HR Policies And Practices Of HDL Company

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Introduction

HR management has become a technology-oriented profession in this globalized world due to growing numbers of TNCs and MNCs and a large number of employers throughout the world. Whereas this diversity has become a source of huge success in the business market, this success has also brought many challenges. To manage and selecting the best HR policies for a company is one of the major challenges with complying with the labor law of world states and rules and regulations of employment. As a result of it, the demand for technological solutions to HR issues is increasing.

An electric company of UAE named HDL Supplier firm which manufactures products of customized building automation as well as stage lighting equipment in a professional way. It has offices in over 80 countries throughout the world. HDL UAE sells products and solutions, including centralized control, comfort, added security, energy-saving, and convenience to national as well as international customers. Presently, all over the world business firms are facing issues in the HRM for the efficiency and success of the firm. HR management plays a very important role in the success and decline of any company or organization.

This paper will discuss HR policies and practices and will suggest the best option policy for HDL Company to cope with its issues by complying with UAE labor law. The major concern of Human Resources is employee engagement in any company, what plans are taken forward to improve the engagement of employees in the firm and which policies are suitable and beneficial for employers. This study will focus on the activities that are beneficial for companies to acquire to improve their employee engagement in the workplace.

HR Policies & Practices

HR policies and practice are result of HR strategy, HR strategy is a development of behaviors, skills, and attitudes among the staff that helps the organization to reach its goals. Human Resource strategies consist of the principles, which help to manage the workforce of the firm by acquiring HR policies and practices. These policies and practices include performance management, recruitment of employees, compensation of employees, rewards, recognition, training, and retention of employees. Companies acquire these practices which are their strategies to make useful HRM in the business and workforce. In developing HR strategies, companies align their industry, the competitive advantage of the industry and the essential characteristics/people associated with the plan. These strategies are closely linked with the skills, responsibilities, and knowledge of the people and the organizations. Based on the information and characteristics, companies acquire certain plans to maintain their culture, processes, and structures. That plan is called its policies and practices.

UAE Labor Law

In 2017, the Ministry of Labor UAE introduced new labor laws as a comprehensive set of rules to establish stronger relationships among employers and workers all over the UAE. The purpose of these changes in labor law is to improve the labor market for more labor mobility for workers. Major changes in UAE labor law are standard work contracts, conditions for terminating any contract and a few procedures pertaining to work permits. One of the debatable issues that arose after these changes is how new labor regulations affect employment and employers' contracts. As per new UAE labor laws, employers must acquire a standardized official letter from the ministry's electronic system. That letter includes sections covering various aspects of new labor laws regarding worker and employer rights, duties, and responsibilities. Both parties signed that particular legal letter before submitting it to the ministry. The aim of this legal letter is to promote a transparent relationship between the company and the worker; this contract of employment must define wages and salaries, contract dates, and agreement duration, including all the details related to the nature of work and its timings.

Key provisions of UAE labor Law

- ### Working hours

UAE Labour Law article 65 deals with working timings hours for employers of private sectors and govt sectors, which are from 8 hours to 48 hours per week. In the month of Ramadan, Two hours daily reduced from normal working hours.

- ### Overtime

Overtime will give the right to an employee for pay equal to normal working hours including twenty-five percent of that pay.

- Official leaves and vacations
- Public holidays
- Annual leave
- Sick leave
- Special leave

- Reduction in working hours
- Minimum wages
- Wages Protection System (WPS)
- End-of-service benefits
- Calculations for gratuity pay

• Under limited contract

When the company ceases a limited contract

- If the employment of any worker is less than 1 year, he is not able to get any gratuity pay.
- If the employment of any worker is more than 1 year, he is able to get gratuity pay based on 21 days salary.
- If the employment of any worker is at least 5 years, he is also able to get gratuity pay for a full month.

• Under unlimited contract

When a company ceases an employee having an unlimited contract

- If the employment of any worker is less than 1 year, he is not able to get any gratuity pay. (Armstrong & Taylor, 2020)
- If the employment of any worker is more than 1 year, he is able to get gratuity pay based on 21 days salary for each 5 years of work.
- If the employment of any worker is at least 5 years, he is also able to get gratuity pay of a full month endowed with the complete recompense.

Companies Negotiation and Resolution of Disputes

• Find a Competitive Bid

Regardless of the volume of the firm (small or large company) globally, negotiation must be a part of their prime strategies as it comes down to leverage. The aforesaid firms must have enough knowledge about the capabilities of their partners. However, obstacles can be removed through an effective negotiation only.

- ## Target the Main Motivator

In any business dealing, it is significant to know what is motivating and inspiring the other party. They need to focus on the needs and demands of the client to expect positive outcomes. Business firms need to resolve issues through negotiation instead of making the deal more complicated. Therefore, it is required to know the main motivator and make the deal through negotiation.

- ## Mutual Gain

Business is all about give and take. The business firms have affiliation with other firms in a market. Some business firms fail to get a competitive advantage in a market due to the lack of mutual gain tactics. Business firms should focus on adopting a mutual gain strategy for enhancing their productivity.

- ## Ask What They Need

Major business deals have minor issues that can be resolved through effective negotiation. Business firms need to be more specific and clear with their clients by asking about their needs and demands. They can simply negotiate by asking, "What is it going to take to get it done"? This will help them get the deals done more effectively.

