

Research on Strategy Human Resources Management of Enterprise Under the Financial Crisis

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Abstract—The Financial Crisis has a great impact on the survival and development of enterprise, which is also a key challenge to human resources (HR) managers in the enterprise. In view of the economic fluctuation caused by current Financial Crisis, it is imminent for the enterprise to take active measures to this issue in HR management strategy. This paper is aimed at analyzing several main issues confronted by HR management under the Financial Crisis and putting forward some corresponding countermeasures, I hope it will provide guidance and reference for the enterprise under the Financial Crisis.

Index terms—Financial Crisis; Human Resources (HR) Management; Issues Strategy

I. INTRODUCTION

The global Financial Crisis caused by US Subprime Crisis has been spreading all over the world so quickly whose influence has also been increased with each passing year. Starting from the second half of 2008, a global economic recession has become the focus of one's attention. Although governments around the world has taken a series measures to the crisis, but so far, the remaining wave still spread to all levels of enterprise, many enterprises to reduce costs to seek the self-preservation, and lower labor costs often is the primary measure. In order to cut the human cost, most existing enterprises have taken out downsizing or pay-cut action, partial enterprise, its salary and bonus cut and downsizing scope has been involved from the corporate executives to the first workers all levels, then, pay-cut and sackings become the global Financial Crisis of a popular topics in the dilemma of enterprise human resources management has appear ropery, and by the Financial Crisis caused by the economic crisis has direct influence on the market for human resource demand and value assessment, which not only helps enterprise structure conformity, put forward very high demand of enterprise strategy of human resources management also puts forward a new challenge.

As for enterprises in China, how to review the negative impact caused by the Financial Crisis, how to deal with the ordeals brought by uncertain economic environment and how to make an earlier preparation for it, how to break the ice and overcome those hurdles, how to continue

to develop in a sound condition, which are the tough situation and great challenge for the enterprise to confront with.

II. THE FOLLOWING PROBLEMS ARE FACED BY HR MANAGEMENT UNDER THE FINANCIAL CRISIS

1. The laid-offs has been caused by the financial crises. During the Financial Crisis, many enterprises have taken measures to lay off employees and reduce the cost, but in the reduction of cost, it also brought many hidden dangers in the process of HR management. According to the national development and reform commission, small and medium-sized enterprise company statistics show that only the first half of 2008, our country 6700 home scale above business failures, Chinese petroleum, lenovo, wuhan, baosteel, yahoo and other large enterprises and major airlines also in succession to cut out the news of manpower cost. Yahoo is concerned, only in December 2008, they laid off 500 people. This massive layoff not only seriously hurt the enterprise prestige, will be in the enterprise of the remaining employees in causing panic, influence enterprise staff's stability, make team morale and cause sudden mass resignation of employees, if the company due to business needs, from the market again hurried recruitment and training new, it would cause artificial cost increase, this kind of blindfold operation will eventually affect the enterprise overall strategic target realization.

2. The enterprise faced a great challenge to cohesive due to the severe pay-cut. The pay-cut policy is also an essential measures taken by the enterprise to reduce labor costs during the Financial Crisis, some enterprises will reduce the salaries of employees in accordance with standard percentage, some will reduce the expenditures by the means of increasing the unpaid days, some will deduct 40% payment based on the absent attendance for three days a week, Some will reduce the payment according to different titles and positions and etc. According to the survey, billion Yang communication 8-bit executives pay-cut 10%-20%; CSN management pay 10%, Angang executives are down thousands of yuan. In addition, the enterprise is often through reduced employee various welfare, allowances and subsidies in the ways to reduce

the employee remuneration. According to the survey, 35 percent of enterprise consider modifying training plan, more than 80 percent of the enterprise stop at public expense tourism plan. In addition, paid vacation, compensatory medical treatment and compensatory insurance and housing accumulation fund to attract and retain such as before employees, improve the measures, employers brand by certain effect, enterprises have taken measures to slow and suspension supplemental benefits. Reasonable adjustment in the structure of salary, staff can withstand performed within the scope of reasonable salary, reduce floating in organizational process reengineering process is desirable, but if only unified lower pay and not adjust salary structure mode, but unfavorable to staff efforts through, which will affect the enterprise internal employees' organization long-term accumulated down emotions, but unfavorable to enterprise staff work together to help enterprise over the difficulties.

