

National Institute of Personnel Management NIPM - India



Bangkok APFHRM Board Meeting 12th October, 2016 INDIA Country Report

Greetings & Best wishes from NIPM-India!

1. Current Economic and Political Situation in India

(a) Economy and Labour Market situation in India

India becomes the fastest growing large economy in the world. Currently, India's GDP Growth is 7.4% (approx.), which is the fastest among all the large economies of the world. It has been predicted that India's growth would accelerate sharply in the next few years. India's economy grew at the fastest pace in five years in FY 2015 as surging private consumption offset slowing fixed investment and a weak external sector. The 'make in India' initiative was introduced to market India as a manufacturing hub and create jobs for its people. Under the 'make in India' initiative, twenty five sectors were identified for focussed intervention and FDI policy was liberalized. Meanwhile, the government has accelerated reform momentum, creating the foundations for a higher growth trajectory going forward. The Parliament approved the Goods and Services Tax (GST) Bill, one of the most significant economic reforms in decades. The Bill will streamline the country's complex tax system, reducing business costs, and it should widen the tax base going forward. This will create a unified and common domestic market by replacing a confusing array of taxes and preventing their cascading effects. India is embarking on ushering in game-changing reforms through the use of Jan Dhan, Aadhar and Mobile, a unique combination of three to implement direct transfer of benefits. This innovative methodology will allow transfer of benefits in a leakage-proof, well-targeted and cashless manner. There would be cut in subsidy leakages but not in subsidy themselves. The Government has started a unique scheme

called Sansad Adarsh Gram Yojana, encourage MPs to take ownership of a village in their constituency and develop this as a model village. It motivates parliamentarians to ensure holistic development of their constituency rising above specific schemes. With the easing of investment caps and controls, India's high-value industrial sectors – defence, construction and railways – are now open to global participation. 100% FDI allowed in Defence Sector for modern & state-of-the-art technology on case to case labels. 100% FDI under automatic route permitted in construction, operation and maintenance in specified Rail Infrastructure projects.

The Indian government is interested in seriously overhauling what it thinks is an intricate maze of backdated labour laws hindering India's growth story and stopping it from reaching its full potential. According to this corporate-friendly worldview, the government has a bouquet of labour reform legislations in their draft stages, with which it intends to straighten out the tangled issue. With the Child Labour (Protection and Regulation) Amendment Bill already passed in Parliament, that allows children under 14 years to work in "family enterprises", the stage is set for a climate for more intense labour law overhaul that will make India a favourite destination for domestic and foreign direct investment, but will certainly aggravate an already sinking corporate-labour relations.

(b) **Political Situation in India**

The ruling party of India - Bharatiya Janata Party (BJP) gained a much-needed boost in regional elections, wresting control of the northeastern state of Assam and expanding its influence beyond its traditional strongholds. In fact, the elections demonstrated the continuing influence of parties and the sway that charismatic local leaders command in several key states. Narendra Modi government completes two years in office. A quiet and beneficial push of the government has been in restructuring social welfare schemes and making the beneficiaries realize the significance of its efforts. Crop insurance for farmers, pension scheme for the unorganized sector and affordable health insurance signal the government's determination to reach out to the poorer sections of the society. The Government is launching new welfare schemes in the year 2016 and has already launched few schemes for farmers, women, scheduled casts and scheduled tribes. Earlier, Government of India had implemented various schemes, such as Make in India Programme; Skill India; Digital India Programmes and many other welfare

schemes towards the growth of India as a whole. These schemes are implemented either by Central Government or joint collaboration between the Central and the state Governments.

2. HR Challenges in India

Due to the policy of Indian Government, now Indian economy is one of the fastest-growing economies in the world. With constant reforms, policy changes, high FDI investment and implementation of 'Make in India' Programme, India has become an apt place for business investment that has the potential to create a positive impact on the global economy as well. Shrinking business borders and globalization have resulted in business, cultural and talent exchange among countries, Indian HR Professionals are facing various HR challenges in the competitive Business world. From handling macro issues including global workforce & Multi-national talent management, the role of an Indian HR professional has become ultra-diverse these days. Constant environment changes have led to several issues in HR domain of India in regards to recruitment, engagement, HR technology, employee training, workforce management etc. Today, Indian HR community works in a compact, globalized ecosystem which needs a technology-driven, trust-worthy, faster and automated HR system. Another main function of Indian HR Professionals are to identify new talent sources as well as to manage, govern and securing top talents. Moreover, the Indian HR professionals have to work towards business growth with the implementation of innovative ideas; to ensure the quality of products for customer satisfactions and to develop the HR relationship between employer and employees for survival in the business.

3. NIPM Projects and Initiatives

Major areas of NIPM-India activities include the following :

(a) 34th Annual National Conference – 2015 of NIPM-India

NIPM-India successfully organized its 34th Annual National Conference - 2015 on the theme '**Winnovate HR for Business and People Aspirations**' during October 08-10, 2015 at Hotel Le Meridian, Coimbatore, Tamil Nadu, India. The Conference was inaugurated by Dr. Partha Chatterjee, Hon'ble Minister-in-Charge, Department of Higher Education, School Education & Parliamentary Affairs, Government of West Bengal, India and Past National President, NIPM-India. The occasion was graced by Guest of Honour Md. Musharraf Hossain, President,

APFHRM & President, BSHRM, Bangladesh. The Presidential address was delivered by Mr. Somesh Dasgupta, National President, NIPM-India. HR Best practices companies were awarded with the prizes and Best Chapter awards were also given away for various NIPM Chapters. More than 800 delegates from all over India have participated in the Conference. Under the Exchange Programme, delegates from IPM Sri Lanka, BSHRM, Bangladesh and JSHRM, Japan have also attended the Conference. A large number of eminent Speakers have shared their valuable thoughts and views on Global HR scenario in the different Sessions of the Conference.

(b) National Seminar : NIPM-India successfully organized a National Seminar on the theme '**Managing for Excellence – Be Different, Do Different**' during April 22-23, 2016 at Hotel Yogi Executive, Navi Mumbai, Maharashtra, India.

(c) During the period January-June 2016, **about 50 nos. of professional programmes** such as, Conferences, Seminars, Workshops, Lecture Meetings, HR Conclaves were organized successfully by the NIPM Chapters & NIPM-National Office for the benefit of HR Professionals / HR Students.

4. Scheduled Conference

- The biggest event of NIPM-India, the 35th National HR Conference & Exhibition – 2016 will be hosted on the theme '**Powering ahead – Strengthening Bonds of Business by Focusing HR**' during September 23-24, 2016 at CIDCO Exhibition Centre Auditorium, Navi Mumbai, Maharashtra, India. **Shri Devendra Fadnavis, Hon'ble Chief Minister of Maharashtra, India will be the Chief Guest and inaugurate the Conference.** Some renowned International and National Speakers will share their views and ideas in the forthcoming Mega Conference.

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