



Identify Main Challenges in Human Resource Departments and Suggest the Remedial Actions: Case Study

Atam Kumar ^{a*}, Hafiz Karim Bux Indher ^b, Rab Nawaz ^c

^a Department of Engineering Management at the Università della Calabria, Rende, Cosenza, 87036, Italy,

^b Department of Industrial Engineering and Management, Mehran University of Engineering and Technology, Pakistan,

^c Department of Industrial Engineering and Management, Mehran University of Engineering and Technology, Pakistan.

ARTICLE INFO

Received: 2024/02/01

Revised: 2024/02/07

Accept: 2024/03/07

Keywords:

Human Resource
Management, Challenges,
Impact, Organization,
Employees, Questioners.

ABSTRACT

HRM is a crucial field that manages the relationship between employers and employees, including hiring, training, and evaluating their work output. It faces numerous challenges, including employee engagement, leadership development, health, onboarding, new hiring training, HR effectiveness measurement, compensation, and benefits. Technology changes can also lead to financial losses. Retraining and upskilling unskilled employees is another issue. This paper aims to identify the biggest challenges in HRM and identify solutions to decline them. The methodology used is Google Forms to make questionnaires, collected data with 80 responses from employees in Pakistan and Italy. The study identifies several challenges, including change management, leadership development, HR effectiveness measurement, recruitment and selection, training, employee engagement, relationship building, and poor communication. The most significant challenges are change management, leadership development, and HR effectiveness. To address these, the study proposes remedial actions based on employee feedback, such as employee training, skill development, right recruitment and selection, team cooperation, and continuous monitoring. However, the study has limitations, such as the HR department being the main hiring department and the study is based on online questionnaires, if the data is taken physically from the companies, then there may be a few changes in results.

1. Introduction

HRM is the science and practice of managing the relationship between employers and employees, including hiring, training, using, and evaluating their work output [1]. An organization's strategic use of human resource management requires a deep understanding of human behavior and the ability to effectively manage it [2]. It is a crucial field in organizational sciences, but its understanding of behavior in and out of organizations requires a variety of viewpoints. While HRM and I/O may overlap, there may be distinctions between the two. If

* Corresponding author email address: atamkumar2018@gmail.com (Atam Kumar).

labor relations and HRM are included in IR, HRM may be the only viable branch for the future[1]. This is a specialized field that focuses on designing innovative programs, policies, and activities to enhance individual and organizational objectives and assess needs[3]. It enhances an organization's abilities, expertise, productivity, collaboration, dedication, and results, making it crucial for achieving organizational goals. It shapes employees' attitudes and behaviors, strengthens employer-worker bonds, and encourages creativity and invention. HRM helps businesses achieve their goals while inspiring employees to contribute to the organization's success [4]. The digitalized functions scale will be used to evaluate the role of human resource management in planning, hiring, performance management, and learning and growth [5].

The HRM components that significantly impact an organization's bottom line are challenging to adapt and compare due to an unresolved issue with HRM assessment items, which hinders the comparison of findings across different studies [6]. HRM functions include staffing, performance, change management, and administrative tasks. Staffing activities involve planning, hiring, training, and retention of employees. Performance activities focus on optimizing performance through labor relations, union-management interactions, and incentive programs. Change management involves hiring, training, and handling disputes. Administrative tasks maintain records and ensure legal compliance. These functions are essential for a company's success [7].

Empirical studies reveal a strong correlation between performance and HR practices across various industries and nations. HR procedures significantly enhance employee performance, helping organizations achieve their goals. Therefore, companies should view their HR procedures as a crucial tool for leveraging workers' performance to achieve their objectives. This rich body of literature highlights the importance of HR practices in enhancing employee performance [4]. HRM, or employee management, has undergone significant transformation in the public sector over the past 20 years, particularly for professionals. These professionals, due to their knowledge, expertise, and abilities, have greater discretionary authority in the workplace. New Public Management (NPM) reforms have impacted professionals in various ways, revealing trends in their impact. The special issue aims to present the crisis of professionalism and expand on research on new challenges public sector workers will face in the 2020s, emphasizing the need to consider the context and environments they interact with [8].

HRM must adapt to changing company requirements and sociopolitical and economic settings by creating strategies, guidelines, and procedures. HR professionals aim to establish themselves as business partners, supporting organizational strategy and responding quickly to changing business realities, strengthening their role within organizations [9]. HR management's tactical and strategic responsibilities are crucial for successful staff management in the banking sector. HR should establish relationships with professionals and senior executives to fulfill this strategic role. HR should ensure specific, logical, and efficient activities to manage people-side issues effectively [10].

Employees are crucial for a company's social and human capital growth and sustainable human resource management (HRM). Sustainable HRM focuses on long-term goals and outcomes without compromising profitability, including employee and environmental care, participation, development, external partnerships, flexibility, adherence to labor laws, cooperation, equity, and equality. It is a better strategy for real HR management [11]. The

increasing competitiveness of businesses is putting pressure on staff functions to reallocate resources to areas with greater economic impact. This may lead to downsizing, outsourcing, automation, or elimination of functions. However, the HR department is not well equipped to measure its influence on company performance, and the conceptual links between HR and business performance are not adequately defined. Therefore, attempts to refocus HR may not be well-received [12].

