

MANAGING FACETS OF HR DURING SLOW DOWN PHASE-THE INDIAN WAY

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Abstract HR departments of Indian companies have faced volleys of issues in managing people during the slowdown phase. The role and interventions of HR administered in organisations during this phase served as an opportunity for organisations to survive and face the slowdown. This premise has been studied in this paper. The paper also encompasses the HR initiatives of the organisations for solving people-related issues, and discusses structured HR interventions in providing solutions to issues during the downturn phase. Primary data have been collected using personal and telephonic interviews with HR professionals and employees of the organisations using convenient sampling technique as most organisations emphasize on maintaining secrecy and do not intend to share any information. Secondary data have also been used to discuss strategies that facilitate the operations of the organisations during the slowdown phase. The intent of the paper is to provide a template for organisations to focus on HR interventions for future instable business scenario.

Keywords: Intervention, Slowdown Phase

INTRODUCTION

During the formative years of industrialization, the Human Resource (HR) functions in many organisation have been referred as the 'establishment' section with low or negligible involvement to strategic planning. Transition from 'Establishment Section' to 'Labour Department' then to 'Personnel Department' and now to HR department was a long journey depicting increased involvement in organizational functioning. The role of HR departments is now realised to be crucial and important for the operation of the organisations. In the present scenario where that economic scenario remains precarious and considering the year of 2008, organisations have undergone marked turbulence not only in facing the competition and survival but also in managing employees.

The 2008–2009 crises are still fresh when many had started believing that the existing situation was only the long tail of the previous recession. A survey conducted by Outlook Business, 2011 on Philips, Whirlpool, French Bank Credit Agricole, HSBC, Nokia, Barklays, and RBS reveals the significant layoffs. Decrease in number of jobs and pay cuts, and handling manpower have enforced rethinking the HR intervention (Gopalan, 2011). The focus of HR is predominantly and invariably shifted to profit-centric from employee-centric and cost-centric approaches. The paper unveils the role of HR and issues faced by organisations during the slowdown phase and elaborate the HR interventions adopted by the companies to overcome the challenges during the downturn phase.

OBJECTIVES OF THE STUDY

The study has three-fold objectives

- To identify the people-related issues faced by the companies during the downturn phase
- To discuss the HR strategies aligned with corporate strategies and the HR interventions adopted by the Indian companies to overcome the challenges during the downturn phase
- To study the role of HR during slow down phase in India

ROLE OF HR

Many get perplexed and mix the two terms 'Slowdown and Recession'. This confusion affects the entire market and makes the situation even worse. Either we start saving or back out our investments out of fright and in whole, the economy really tumbles. Our action and non-understanding of words lead to 'economic depression', the worst condition one can ever imagine. Influence of others and inability of employees to interpret the actual market scenario cause anxiety and turmoil in the working of organisations. The role of HR professionals becomes more active during the downturn scenario, yet the varied departments of organisations like finance, IT, production have their own importance in the operation of organisations. HR function has been a late entrant into the area of making technology work to its benefit. Ulrich and Brockbank (2005) have highlighted mastery of HR technology as one of the five competency domains for

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HR, along with strategic contributions, personal credibility, HR delivery and business knowledge. The HR interventions initiated by the organisations serve as an opportunity to survive and face the slowdown.

HR plays a great role in handling relations with employees. This, in turn, ensures stronger relations with other stakeholders. Singh (2003) has reported the roots of personnel function in India since 1920s and elaborated on how the focus shifted to strategic HRM. Reports produced by Spencer Stuart mentions that the Indian companies have realized that their people are the key to their growth, and the one strategic resource that any enterprise truly needs (Fenton, 2009). Ulrich, Losey, and Lake (1997) described the rejuvenated form of HR which is applicable even in the downturn scenario. Raghavan (2009) discussed the coping strategies adopted by the Indian industry leaders and explained the role of leaders in managing people during the downturn.