3. The Financial Crisis leads to the reduction in enterprise recruitment and training fee. Confronted with sudden Financial Crisis, many enterprises have been troubled with optimizing the organization chart. In order to save Labour costs, the requirements for employees has been lessened and gradually decreased greatly, only Shanghai in October 2008 employment market position supply is falling by 60%, steel, import and export, real estate many industries suffer Financial Crisis, the impacts of huge recruitment plan are frozen.

Regarding the training of enterprise personnel, nearly 60 percent of the interviewed enterprises intend to or are likely to cut down training expenditures, which will directly or indirectly bring about great negative effects on promoting the efficiency of enterprise. As we know, opportunity for career development and professional training is effective drives for the enterprise to promote its efficiency, even if the primary driving factors in a certain extent may not be able to avoid the training budget cuts will have on morale and employee professional degree have a negative effect on work efficiency, thus a direct impact. Actually, the enterprise training costs of reason to cut mostly because of enterprise itself is a shortage of funds, thought it unnecessary spending too much money in training. Then on talent training of enterprise fears the risk is bigger, fear cannot keep talents, most firms think they need professional skills from social persons can invite applications for external channel to gain, so for talents training and development of enough attention, lack of long-term view enterprise development to talented person's demand. Due to insufficient investment enterprise training of talents, leading companies for highly skilled talents cultivation lack of continuity, leads to many professional technical talents loss, thus forming a vicious cycle of talent training.

4. There are many difficulties in HR planning. As the Financial Crisis has been spread to the entity economy and the hazard has been upgraded, the original strategy and business plan has been broken, and it requires enterprises in its human resources planning must also making major changes, because it is so hard to estimate the crisis of enterprise future impact on the size of the enterprise for

future development trend of judgment and strategic planning is difficult to determine, enterprise hr planning work will also become more difficult, this kind of circumstance for lack of strength and strategic foresight adjust enterprise character, will inevitably occur disorder and business enterprise internal management, and can produce some confusion not competent redundant staff, eventually leading to the enterprise performance declines, crisis.

III. THE STRATEGIES ADOPTED BY HR MANAGEMENT UNDER THE FINANCIAL CRISIS

1. Be careful in adopting layoffs policy and reshaping culture of enterprise. Downsizing is enterprise of financial crises of helpless choice, downsizing will make the enterprise production efficiency, and a drop in easily make staff to conclude that no matter how loyal to the company, one day likely will also be cut, so insecurity would make them suffer from psychological terror, resulting in anger, anxiety, resentment, slacking become such narrow mind, to prospect feel even desirable. rather some employees start anew design your own career planning, bidding job-hopping, especially enterprise's executives and technology backbone, if they job-hopping, can make the enterprise to bring the huge loss because they are familiar with this enterprise's operation mode, has a regular customer groups and mastering enterprise core technologies, if not change after job-hopping industry, the original enterprise directly into the competition, this will give the original enterprise of operation and development bring bigger impact. Therefore, a committed to long-term development of the enterprise must be treated carefully layoffs, not able to send it as a means of reducing enterprise operating costs, must be fully aware layoffs to enterprise dangers, less than marv and last-minute, had better not easily by layoffs strategy, if must layoffs, also must take various measures to make of the remaining employees eliminate worries and fears, prevent the occurrence of leaving employees syndrome. To achieve this goal, corporate redundancy prior to about the Financial Crisis influence on the enterprise, analyzing the human resources of enterprises whether really is redundant state, for the selection of objects should take jobs to the future development of the enterprise direction and position demand for the standard, the process of layoffs shall be cut workers communicate, alleviate their emotions, for their basic rights gives protection for employees to stay after downsizing configuration optimization and psychological help is a human resource department managers need to consider the question. Managers should first from the enterprise internal management perspective, optimize organizational structure, functions, to clear structure adjustment, and be clear in every department of the function, provisions shall set up to realize these functions of post, clear post qualifications and should bear the responsibility, accomplish the right person in the right post, thus, it can not only stable enterprise movement, but also can improve the employees of enterprises management, avoid because downsizing of people bring potential unstable factors.

Downsizing, after the occurrence of enterprises shall strengthen enterprise culture training to improve the internal organs, with excellent culture will existing staff together, for enterprise's common goal and efforts and remodeling of enterprise culture as a long-term task to grasp, and in the enterprise's daily management process step by step forward, mentally respect talented person, CARES about the talent, care for the talents, increase staff to enterprise's identity, thereby improving enterprise cohesive force. Simultaneously must take effective measures to maintain the stability of the backbone troop, with enterprise's development, to the enterprise internal talent flow channel unobstructed, promote all kinds of talents in the rational flow between departments, realizes in flow enterprise personnel structure optimizes combination and scientific configuration.