The World Wide Web has revolutionized information access in organizations, enabling HR management to adopt B2E solutions and streamline processes. Strategic HR organizations are increasingly utilizing electronic HR technologies to reduce administrative responsibilities, allowing HR practitioners more time for strategic activities [13]. Beyond trying to match HRM practices to the organization's strategic direction, Fisher (1989) identified three primary problems. First and foremost, given the increasing trend towards globalization, HR directors need to be prepared to handle cross-border concerns including expatriation and the benefits of implementing HRM methods in other countries. Second, due to the significant increase in mergers and acquisitions, HR executives need to retrain their skills to assist with the post-merger/acquisition process. Third, Fisher contended that American companies have been compelled to adopt a "lean and mean" strategy due to foreign acquisitions or competition. As a result, several organizations have resorted to alternate work arrangements including downsizing. Thus, HR directors need to become more proficient in handling problems like layoffs and the administration [1]. New technology advancements and increased accessibility of HR data enable businesses to effectively utilize internal and external data for decision-making, such as identifying and selecting skilled personnel and designing effective training programs [14].

1.1. Goal of study

The human resources department faces numerous challenges, including employee engagement, leadership development, health, onboarding, new hiring training, HR effectiveness measurement, compensation, and benefits. Technology changes can also lead to financial losses. Retraining and upskilling unskilled employees is another issue. These challenges are among the top ones affecting organizations.

1.1.1. **Aim:** Find the biggest challenges in HRM and identify solutions to decline them.

1.1.2. Objective

- 1.1.2.1. To analyze HR problems.
- 1.1.2.2. To identify why challenges, occur in HRM.
- 1.1.2.3. To identify what can be the impact of those challenges.
- 1.1.2.4. To assign future solutions or reduce those problems.

2. Literature

An organization's human resources must possess highly competitive capabilities, including the ability to gather, process, and apply information, react appropriately to opportunities, mitigate risk, and decrease financing. These capabilities should include physical characteristics, moral and spiritual qualities, social and psychological qualities, and highly competitive talents, all of which contribute to the overall success of the organization [2].

In 65% of participating organizations, HR departments are referred to as Human Resource Management Departments, often in large IT, financial, and service sectors. In 12.2% of these organizations, the HR manager is a vice president. HRM strategies align with business

strategies in half of these organizations. Primary responsibilities include staffing, wage determination, compensation, training, health-related issues, performance evaluation, payroll design, transfers, promotions, catering services, transportation services, job security, and career planning[15].

HRM plays a crucial role in strategic management and has been recognized as a key component in CSR/S agendas. Global practitioners have developed best practices for effective engagement, supported by professional associations like the Society of HRM (SHRM), the Chartered Institute of Personnel and Development (CIPD), and the Australian Human Resource Institute (AHRI), highlighting the importance of HRM in CSR/S initiatives [9].

2.1. General Challenges can be faced by the HR Department.

In today's dynamic and complicated corporate world, human resource management (HRM) faces several obstacles. Among the principal challenges are:

- 2.1.1. **Talent Acquisition and Retention:** HR departments face significant challenges in finding and retaining top talent due to competitive markets and changing workforce demographics, necessitating constant adaptation of retention, and recruiting techniques.
- 2.1.2. **Employee Engagement and Motivation:** Organizational success relies on engaging and motivating its workforce through HR's focus on creating a supportive environment, offering professional advancement opportunities, and recognizing and rewarding employee achievements.
- 2.1.3. **Managing Diversity and Inclusion:** Human resources must create a culture that values fairness, inclusion, and respect to effectively manage a diverse workforce, addressing prejudices and fostering an environment of acceptance and belonging.
- 2.1.4. **Adapting to Technological Changes:** HR departments must adopt technology to enhance decision-making, communication, and process efficiency, but implementing analytics, AI, and HRIS requires thorough planning and careful consideration of consequences.
- 2.1.5. **Workforce Planning and Succession Management:** Organizational continuity relies on anticipating future skill needs, identifying critical talent, and creating succession plans. HR and leadership must collaborate to maintain talent pipelines and align workforce planning with strategic objectives.
- 2.1.6. **Managing Remote and Flexible Work Arrangements:** The shift towards remote and flexible work arrangements presents both opportunities and challenges for HR. They must establish policies and procedures to support remote work, maintain productivity, and foster collaboration while addressing issues such as work-life balance and isolation.
- 2.1.7. **Legal and Regulatory Compliance:** HR departments must stay abreast of evolving labor laws, regulations, and compliance requirements to ensure the company operates ethically and avoids legal issues, including employment contracts, data privacy, workplace safety, and anti-discrimination legislation.
- 2.1.8. **Employee Well-being and Mental Health:** The COVID-19 pandemic has underscored the need for increased support for employees' mental health, emphasizing the need for HR to provide resources, programs, and a supportive environment to help overcome stress and burnout.
- 2.1.9. **Managing Change and Uncertainty:** In today's rapidly evolving business environment, HR plays a crucial role in managing change by assisting workers in adapting to new practices, providing support, and facilitating communication.

2.1.10. Cost Control and Budget Constraints: HR departments aim to maximize human capital return while managing financial constraints, balancing recruitment, retention, and development with cost management measures, ensuring a balanced approach to human capital investment.

2.2. HRM Challenges in Startup Companies

Human resource management is crucial for startups, but many entrepreneurs overlook it. Startups face HR issues such as hiring staff, creating policies, securing management support, and firing underperforming employees. It's essential to understand the specific challenges each presents and why they are important for a startup, even if it's in its infancy. By implementing a strong brand strategy and addressing these HR challenges, startups can ensure their success and maintain a competitive edge.