The comprehension of human behaviour in organisational crises is a complex process and by initiating a process for understanding employee behaviour the organisational and managerial effectiveness improves. In situations of uncertainty an analysis of human behaviour in organizations is imperative. During the situation of downturn, most organisations realized the challenge of handling the changing behaviour of employees. Identifying and managing the employee behaviour and anxiety and its causes are another important roles of HR. Clarifying and defining the role of HR is essential for organisations to run through the difficult times.

METHODOLOGY

Coverage: The survey covers various companies from different sectors like IT, manufacturing, retailing, banking, automobiles, and insurance. The survey is based on Indian organisations that have faced directly or indirectly the consequences of recession in the foreign market. The organisations which have faced the after effects of slowdown in the Indian market have also been considered. Information was gathered from employees of downturn affected organisations. Questionnaire was floated using social media yet the response was low as most officials are restricted to disclose any information.

Sample Size: Professionals from 14 companies from sectors like IT, manufacturing, retailing, banking, automobiles, and insurance have responded to the survey. Data were collected from 52 employees from different organisations by administering a questionnaire. The responses from the middle level employees have been majorly considered for the understanding of the HR issues and the solutions adopted.

Data Collection: Primary data were collected using personal and telephonic interviews of the HR professionals and the employees of the organisations where the study was conducted. HR professionals also responded to the questionnaire. Information has been gathered on the HR practices during the recessionary phase. Secondary data were collected from the information published in past company reports, articles and papers published in journals.

HUMAN RESOURCE MANAGEMENT: THE INDIAN WAY

HR was never bestowed with a key role in many Indian organisations. The role of HR was confined to administrative responsibilities and initial screening for recruitment. With the passage of years the role of HR became more congruent to industrial growth and existence. The role of HR proved to be vital during the downturn phase.

Among many others, IT sector is mostly hit with high attrition rate during the downturn. Many organisations like Tata Consultancy Services first implement 'carrot' for employees to stop them from leaving the organisations in the absence of rewards and recognition mechanism. Grievances persisted among employees during the slowdown phase as many organisations did not have any systemized grievance redressal mechanism. The possible course of action to inter-departmental issues is 'Soft on People' and 'Tough on Issues'. Cisco India, implemented hiring freezes as a part of HR intervention. Companies like Apollo Tyres, Patni, and Fidelity applied a hold on fresh recruitments during the slowdown phase (Dubey, 2009). Cutting jobs or putting jobs on hold is not the only solution. The Jack Welch way of 20-70-10 rule is appropriate in an un-predictive scenario. This acted the right time for companies to weed out the non-performers by differentiating employees into various performance categories of top 20%, middle 70% and bottom 10%. This gave opportunity to vacant positions being filled with competent and skilled employees. Tough time requires tough measures and the HR departments of the organizations were playing a key role in strategizing for the survival of the organisations.

Companies like Facor Steels and Mahindra & Mahindra involved its employees to generate ideas for cost reduction. Various ideas of cost reduction evolved which included optimizing the electricity consumption by switching of light in canteens during day time. The employees mutually accepted of not receiving uniforms, subsidized canteen rates, fringe benefits for certain period. Reducing the number of operating shifts and internally training employees for future works and projects was a trend. Many organisations like Saatchi & Saatchi did not just change the value proposition (Jacobides, 2010). It transformed itself into a strategic link between clients and their customers.

Career progression was missing during the slowdown phase and ego clashes became prominent. Employees of manufacturing units also faced similar issues which caused trouble to the HR professionals as Unions intervened in managing the issues. This led to more complications of issues. The typologies by Storey (1992) and Ulrich (1997) constitute two of the most notable conceptualizations. Storey (1992) differentiated between four personnel roles: advisors, handmaidens, regulators, and change makers. Change-maker role is the most strategic and interventionary and the role of the handmaidens is the least compared to the others; whereas, regulators and advisors fall somewhere in between. However, Caldwell (2003) pointed out the role of HR professionals has changed to become more complex and characterized by role conflict.

