**Environment Influence on Human Resource Management**

Human Resource Management, or HRM, in India is much the same as in other countries: taking care of management and employee issues, dealing with talent development, managing benefits, and providing discipline. However, when dealing with the largest working population in the world, India has a difficult and unique challenge, which has led to some more creative solutions.

For one, India has developed an entire ministry in its government devoted to regulating Human Resources and encouraging education to ensure that there is sufficient talent in addition to the sheer volume of employees. It also has to deal with the youth of its organizations and use technology effectively to cope with the volume of employees it has. For this reason, HR in India uses social media frequently, such as LinkedIn and other resources.

Personnel managers cannot perform their job in vacuum as a number of environmental factors affect HRM. Environment furnishes the macro context and the organisation is the micro unit. Of primary importance here are the external influences of economic conditions, labour markets, laws and regulations and labour unions. Each of these external factors separately or in combination can influence the HRM function of any organization. Changes in the external environment have a profound impact on the personnel. These changes include technological obsolescence, culture and social changes, and policies of the government.

The external environment consists of factors that affect an organization’s human resources from outside it. Let us examine these factors in detail:

         **Technological Innovation**-

Rapid technological changes and innovations are taking place all over the world. As a result of these, technical personnel are increasingly required. Hence, procurement of technically skilled employees is necessary to match the changing job requirements.

         **Economic Factors**-

Economic conditions influence financial “health” of the organization. Under favourable economic condition, expansion of existing programs and creation of new programme are very likely. With less favourable or deteriorating condition, contraction or cancellation of some programme may be necessary.

         **Employees’ Organizations**-

Employees’ organizations have mustered strength to match the growth of industrialisation. Labour unions seek to bargain with management over the terms and conditions of employment for their members.

         **Labour Markets**-

In labour markets, organizations seek employees (demand and labour), and individuals offer their services to organizations (supply and labour). Labour supply and demand have implications on all activities, but particularly for compensation and external staffing.

         **Changing Demand of Employers**-

Organizations also undergo changes and consequently their demands on employees also change. The technological revolution and stiff business competition demands that the existing employees adapt to every changing work situation and learn new skills, knowledge etc., to cope up with the new changes.

         **Legal Factors-**

It has to manage its employees according to the legislation enacted by the government at the centre and the states. ***The Important Legislations Enacted in India Affecting HRM is:*** Factories Act, Trade Unions Act, Workmen’s Compensation Act, The Payment of Wages Act, The Minimum Wages Act, Payment of Gratuity Act, and The Maternity Benefit Act. The government is the custodian of industrial and economic activities.

         **Human Resource in the country-**

The structure, values and the level of education of human resource in the country influence the HRM function of any organization. The influence of manpower in the country can be studied through:

* Change in the structure of employment with the entry of workforce with different backgrounds.
* Changes that have taken place in the structure of the workforce over the years and led to the emergence of new values in organizations.
* Increased level of formal education which has led to changes in the employee attitude. Well –educated employees always challenge and question the management’s decisions and want a voice in the company’s affairs affecting their interest.

Thus, many environment factors affect the performance of specific tasks of HRM. Changes in the internal and external environment factors complicate the job both of line and personnel managers in overseeing the contributions of human resources. Considering the complexities and challenges in the HRM now and in near future managements have to develop sophisticated techniques and competent people to manage personnel on sound lines.