The following are some of the most typical HR difficulties faced by startups

2.2.1. Lack of Management buy-in

Startups tend to prioritize hiring based on directives and ignore HR compliance, seeing HR operations as a superfluous expense. Since the company will create its own culture and principles, HR needs to educate founders on the value of corporate culture. To prevent the organization from developing its own culture and values, the company must maintain control over the situation and direct the culture towards the goals that have been established.

2.2.2. Documentation of policies

Before employing staff, the HR department should ensure that all policies—including those about vacation, attendance, and job descriptions—are clearly stated. Supervisors must be aware of the regulations that apply to their size. A pamphlet detailing expected conduct and company policies should be sent, as well as an employment offer that must be accepted and signed. This way, everyone will have a record in case there are any disputes.

2.2.3. Hiring

Hiring talented workers is a major difficulty for companies, not just in HR but also in other areas of the company. Referrals are frequently used to hire early personnel, which may result in over-hiring or overpaying. Particularly in cases when firms receive financial help, an accomplished HR leader may put in place essential procedures to guarantee that the top candidates are employed at the most competitive price.

2.2.4. Failure to provide training and development.

A defined growth path and a commitment to training are essential for employee engagement and retention. Low-cost strategies are promoting conferences, having in-house specialists teach workshops and cross-training. Mentoring programs increase employee satisfaction, and new businesses should offer networking possibilities[16].

2.3. The main challenges can be faced by HR departments.

2.3.1. Leadership Development

Leadership development theory focuses on individual qualities, conduct, and skills for effective leadership. It has evolved to include contingency theories, understanding leadership circumstances, and the relationship between leader and follower [17]. Leadership development incorporates international markets, economic trends, and the Asia-Pacific Rim. Leaders learn global interdependence and the importance of staying current. Career development programs use the Internet for global promotion and knowledge gathering [18]. Leadership development involves self-awareness of values, beliefs, character, spirit, and personality, focusing on the individual's beliefs and values. It involves formal and informal interventions to break down leadership into teachable elements [17].

Effective leadership is crucial for organizational success, and leadership development is now seen as a process that emerges from relationships between collaborators and leaders, rather than just individual skills. This paradigm presents more challenges in designing and implementing leadership development strategies compared to previous decades [18]. Developing leaders in organizations is a significant competitive strategy component, involving senior personnel and requiring significant time and resources. Stakeholders include government, professional organizations, corporate universities, consulting companies, and business schools [19]. Formal and informal leadership development approaches focus on human qualities and abilities, with formal methods enhancing decision-making and informal practices promoting group competence and growth [20].

2.3.2. Change Management

Change management is a systematic approach to managing change, involving the development and implementation of strategies, structures, processes, and technology to adapt to external shifts and facilitate efficient company transitions, involving collaboration among managers, executives, and frontline employees. Change management involves continuously updating an organization's capabilities, direction, and structure to meet the evolving demands of internal and external consumers, requiring the right managerial abilities and approach [21].

Change management helps individuals embrace change while overcoming initial resistance. Factors preventing change include organizational inertia, conventional culture, cost, past reaction methods, and unconscious resistance from organizations, which can hinder transformation. Change is a multifaceted process that involves altering technology, structure, decision-making, and management systems to achieve organizational objectives, involving factors like triggering, strategies, confusion, and paradigm. Change management strategies often involve leadership, member communication, education, training, full organizational engagement, continuous reinforcement, and one-on-one counseling to handle resistance to change. Change management techniques, including organizational objectives, transformational leadership, engagement, communication, and education, impact organizations. Recent studies focus on sustainability strategies and encouraging creative conduct, with Lewin's work being the first investigation.

Research on management strategies to reduce individual resistance has been the focus until recently. Change management aims to change members' behavior and perception to achieve goal performance. Key components include engagement, leadership, communication, education, training, and counseling. This research categorizes change management into four

main components: role-playing, training, direct member engagement, and communication. It emphasizes clear plans, mutual collaboration, inter-level communication, education, and effective leadership. The study also suggests vision, communication, systems, employee engagement, education, leader behavior, and organizational structure as additional elements[22].

2.3.3. Organizational Performance

Organizational performance, often associated with effectiveness, efficiency, and improvement, is influenced by clear objectives and the achievement of observable, quantifiable, valuable, and personally significant objectives. Performance, defined by McCloy, Campbell, and Cudeck (1994), refers to actions or behaviors relevant to the organization's objectives and is not a result or consequence of actions or behaviors. Conceptual clarity is a challenge in understanding organizational performance. Performance is multidimensional, with various components identified based on co-variation and inter-correlation with other factors. However, there is no single definition for organizational performance due to studies in various disciplines, including organizational behavior, public administration, psychology, and human resource management, which have addressed the idea in their respective areas, leading to various definitions in the literature [21].

Organizational performance, despite being a frequently used dependent variable in organizational research, is a complex and poorly defined concept, with the struggle to define performance in strategic HRM and other areas for a long time [23].

3. Theoretical Framework

Fig. 1 shows the theoretical framework of this study, including the first introduction of HRM, the goal that defined objectives and aims according to the problem statement of the study and the challenges that occur in the HRM department, sorting out the literature review of a study based on challenges means general challenges and main challenges. Here there are so many challenges that occur in any HR department those can be general or main, general means those can occur in any industry but their impact is not much more only those can be find out at everywhere, but the main challenges are those which occurs on any specific point or industry and their impact is a lot means due to these impact industry/organization can be in loss so here in this study sorted out a few main and general impact on HR departments.