Importance of HR Department in Turbulent Times

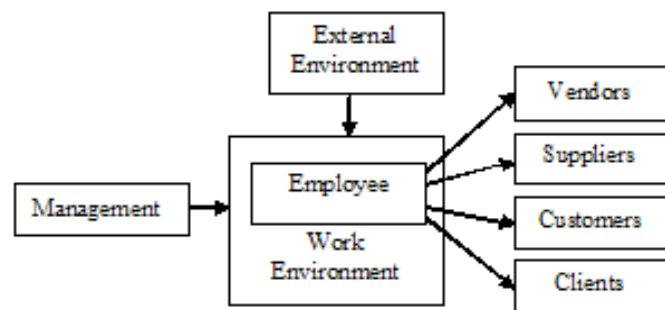
The HR departments have come together with all other departments of the organisations, contributing highly to the sustenance and growth of organisations during downturn phase. HR structure, policy, and strategy have been playing an important role in the management of boundaries and interface as they possess the potential to communicate to stakeholders the commitment of HR to be flexible, adaptive and innovative in response to its content. The Harvard Business School study shows that 9% of companies come out of a recession stronger than ever. In many organisations interventions like changing working hours or patterns of attendance have been introduced to suit the organisational needs (Gulati, Nohria, and Wohlgezogen, 2010).

Margolis and Stolz (2010) identified four lenses (control, impact, breadth and duration) through which the managers can view adverse events to make a shift from 'cause-oriented thinking' to 'response-oriented thinking'. Studies in psychology elaborate on the concept of 'psychological resilience'. It is the capacity to respond quickly and constructively to a crisis situation. It is difficult to muster when a manager is in the grip of fear, anger, confusion or in a tendency to assign blame. The days of downturn stimulates a 'HR manager' to play the role of a 'resilient manager' who can determine the best course of action by making quick shifts from dissecting traumatic events to take instant actions.

The key issue posed by the contingency perspective concerns how organisations can effectively match their structures and processes with their confronting environment (Lawrence and Lorsch, 1967). This includes restructuring the organisation with fresh recruitments, downsizing, or rightsizing. Hitzeman, (2009) provided the details of how the ranks of jobless workers worldwide have swelled by an estimated 40 million to 60 million people since the crisis began. Yet, companies in India have taken this as an

opportunity to let go of the non-performers (Dewan, 2010). 'Challenging the challenges' is the only strategy used by the HR fraternity during the days of hardship. Many public and private sector organizations attempted to right size their organisations during this phase. HR profession and its professionals have faced the tough time, as one of the common phenomenon of organisations was 'downsizing'. However 'downsizing the dignified way' is the key to the challenge. Behavioural outcomes were drastic, in various organisations of manufacturing sector. Employee anxiety rose high. Anxiety became common phenomena with most of the employees, apprehensions of potential job loss and reduced income, increased in-house competition to secure one's position, inability to handle new demands created by workforce reductions and unpredictability about magnitude and duration of downturn. Tripathi (2009) has highlighted that the slowdown has impacted the mental health of a large section of India's high-profile workforce and people realized the need to manage the emotional stress. Significant change in terms of competition, relationships between companies, suppliers, customers, and employees during the last slow down phase. The anxiety of employees had a direct impact on the work, working environment and relations with the vendors, suppliers, clients and customers (Figure 1).

Figure 1: Employee anxiety in organisations



Making organisation a great place to work for and a company that India is proud of, with the pressure of being a high performing organisation was challenge for HR profession and professionals. The key is to create a sense of psychological safety.

