectiveness: People and Performance*.
<https://www.emerald.com/insight/content/doi/10.1108/JOEPP-03-2016-0024/full/html>
- Chitescu, R.I. and Lixandru, M., 2016. The influence of the social, political and Economic impact on human resources, as a determinant factor of sustainable development. *Procedia Economics and Finance*, 39, pp.820-826.
<https://www.sciencedirect.com/science/article/pii/S2212567116302593>
- Khan, M.Z. and Ullah, Z., 2018. IS PRIVATIZATION A PANACEA? PRE AND POST PRIVATIZATION ANALYSIS OF FINANCIAL PERFORMANCE. *Sarhad Journal of Management Sciences*, 4(1), pp.1-6.
<http://journal.suit.edu.pk/index.php/sjms/article/view/169>
- Kiradoo, G., 2020. The Impact of Changing Nature of External Environment on Human Resource Management. *Journal of Critical Reviews*, 7(15), pp.1217-1222. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3639053
- Meijerink, J. and Keegan, A., 2019. Conceptualizing human resource management in the gig economy. *Journal of managerial psychology*.

<https://www.emerald.com/insight/content/doi/10.1108/JMP-07-2018-0277/full/ml>

Meister J., 2020. The Impact of the Coronavirus on HR and the New Normal of Work, *Forbes*.

<https://www.forbes.com/sites/jeannemeister/2020/03/31/the-impact-of-the-coronavirus-on-hr-and-the-new-normal-of-work/?sh=71ff9a592b60>

Nawafleh, S.A., 2017. The impact of privatization on the performance efficiency, Productivity of privatized firms in Jordan. *Dynamics of Public Administration*, 34(1), pp.75-85.

<http://www.indianjournals.com/ijor.aspx?target=ijor:dpa&volume=34&issue=1&article=007>

Reckitt Benckiser Group plc, (n.d). <https://www.rb.com/newsroom/latest-news/>

Shahreki, J., 2019. The Use and Effect of Human Resource Information Systems on Human Resource Management Productivity. *Journal of Soft Computing and Decision Support Systems*, 6(5), pp.1-8.

<http://jscdss.com/index.php/files/article/view/205>

Siriyanun, S., Mukem, A. and Jermisittiparsert, K., 2019. Bridging Workplace Democracy and Supply Chain Integration through High Involvement of Human Resource Practices. *International Journal of Supply Chain Management*, 8(5),

pp.685-696.https://www.researchgate.net/profile/Kittisak_Jermisittiparsert2/publication/336832522_Bridging_Workplace_Democracy_and_Supply_Chain_Integration_through_High_Involvement_of_Human_Resource_Practices/links/5db4c8974585155e2707504f/Bridging-Workplace-Democracy-and-Supply-C

hain-Integration-through-High-Involvement-of-Human-Resource-Practices.pdf

f