The methodology used in this paper, the author made questions (Google Forms) and shared them with different organizations and took data from employees and the HR department through Google Forms. Questions are made based on challenges that can impact any organization. The study collected 80 responses from various organizations having areas are employees of companies in Pakistan and a few in Italy. After collecting data analyzed data and found the main challenges that can occur in companies due to HR department based on collected data. In the questions author also added the question of how can resolve the problems that can occur due to challenges in HR departments, so we analyzed the answers of responses, compared the solutions procedure of employees, and found the best solution to eliminate those problems.

After that, the author discussed the analysis, found the main challenges that can impact on HR department, and the find best solution to improve the HR department. Finally, conclude the study with limitations of the study and future recommendations.

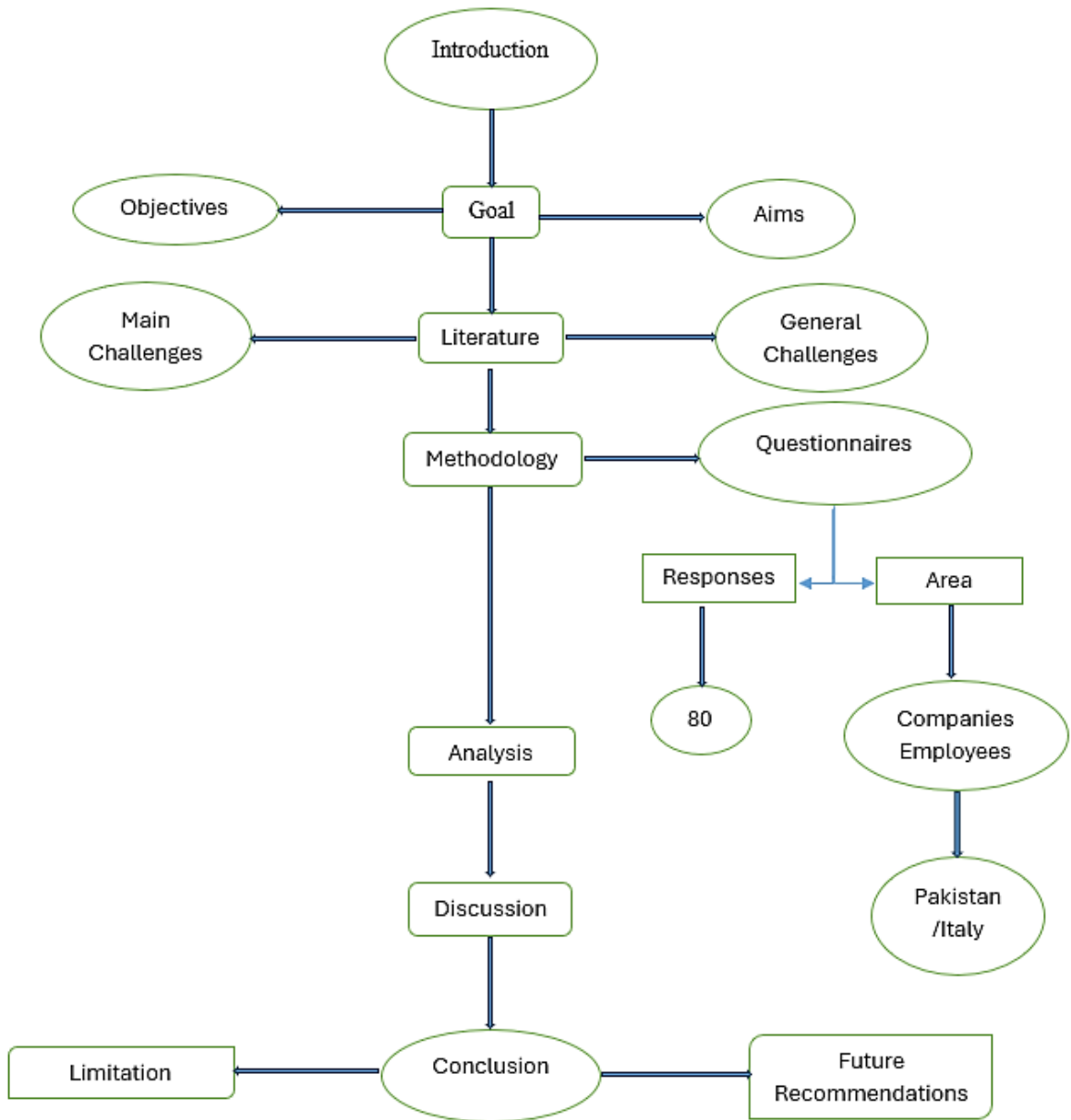


Fig. 1. Theoretical Framework of Study

4. Analysis

Table 1. Responses of employees

The impact of the HR department on the organization	Impact of change management	Impact of leadership development	Impact of innovation	Impact of best recruitment of employees
Positive	4	4	3	3
Positive	4	5	5	5

The impact of the HR department on the organization	Impact of change management	Impact of leadership development	Impact of innovation	Impact of best recruitment of employees
Positive	5	5	5	4
Positive	3	3	5	5
Positive	4	4	3	3
Positive	5	5	5	5
Positive	1	2	4	3
Positive	4	5	2	3
Positive	4	4	3	4
Positive	1	1	1	1
Positive	4	3	3	4
Positive	2	3	5	5
Positive	3	3	2	5
Positive	3	5	5	3
Positive	4	5	5	5
Positive	3	3	4	2
Positive	4	5	4	5
Positive	5	5	5	5
Positive	5	3	4	5
Positive	4	4	4	4
Positive	5	5	3	3
Positive	3	3	3	3
Positive	5	5	5	5
Positive	3	5	4	4
Positive	5	4	4	5
Positive	1	1	3	3
Positive	3	3	5	3
Positive	1	1	1	1
Positive	4	5	3	4
Positive	3	5	5	5
Positive	4	4	5	5
Positive	4	5	4	4
Positive	4	4	3	4
Positive	4	4	5	5