Issues Faced by HR

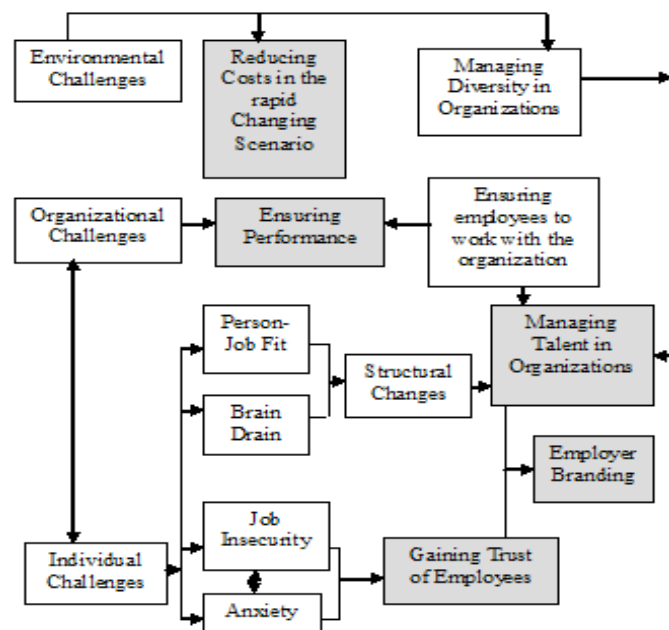
Based on the discussions with the HR professionals and the responses received from the employees of the organisations; the issues faced by the HR professionals during the downturn have been broadly classified as environmental challenges, organisational challenges, and individual challenges (Figure 2). The environmental challenges included managing diversity in the workforce, reducing cost due to rapid changes during the global financial crises scenario. The

organisational challenges included ensuring employees to continue work with the organisation, structural changes to the organisations and managerial differences within the organisation. The individual challenges included person-job fit, brain-drain, employee anxiety, and job insecurity. Issues faced by the HR profession and professionals were numerous. On analyzing the data collected, the overall concerning areas for HR professionals were identified as shown in Table 1.

Table 1: Areas of concern for HR professionals

S.No.	Areas of concern	Percent of respondents
1	Managing Integrity	82 %
2	Ensuring employee Engagement: Gaining the 'Trust' of Employee	79 %
3	Ensuring Organisational Citizenship Behaviour	67 %
4	Managing Talent	67 %
5	Employer Branding	62 %
6	Cost Reduction	95 %

Figure 2: Issues of HR professionals during slowdown phase



Cost reduction and managing integrity among the employees were the most concerning areas for HR professionals. Ensuring employee engagement during the turbulent times was also one of the rising concerns.

HR being the custodian of employee well-being and organisational success catalyst, balancing employee's

aspirations with ground economic and business realities posed severe challenges to the functioning of HR in organisations. The issues faced by the HR professionals during the turbulent times were interrelated to each other. The focus of HR professionals during the downturn was to redirect intervention from 'managing men' to increasing productivity and efficiency in the organisations, reducing the benefits cost, minimizing the employee costs, retaining and developing talents, and avoiding retrenchment. Not with standing the clear focus of HR professionals, building strategies and implementing the same was challenging task. Variegated HR tools were adopted to ensure transformational changes and included encouraging value-based system, organisational development, reengineering, multitasking and multiskilling, bench marking, six sigma, kaizen etc. The HR function in its journey of evolution has migrated from an isolated back office and occasional bureaucratic function to one that breaks competitive advantage and ensures organisations to achieve strategic business goals.

Multifaceted Role of HR

Organisational transformation is a term used to denote total revamping of the system, a metamorphosis, a kind of an overhaul, and replacing the current with a new one which may involve partial or total destruction of the old order. Transformation takes place mainly in areas of people, processes and technology. In the slowdown phase, the people and process dimensions assume greater significance as technology change involves additional expenditure. Hackett group study found that high-performing world class companies operated with 16% fewer HR staff than the others mainly by more efficient use of IT. The role of HR was significant in contributing not only to the people apprehensions but also to the processes in organisations. The responsibility of HR professionals also encompassed optimum use of available technology during slow down phase to ensure reduction in cost.