- ## Listen and Adapt

Some firms fail to get the deals done because they walk into negotiations with biases and high expectations. Some of the above mentioned business firms endured frustrating negotiations with vendors and potential partners as they speak at cross-purposes. Therefore, they need to listen to the other party and try to settle things through effective communication. Some other negotiating strategies are:

- Keep a Poker Face
- Don't negotiate with yourself
- Avoid making the first offer
- Barter
- Bundle

Tactics of Effective Negotiation

Following are some tactics of effective negotiation in making the deal successful:

- Be prepared
- Keep the negotiations courteous and professional
- Understand the dynamics of the deal
- Listen to the other party and give offers
- Be ready to walk away and prepared to “play poker.”
- Avoid consistently conceding, as it is a bad negotiation strategy
- Elegant negotiable must be known
- Lose or Schmooze
- Go First
- Conduct a post-mortem
- The desired price must be a bookend

CASE Study of HDL Company

HDL Company (UAE) is an electric supplier company, and it was established in 1985. It produces modified building mechanization as well as stage lightning equipment in a professional way. It is known as a global company because it has offices in over 80 countries, including the United Arab Emirates. Their products are effective and of good quality, which is why HDL has several branches in different countries throughout the world. Business firms today are facing issues in Human Resource Management for the better productivity of the firm. HR policies and practices of any company play a significant role in both success and failure of the company.

HR Issues of HDL

There are times when HDL is facing financial issues, and they make false decisions that have the possibility to contradict labor laws. Several firms are noticed to fire their experienced employees, considering them as an expense and fail to reap and see the utmost value of talent management practices. This practice allows the HR managers to overview the employee’s performance. As far as new UAE laws are concerned, these HR managers need to take care of this thing that their selected practice must not contradict any labor law. UAE’s new labor laws provide an opportunity for both employees and managers to discuss issues that affect their performance before terminating any employee. Positive outcomes are possible only by getting feedback on employee’s activities at the workplace (HDL). One of the major and most important issues of HDL is talent management practices. The labor law of UAE encourages talent management practices as through those practices, workers get rewards for their services. This is the most important step of HR management practices because it gives courage to staff.

It is critical to know high-potential and high-performing employees and reward them with incentives and bonuses. The managers must acknowledge the contributions made by the potential employees for the success of the firm. The success plan based on talent will allow HDL to identify its potential employees as well as reward them by promoting them. Ongoing feedback is a significant practice to maximize employee performance. Which is lacking in most of the firms, as is the case with HDL. Feedback on the performance of employees helps the management to take corrective action where circumstances might lead to the loss. By adopting this practice, employees and managers can resolve many issues both minor and major issues.

Best Policies and Practices to Make Firm (HDL) Successful

HDL has been working in HR practices and its development for the last many years, with rapid speed. To ensure employee engagement, HR policies and practices are widely diverse and flexible. The company has focused on the integrated approach, which changes every aspect of employee training. HDL took this step to keep engaging with the front-line staff and improve their productivity. Other than that, HDL gives certain tasks to their members, and based on the key performance indicators, they are rewarded with a two-day leadership program, which helps the non-managerial employees get appropriate training for becoming future leaders. (Boxall & Purcell, 2016)

Employee engagement is the concept of understanding the relationship between an organization and its employees. An engaged employee is one who is fully absorbed in work and takes positive actions to increase the firm's interests and reputation. An engaged employee will always have positive feedback about the organization and its values. Companies tend to expect high results as well from highly engaged employees. However, engagement is not natural; it comes from the strategies that organizations acquire to improve employee engagement in the company.

HDL needs to introduce a family plan for their employees, where the employee can cover his/her partner's health cost in the insurance plan. The employees who get benefits, as well as their partners, are more likely to engage in the company's activities. HDL also focuses on preparing monthly meetings with the employees, where every employee to free to comment on any negative/positive thing in the organization or give any feedback relating to the company or employees.

Further Recommendations

In contrast to the engagement activities that can be used by HDL, the company can also look into the following employee engagement activities:

- ## Involving employees in the planning process

HDL can present the most critical issues in the organization, and then prior actions should be taken to solve those issues. In every quarter, they can do this task by involving the concerned team in the planning of the mission to overcome the problem. Involving the low-level employees can help the company in making appropriate leaders for the future, as the phase of involvement planning can groom the skills of the employees.

- ### Create your company magazine.

HDL, being one of the leading companies of UAE, should introduce a magazine on a monthly or quarterly basis, where they can present the employee of the month, dude of the month, and employee of the year. Based on the performance in the workplace, dress code, communications, queries, feedback, and turnover of an employee. By following this pattern, it will increase the motivation of an employee toward his/her work.

- ### Sharing the financial statements

Most of the organizations do not share their financial terms and reports with the internal employees. It makes the employees more demotivated towards work. It also does not support the emotional concern of the employee. HDL can use the financial statement as a means to gain trust in a workplace. By showing the financial statements to the employees, it will create confidence in the employees, and the overall work system will be increased. It will also increase employee engagement because sharing the means from where the company is earning and selling to the employees will make them more committed to work than ever.

Conclusion

It is essential for organizations to have certain HR policies and practices in place, which help in achieving a high customer turnover and satisfaction of employees. Acquiring appropriate HR practices is necessary for the companies, as it makes them more effective in establishing a sound workplace environment. The HR managers must implement strategies that will contribute to the success of the firm. They must observe and evaluate the performance of employees and motivate them to perform their duties and accomplish the firm’s goals. However, in line with the HR policies, there are employee engagement strategies that a company makes for their employees to be more engaged in their work and feel motivated towards the work. UAE’s new labor laws suit HR’s best policies and practices and workers to make their firm’s work more effective and of quality.

References

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