The impact of the HR department on the organization	Impact of change management	Impact of leadership development	Impact of innovation	Impact of best recruitment of employees
Positive	4	4	4	4
Positive	5	4	4	3
Positive	4	5	4	5
Positive	5	4	3	4
Positive	3	4	4	4
No any	3	4	4	4
Positive	5	5	5	5
Positive	3	3	4	3
Positive	5	5	4	4
Positive	5	4	4	4
Positive	4	4	5	5
Positive	4	4	4	5
Positive	3	5	4	5
Positive	5	5	5	5
Positive	4	4	5	5
Positive	4	3	2	2
Positive	5	4	1	3
Positive	4	3	3	3
Positive	3	1	3	1
Positive	4	2	4	5
Positive	4	4	1	4
Positive	5	5	3	5
Positive	3	3	4	4
Positive	4	4	4	5
Positive	5	5	5	5
Positive	3	4	2	3
Positive	4	5	4	4
Positive	3	4	3	3
Positive	5	4	4	5
Positive	3	4	4	5
Positive	4	4	4	3
Positive	5	5	5	5

The impact of the HR department on the organization	Impact of change management	Impact of leadership development	Impact of innovation	Impact of best recruitment of employees
Positive	5	5	5	5
Positive	5	4	4	4
Positive	4	4	1	4

Table 1 is data collected through questioners now here the first question is about the overall impact of the HR department on organization means the contribution the data shows a 99% impact of the HR department which means the HR department plays a crucial role in any organization. The second question is about the impact of change management, here questions are based on a linear scale (1 to 5), 1 is a very poor impact, and 5 is a very strong impact now if look at the data there is a strong impact on any organization if there is change management in HR departments it is almost more than 60% because almost responses selected 3, 4 and 5, so we can consider it has a very strong effect. Another question is the impact of leadership development the data shows leadership development also affects almost about 50% of, responses selected almost 3, 4, and 5 so we can consider it has a strong impact. Another question is about the impact of innovation, here innovation means the implementation of new technologies and how they can affect the overall organization and HR department, so in the data, most responses are 2, 3, and 4 we can say that it also impacts on the organization not strong but it has good impact means if there used innovative technologies or any other innovation ideas been implemented then these may impact on organizations. The last question is related to recruitment and selection in the data most responses are 3, 4, and 5 so we can consider it is also having a strong impact on any organization, which means if the HR department does good recruitment and selection of employees then the organization could be good, so best recruitment also impacts on the organization.

what do you think the impact of HR department in any organization is?

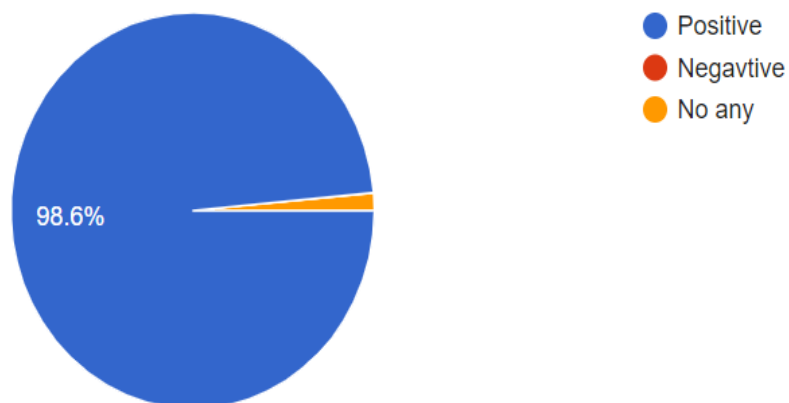


Fig. 2. Impact of the HR department on organization

Fig. 2 is the summary of the overall impact of the HR department on the organization so the figure shows a 98.6% impact on the organization. It means the HR department plays a vital role in any organization and it has a positive impact on any organization.



Fig. 3. Challenges faced in an organization related to the HR department.

Fig. 3 shows the most challenges faced in an organization related to the HR department. In the graph the most impacted challenge is change management means a change in anything in an organization or HR department then it is a big challenge according to employees' data. It has almost 48% impact on the department so if there is any change in the organization then it is one of the big challenges. The second big challenge is leadership development. According to the graph leadership development also plays a crucial role, it is almost 40% means this is also one of the big challenges. Another challenge is HR effectiveness measurement the graph shows almost 30% impact on the organization. These are the main challenges according to the data but also looking at the graph other challenges can affect an organization like organizational effectiveness 25%, recruitment, and selection 20%, Training and development is also 20%, employee engagement 15%, Lack of relationship building is 15 and poor communication is 10%. So other problems can affect any organization.

Fig. 4 shows the remedial action of challenges here in the graph almost 56% need employee training means if the employee's training is good then there can be no challenge in the department. Another remedial action is the right recruitment and selection of employees if we look at the graph it is about 50% means it plays a vital role if the HR department hires the right employee for the right job at the right time, then can be taken the action against any problem. Another remedial action is skills development so here it is about 40%, employee training and skill development are consistent means if the organization trains the employees and develops the skills employees then these can take action against any problem. Another remedial action is team cooperation which is about 30% so if the team is cooperative then they can take action collectively to find any challenge and can reduce that. Last but not least remedial action is continuous monitoring, which is about 15% so if management does monitor every time, then there are a few possibilities to make the organization better.