Strategic Role of HR

Ulrich (1997) developed four main roles of HR professionals: employee champion, administrative expert, change agent, and strategic partner. Tyson and Fell (1986) describe an administrative role for HR as one in which the HR department acts as a support function that is not involved in business planning but instead focuses on providing administrative assistance in matters regarding, for instance, basic recruitment tasks and record keeping. Maintaining documents and basic HR functions were significant even in the times of slow down. The role of HR underwent a transformation involving all other core functions of HR but with a focus of strategic approach to implementation.

Table 2: Role of HR professionals in Turbulent Times

	Role	Activities	
1	Strategic Role of HR	<ul style="list-style-type: none"> • Cost Control • Ensuring Performance and Productivity • Regulating and Controlling (Discipline) • Talent Acquisition • Decision Making 	FOCUS ON
2	Leadership	<ul style="list-style-type: none"> • Leading • Counseling and Mentoring • Educating • Motivating • Fostering Innovation and Creativity • Handling anxiety of employees • Focusing on Organisational Citizenship Behaviour 	INTEGRITY
3	Change Agents	<ul style="list-style-type: none"> • Initiating an implementing change • Employee Engagement • Employer Branding • Benchmarking 	

a. **Cost Control:** Often, transparent HR cost-reduction opportunities (those that are non-disruptive to employees’ understanding of their programs and, therefore, have no impact to employees) are overlooked mainly due to a lack of coordination between HR and finance functions. Several cost control strategies were used by the companies to overcome the downturn phase. Revival strategies focused on cost reduction. Many organisations did focus on layoffs during the downturn yet layoffs and firing should be the last option. The other options that may be used before initiating a drastic step of permanent removal of employees; include permitting employee to avail leave without pay, pay cuts, flexi-time and sabbaticals etc. A few cost reduction strategies adopted by various organisations includes the following:

- (i) *Compensation:* Salary was reduced across the board in terms of percentage.
- (ii) *Daily operation:*
 - Identifying the non-value added activities and resources
 - Air travel was allowed for only for exigency or even rare.
 - Administrative, selling and operational costs were reduced only to contribute lessening in the overall cost
 - Controlling of cash flow
 - Promotions and Increments were deferred till the condition of the company improved.
 - One Time Variable Performance Pay (VPP) for the financial year was deferred.

- Leave structure for all the employees either it is Junior Management or Senior Management were revised and reduced.
 - Encashment of CLs (casual leaves), PLs (privileged leaves) were prohibited. Accumulation of CLs, PLs, SLs (sick leaves) was not allowed.
 - Compensatory-off was removed even when employees attended office either on Holidays or worked late on week days
 - Staggered weekly off was introduced in many companies.
 - Overtime was not allowed.
 - Procurement and issue of the employee uniform was deferred.
 - No hiring of the taxies. If an employee needs to travel, he/she should use his/her own vehicle or public transport.
 - Telephone reimbursement, mobile bill reimbursement, petrol reimbursement were temporarily put on hold.
 - Superannuation policy was surrendered in companies for the current financial year.
 - Mediclaim policy was abolished for non- specified duration.
 - Many companies encouraged employees to go ‘leave without pay’.
- b. **Ensuring Performance and Productivity:** There is no second thought for anyone that that HR was centre-stage, with a reputation for delivery, contributing to the economic growth and organisations sustained as a result of outstanding people strategies. Actions of

HR are scrutinized by staff, clients, and management as all oppose to the initiatives of HR from their own perspective. Yet, with such opposition, ensuring performance and productivity was a strategic challenge for HR. Across-the-board improvements contribute to good morale among workers and lowers cost for employers.