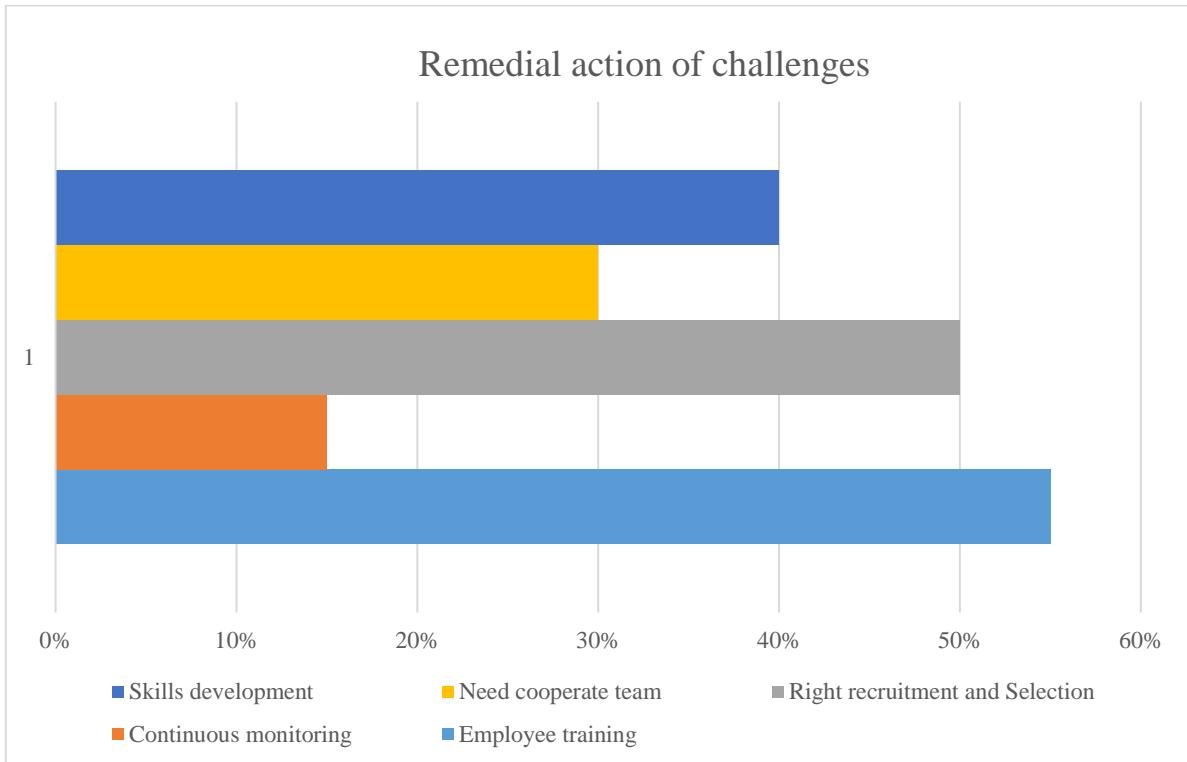


Fig. 4. Remedial action of found challenges.

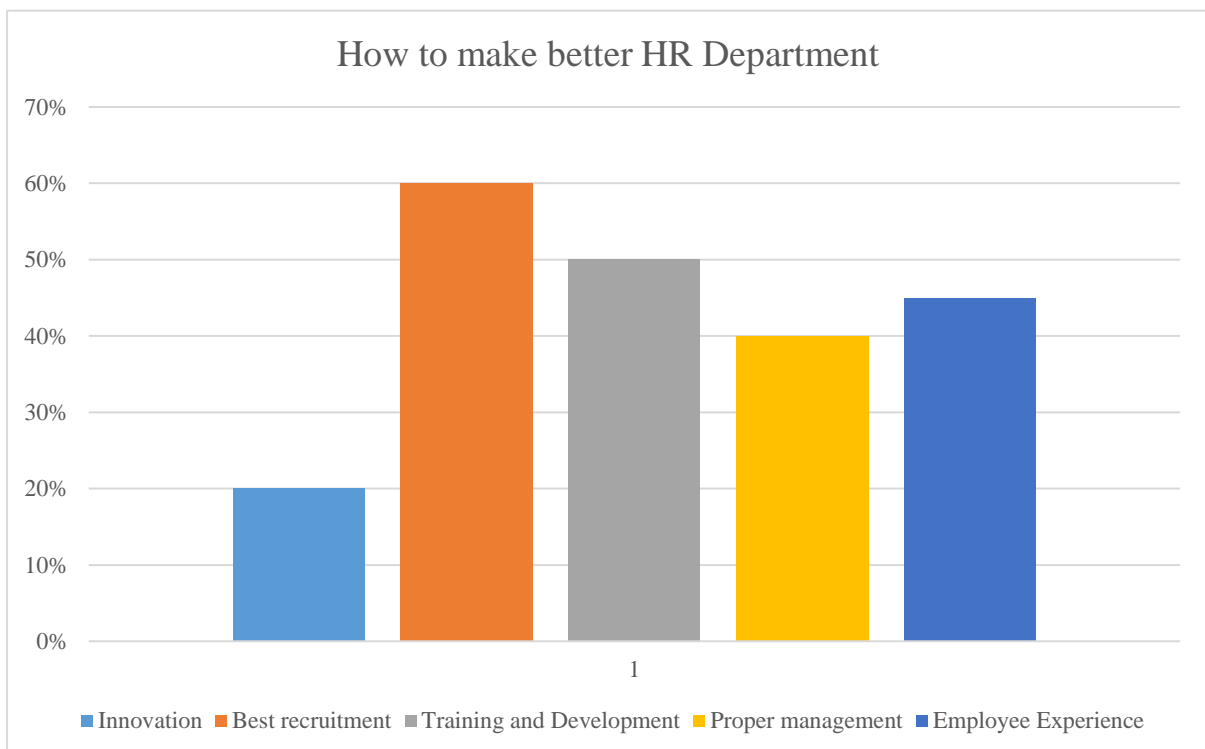


Fig. 5. Factors to make better HR departments.

The above figure 5 shows how to make it better for HR departments in the graph innovation is about 20% means if the department implements any innovative ideas or

technology then there is the possibility to make it better. The best recruitment is the most important factor that can make a better organization. Look at the graph that it is about 60%. Another factor is training and development, which is also a good factor to make the organization look at the graph which is 50%. Another factor is proper management is also to make better organization in the graph it is about 40%. The last factor is employee experience, which is about 45%, which means this also can make the organization better.

5. Discussion

As mentioned above, this study is based on questions and collected data through Google Forms from employees of companies that mostly belong to Pakistan, and a few are in Italy. After collecting the data, the study analyzed that the HR department plays a vital role in every organization because Human resources (HR) is the division of a business responsible for finding, recruiting, screening, and training job applicants. From the data, it shows that this department has a positive impact on any organization/company. This study found that various challenges can occur in any organization. Those challenges have been identified by employees who are working in industries. We used linear scale questionnaires 1 to 5 (1 is very poor and 5 is very strong), based on this scale, we collected data on most challenges that can impact any organization. The employees responded to these challenges; change management, leadership development, HR effectiveness measurement, organizational effectiveness, recruitment and selection, Training and development, employee engagement, Lack of relationship building, and poor communication. Out of these challenges, the most effective are change management, leadership development, and HR effectiveness, all others are also impacting but the most impact on the department is these. Look at the figure and description of the figure percentage of each problem mentioned.

To reduce these challenges the author took remedial action by collecting data from employees, the author mentioned the question of how we can remove these challenges so after analyzing their responses study concluded that there is a need for employee training means if the employee's training will be good then there can eliminate any challenge occurs in the department. It is the best action to reduce the problem if employees are trained already or we train them then the organization can take action against problems. When the employees are trained and their skills are good, there is also skill development remedial action. Right recruitment and selection of employees also play a vital role in the starting hire is good and hired employees will be best then those can reduce any problem because they are familiar with everything. If the HR department hires the right employee for the right job at the right time, then can be taken the action against any problem. If the team is cooperative means if any employee faces any problem, then the whole team supports reducing that problem which is also a remedial action called "Team Cooperation". Continuous monitoring also can contribute to reducing any challenges. If the management team monitors continuously then there may be fewer problems or challenges that can occur because continuous monitoring resolves problems every time.

To make better HR departments many factors can be considered but according to employees' responses we mentioned a few and those are Innovation, Best Recruitment, Training and development, Proper management, and Employee Experience. Here from the analysis recruitment and selection and training and development are the major factors in making a better HR department and organization because hiring the right employee will do best for the organization and that employee can implement new ideas and also can reduce any

problems/challenges if organization will face. Training and development are also the main factors because if employees are well trained then those can be beneficial for the organization, and they can develop any new or innovative thing for the organization and also can reduce any problem because they are well aware of everything or activity which are involved in the organization. The given figure to make better HR department showing in the form or percentage we can look at the figure and the description defined their actual findings. Other factors innovation, proper management, and employee experience are also important in any organization that can do better for the HR department and organization. If the organization implements new technologies or innovative ideas according to the modern era, then the organization can be good, and the HR department can be good for fulfilling its responsibilities. Proper management of the department and organization also can do better HR department because the actual thing is management if the management is good then there is a small possibility to occur any problems if the problem occurs then the experienced employees can eliminate the problem effectively.

Here is the summary discussion that HR departments are very crucial in any organization so finding the main challenges in the department must be reduced by using any remedial action or factor considered in the study. There may be a lot of other technologies, remedial actions, factors, etc. to do the best organization but in this study, we analyzed based on employee reviews and mentioned here.

6. Conclusion, Limitations and Future Recommendations

6.1. Conclusion

The study, based on data from employees in Pakistan and Italy, highlights the critical role of the HR department in organizations. It identifies several challenges, including change management, leadership development, HR effectiveness measurement, recruitment and selection, training, employee engagement, relationship building, and poor communication. The most significant challenges are change management, leadership development, and HR effectiveness. To address these, the study proposes remedial actions based on employee feedback, such as employee training, skill development, right recruitment and selection, team cooperation, and continuous monitoring. To enhance the HR department and overall organizational effectiveness, factors considered as innovation, proper management, and employee experience are emphasized. Recruitment and selection, along with training and development, are identified as major factors for improving the HR department and organization.