- c. **Regulating and Controlling (Discipline):** Discipline cannot be brought about in day. HR professionals are involved in ensuring discipline of employees since the inception of the organisation. Due to raised anxiety of employees, HR professionals faced numerous disciplinary issues especially during the slowdown phase. Many employees joined hands together in campaigning against the organisations. The spread of rumours became inseparable part for most of the organisations. Various HR interventions which ensured discipline in organisations were constraining and controlling employees' in-house activities, listening to the employees, maintaining transparency in system with effective communication. The HR department also took initiatives for counseling employees to have congruity of organisational and individual goals, complementing the long term vision of the organisations.
- d. **Talent Acquisition and Retention:** Talent management activities must align with business goals for post- recession success. Companies without effective talent management processes including talent acquisition and retention, were worried about losing human assets to other organisations also had harder time attracting new talent and bringing people on board fast enough to effectively support their growth focus after slowdown phase. In outlining the talent management priorities, the tried and true core practices including assessing and developing high potentials and top talent, and recognising exceptional performance did well during the financial crises. A study by Chew (2004) conducted on Australian organisations produced a model suitable for use of HR practitioners as a guide determining what initiatives an organisation should adopt to retain their critical employees. The findings of the study revealed the correlation between eight factors and organisational commitment. Factors like remuneration, recognition, reward, training and career development and work environment on intent on stay acted as a partial mediator. Person – organisation fit, team relationship, culture and policies and intentions to stay.
- e. **Decision Making:** HR professionals were required to make instant and effective decisions during the slowdown phase. Companies with multiple benefit offerings such as various choices for healthcare coverage using multiple networks and claim administrators find

that consolidating vendors creates cost savings. Many such crucial decisions were required to be taken by the HR professionals during the slowdown phase. Review of the recruitment and retention function includes cost and focus and wise decision making to achieve desired results. Mahindra & Mahindra Ltd. and Facor Steel plant involved its employee in the decision making process of implementing lower level strategies at the operational level.

Leadership Role of HR

- a. **Leading:** Slowdown phase has psychological impact in terms of low confidence, low level of trust with feelings of insecurity, and frustration. Effective leadership is what is evident for HR professionals. The role of HR managers is all about leading employees to maintain a culture where relationship is fostered to help making transitions less painful. Leaders are expected to accommodate different lifestyles and work choices and also find ways to balance the business needs to ensure high levels of productivity and performance. Unpredictable cannot be predicted. Yet, the role of HR professionals as mentors contributed high to the employees who encountered life as erratic, surprised, and messy during the slowdown phase. Leader's role also encompasses an effort to remove the embarrassment of employees and help them to recognize their own strengths and achievements. This helps employees to build confidence and perform better during the disruptive days.
- b. **Counseling and Mentoring:** Counseling and mentoring apart from monitoring the day to day activities of employees were regular activities in the studied organisations. The role of HR professionals also involved in the procedure ensured employees to be with the organisations and retain talents. Emphasis was laid that the employees were made to recall the good times and the old memories with the organizations to ignite the belongingness factor towards the organisation as a whole. The role of leaders as mentors and counselors is vital as it focuses on handling the root causes of issues by making a thorough understanding of the employee concerns. A few of the areas for HR specialists would be to make an understanding of the employees by:
 - Knowing that the feelings are normal and are expected
 - Recognizing the personal pattern of underlying fears and concerns of the employees
 - Anticipating specific stress 'triggers' and planning the coping strategies
 - Encouraging the employees to share important thoughts and feelings to trusted and supportive family and friends

- Encouraging good self-care, healthy nutrition, sound sleep, regular exercise, holidays, and time to relax.
- c. **Educating:** The efficacy of HRD organisation to support a business in general and/or specific strategic business objectives can be maximized by developing (in the employees) required skills, competencies and practices to efficiently and effectively address the problems posed by a multitude of internal and external pressures. Learning and development is inevitable for employees. Especially during the downturn phase enhancing efficiency had become a necessity. People need to be trained in adhering to new processes. Kishore Biyani, Chairman, Future Group has expressed that human capability is infinite and multitasking is the order of the day. Training employees for multi-skilled activities and also multi-tasking had been the key to managing cost with employees (Prasad, 2009). Professional training which makes people more employable, but more loyal to the company had been the key.
- a. **Motivating:** The increased global competition, high focus on risk management, improved technology and information systems and declining margins and budgets combined with aggressive targets makes it critical for organisations to maximize the value of each employee. It is therefore imperative to calibrate the organisations goals with the individual goals. Constant motivation and guidance proved to be a boon during the days of turbulence.
- b. **Incentives:** Survey by MetLife found over 80% of employers offer incentives. Deloitte found seven in ten survey respondents would participate if given a financial incentive. Even incentives of under Rs. 500 significantly boost participations. During the slowdown, companies focused the available funds on top-performing individuals; this provided a chance to remedy salary compression among employees who happen to be high performers. This also encouraged other employees to improve quality and performance. Monetary rewards were outlawed and non-monetary benefits like recognition by superiors, certificates, and recognition at annual gatherings were adopted.
- c. **Fostering Innovation and Creativity:** In a slowing or declining economy, organisations look at controlling internal expenditures to improve the bottom line. The role of HR professionals is expected to be creative and not disruptive. Process innovation and employee involvement becomes the key word. Cost cutting is not an easy task. It includes continuous thought process to ensure creativity in reducing cost with the least effect to employees. Change is a common word during the downturn for companies. Changes are not always well accepted but with continuous involvement and

participation change can be made to be accepted well. The role of HR professionals during the turbulent time not involves being creative and innovative but also involves encouragement to employees for fostering innovation and creative among employees. A survey by professors of University of Kansas and Texas reflects that the employees are worried about 'image risks' which contributes significantly in diminishing workers innovativeness.

Handling anxiety of employees: HR professionals have faced numerous challenges where the employees clamor for their leaders to rescue them during the turbulent times. They insisted on receiving an answer to their dilemmas. Raising anxiety was a result of the understanding of market scenario and rumors spread across. The effective leaders are required to acknowledge the negative feelings of employees rather than play down or attempt to ignore them. No leader can create sufficient stability and equilibrium for employees to feel secure and safe. Organisation enforced on adopting spiritual techniques for handling the anxiety of employees. The HR professionals emphasized on spiritual techniques like spiritual training, counseling, regular praying, yoga and meditation. Significant levels of doubt, stress and anxiety are inevitable and the authentic.

- d. **Focusing on Organisational Citizenship Behaviour:** Managing cultural diversity has been an incessant task for HR professionals during slow down phase. Highly complex and diverse global environments of organisations have increased importance of the organisational forms that go beyond the traditionally-recognised borders of organisations. For an organisation 'transparency' means easily understood and recognised, without guile or concealment; open, frank, candid. Management of organisations introduced transparent communication system to all its employees for providing them a macroeconomic picture. Transparent communication ensures an open and frank means of communication that builds lasting bonds between the managers and employees. Renowned companies have also shared the information on the impact of slowdown on the companies' business. This enabled employees to have a better understanding of the prevailing scenario which enforced them to take initiatives to support the organisations business. This also involved them in strategizing for the existence of the organisation developing a citizenship behaviour.

Change Agents

- a. **Initiating and implementing change:** Reports exemplify that even senior employees were ready to apply for job with lower pay scales, during downturn. This situation came about as there were widespread

pay cuts and job cuts. HR professionals were constantly under pressure from both the management as well as employees. Management constantly wanted reduction in payroll costs whereas the employees want their jobs and benefits to be protected, if not enhanced. HR professionals underwent a crucial phase of organisational role functioning where they were required to initiate and implement change. Initiating changes which caused inconvenience to the people in system, like reduction in pay, removal of fringe benefits, increasing workload and multitasking for employees were the need of hour for HR professionals had to ensure the implementation. Some of which were not easily acceptable to the employees of the organisations and they resented the role of HR. Insecurity of the job existed not only for other job profiles but for HR professional too. The role of initiating changes which were not easily acceptable and also where implementing was not easy were entrusted to HR. Inability of HR professionals in performing the act of change agents in organisations during downturn lead to some of them losing the jobs.