6.2. Limitations

According to other studies, this study has also limitations; First, actually, the Human resource department is the main department hiring the employees this study was taken based on online questioners so there is a possibility in the responded a few employees are not well aware of the HR department, if this study takes place physically in different companies and visit the HR department to take the data then that data should be effective. Second, this study got only almost about 80 responses if the responses are more than a hundred means many responded then there is also the possibility of changes in results. Third the remedial actions are the basis of employees' responses. If we visit the industries and HR departments to find the how can be best solutions for facing the challenges in industries, then there is also the

possibility of changing remedial action. But normally given challenges and remedial actions is possible to make better decisions.

6.3. Future Recommendations

Finding the limitations of the study in the future author should have to take actual data mean visiting the organizations/companies for taking the data, finding the main challenges facing the industry due to the HR department, finding better remedial actions to reduce challenges, and find the better decision for improvement of HR department.

There is a possibility of innovative technologies in the future because now it is a modern world so if in the future any HR department implements new technologies then that can have the best impact on organizations. The authors must find and implement innovation in organizations and then find the challenges if there is occurring and give suggestions to take action against those problems by using technologies.

References:

- [1] Ferris, G. R., Hall, A. T., Royle, M. T., & Martocchio, J. J. (2004). Theoretical development in the field of human resources management: Issues and challenges for the future. *Organizational Analysis* (15517470), 12(3).
- [2] Munir, M., & Djaelani, M. (2022). Information Technology and Repositioning of Human Resource Management Functions. *Journal of Social Science Studies (JOS3)*, 2(2), 50-55.
- [3] Zamanzadeh, V., Valizadeh, L., & Neshat, H. (2020). Challenges of human resources management in nursing in Iran: A qualitative content analysis. *Nursing Open*, 7(1), 319-325.
- [4] Mira, M., Choong, Y., & Thim, C. (2019). The effect of HRM practices and employees' job satisfaction on employee performance. *Management Science Letters*, 9(6), 771-786.
- [5] Al Haziazi, M., Muthuraman, S., Al Yahyaei, N., & Al Balushi, A. (2022). Opportunities and challenges in digitalizing the HRM in Middle East. *Webology (Issn: 1735-188x)*, 19(2), 6611-6617.
- [6] Rehman, M. S. (2011). Exploring the impact of human resources management on organizational performance: A study of public sector organizations. *Journal of Business Studies Quarterly*, 2(4), 1.
- [7] D. Salah, M. H. Ahmed, and K. Eldahshan, "Blockchain Applications in Human Resources Management: Opportunities and Challenges," in *ACM International Conference Proceeding Series*, Association for Computing Machinery, Apr. 2020, pp. 383–389. doi: 10.1145/3383219.3383274.
- [8] Brunetto, Y., & Beattie, R. (2020). Changing role of HRM in the public sector. *Public Management Review*, 22(1), 1-5.
- [9] Podgorodnichenko, N., Edgar, F., & McAndrew, I. (2020). The role of HRM in developing sustainable organizations: Contemporary challenges and contradictions. *Human Resource Management Review*, 30(3), 100685.
- [10] D'Angelo, C., Gazzaroli, D., Corvino, C., & Gozzoli, C. (2022). Changes and challenges in human resources management: An analysis of human resources roles in a bank context (after COVID-19). *Sustainability*, 14(8), 4847.
- [11] Davidescu, A. A., Apostu, S. A., Paul, A., & Casuneanu, I. (2020). Work flexibility, job satisfaction, and job performance among Romanian employees—Implications for sustainable human resource management. *Sustainability*, 12(15), 6086.
- [12] Yeung, A. K., & Berman, B. (1997). Adding value through human resources: Reorienting human resource measurement to drive business performance. *Human resource management: Published in cooperation with the school of business administration, the university of Michigan and in alliance with the society of human resources management*, 36(3), 321-335.
- [13] Ruta, C. D. (2005). The application of change management theory to HR portal implementation in subsidiaries of multinational corporations. *Human resource management*, 44(1), 35-53.

- [14] Fernandez, V., & Gallardo-Gallardo, E. (2021). Tackling the HR digitalization challenge: key factors and barriers to HR analytics adoption. *Competitiveness Review: An International Business Journal*, 31(1), 162-187.
- [15] Aycan, Z. (2001). Human resource management in Turkey-Current issues and future challenges. *International journal of manpower*, 22(3), 252-260.
- [17] Hanson, B. (2013). The leadership development interface: Aligning leaders and organizations toward more effective leadership learning. *Advances in Developing Human Resources*, 15(1), 106-120.
- [18] Hernez-Broome, G., & Hughes, R. J. (2004). Leadership development: Past, present, and future. *Human resource planning*, 27(1).
- [19] Mabey, C. (2013). Leadership development in organizations: Multiple discourses and diverse practice. *International Journal of Management Reviews*, 15(4), 359-380.
- [20] Garavan, T., Watson, S., Carbery, R., & O'Brien, F. (2016). The antecedents of leadership development practices in SMEs: The influence of HRM strategy and practice. *International Small Business Journal*, 34(6), 870-890.
- [21] Kimhi, S., & Oliel, Y. (2019). Change management and organizational performance in selected manufacturing companies in Anambra state, Nigeria. *The International Journal of Social Sciences and Humanities Invention*, 6(05), 5437-5445.
- [22] Sung, W., & Kim, C. (2021). A study on the effect of change management on organizational Innovation: Focusing on the mediating effect of members' innovative behavior. *Sustainability*, 13(4), 2079.
- [23] Rogers, E. W., & Wright, P. M. (1998). Measuring organizational performance in strategic human resource management: Problems, prospects and performance information markets. *Human resource management review*, 8(3), 311-331.