- b. **Employee Engagement:** Muralidharan and Shenoy (2006) have explained an employer brand as the emotional connection between the employer and the employee - one that extends itself to the other stakeholders, the community at large and more importantly, to the potential employees. Employee engagement is a measure of an employee's positive attitude towards his or her work and commitment to remain attached to the organisations for a long period of time. Engaged employees acts as brand ambassadors for the organisations and promote the organisation as an 'employer of choice'. Sustaining at the difficult times required a collective and joint effort from both the management and employees. While HR professionals had taken the necessary steps to streamline operations to remain viable, many employees have felt neglected in the process. This resulted in a disengaged and disgruntled workforce. Companies stressed on career growth opportunities to promote engagement and openly focused on succession planning. Miles (2010) has explained that many transformation efforts stall because the great ideas and strategies never make it far enough down the organisation to have an impact on the people who relate directly to customers or make company's product. Nair, (2008) explained the various strategies adapted by Sona Koyo Ltd. for employee engagement which are as follows:
- Involvement in decision making
 - Platform to voice ideas and managers ability to value the employee contribution

- Opportunities of employees to develop their jobs
 - Organisation concern for employee as individuals
 - Culture of respect and equality
 - Availability of constructive feedback and mentoring
- c. **Employer Branding:** Under the conditions of intensified competition and demanding consumers during downturn, corporate reputation was constantly becoming a source of competitive advantage. The employers' displayed concern for employees, where HR professionals extended support to employees to look for employment opportunities. Many reputed organisations like Infosys and Tata Consultancy Services counseled their employees to establish NGO's during the turbulent phase and ensured that they will be encouraged to join back on revival of the company. Companies like GVK Driveline realized the importance of helping to retrain some of the employees in new skills that would be attractive to employers in other sectors. Career transition provider for employees the confidence to showcase their skills. These interventions supported the organisations to build a brand and be a talent magnet to current and prospective employees.
- d. **Benchmarking:** Hay Group (2010) report highlights the need for HR professionals to do more with less money, creatively balancing base pay, short and long-term incentives and benefits. Benchmarking was the only strategy to understand the route to overcome the effects of slow down. A market benchmark analysis reveal the need to increase benefits for a program to compete for the talent an organisation requires. Identifying transparent and/or minimally invasive opportunities also created an opportunity for benefit improvement.
- e. **Feedback:** Feedback is yet another intervention through which the HR professionals have gained greatly. Feedback is not always top down. Organisations have considered slowdown phase as an opportunity to gain feedback from employees at the ground level about the managers own style and effectiveness to impact the employee productivity.

LIMITATIONS OF THE PAPER

Even though the paper discusses various initiatives of a number of organisations using secondary sources yet, the paper is limited to the primary response of only handful of 14 organisations. A number of respondents during the interviews hesitated to share the facts and disclosed more an ideal organisation scenario as there is an emphasis on maintaining secrecy of entity and initiatives in public.

CONCLUSION

The slowdown is a difficult phase not just for employees but also for their families. It is a testing time for employers to know the effectiveness of their HR policies in terms of managing surplus manpower as well as maintaining the morale of the employees. It is clearly evident from the study that the employers need to handle surplus manpower during tough time with more sensitivity and responsibility. The role of HR during downturn is henceforth very crucial for the overall performance of the organisations through trust building, transparent and open communication and overall well-being of the employees.

SCOPE FOR FUTURE RESEARCH

Though the paper shares a number of initiatives of various organisations yet, there is scope for further researches in this area. An inter-sectoral comparison of HR initiatives during downturn can be of interest to HR professionals.

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