2. The salaries of core staff will be adjusted based on remuneration structure. Slash salary, the Financial Crisis period is a great risk, when should by changing the structure of salary way to make enterprise salary development more efficient, according to the pareto principle, 80% of the enterprise profit is 20% personnel have created, this 20% of core staff group enterprise must focus on, especially to prevent enterprise direct competitors take unconventional means to poaching by less fastidious, therefore, the enterprise can be properly adopt thin body way to core staff on moderate profits on moderate added. Considering the salary structure and payment will object diversification, establish core talents by means of bonus mechanism, some measures are taken to improve welfare plan and work and life balance scheme to actively retain people, for better effectiveness of the enterprise can increase the original salary increase, although by Financial Crisis, enterprise profits slowdown, bonus amount will be lower than usual, establish a special award scheme is indispensable for performance fails to complete, but relatively outstanding performance of employees want special incentives, in order to achieve long-term stability of enterprise core staff's purpose.

3. To enhance the talent reserve and increase the training opportunities. Talent reserve is a strategic plan, expand the talents pool, choose proper talents for himself used, is the enterprise human resources management in the Financial Crisis situation the urgentmatter, no talent of the enterprise will only is vulnerable dry, can not stand the wind and rain. In order to reduce recruitment costs, enterprises can change traditional recruitment, newspaper advertised for network recruitment and BBS search high-end talent way, also can launch enterprise employee relations, through the staff recruitment outstanding talented person, such with 2%-4% can not only reduce the cost, and convenient. Also makes new introduce talents fully immersed into the enterprise culture, moreover, due to internal personnel familiar with enterprise's situation, and talents most expect in enterprise to obtain larger development space and professional growth, internal selection can strengthen the sense of belonging and talents of enterprise's loyalty. Therefore, the enterprise can take coordination within the way to make up for the newly generated vacancy, instead of previous recruitment way,

thus makes the enterprise strategy from the pursuit of profit maximization steering cutprices for survival.

About talent training, we think it is the best way to increase enterprise cohesive force, it is the best of incentive mechanism. Therefore, the enterprise shall set up a set of perfect training development mechanism, strengthen on talent cultivation of funds, through the enterprise specialized skills training, specific skill training fee scale apportion risks in the form of lower training, establish and perfect training system to attract and retain talents. Enterprise training can follow the following principles: (1) to solve the current crisis as the main task. (2) to give consideration to the long-term development of the enterprise strategy and the staff's career development tendency. (3) try to make each investment generate maximum returns. Put money to juncture, plunge into the actual training and development. In training of skills and knowledge course, according to enterprise for future may involve new domain of business analysis to formulate, take not only means of staff's on-job knowledge and skills training. First to a complete set of training services, evaluation, rewards and punishment, and risk management system. Then, scientific and accurate determination of the training objectives, training of objects and methods, and is expected to reach the effect of training. Finally, to be innovative training mode. To post training, work experience exchanges, internal case discussion analysis is given priority to, through video, network training, symposiums and conduct training activities such as economic way to reduce the cost of training. On the basis of promoting enterprise training, enterprise human resources department should strive to achieve training system to the core technology transformation, make talents during training effective, organic ground will technology combining theory with practice and promote enterprise's core technology formation. Meanwhile, during training may introduce the employee assistance scheme, strengthening employee pressure persuasion and help employees in imperceptible in harmony, have the confidence to deal with and overcome the Financial Crisis.

4. Job analysis and human resources planning. Financial Crisis makes the enterprise have to reduce costs, including human capital, to this, we propose to enterprise of redundant staff to job cuts, as for the employees of change, must pay attention to post should also change, the enterprise according to the Financial Crisis and enterprise strategic planning, restart the distribution of the work, with the most appropriate post quantity and responsibility reduce unnecessary costs, give play to post the biggest utility, determining the appropriate employing quantity.

5. Try to make the human resources contract with other companies and introduce the consultant management system. In Financial Crisis personnel flow shock aggravate the moment, in order to reduce human resources operation cost, the enterprise can try to hr outsourcing model. For corporations, with low price from professional organization get human resources of high quality service, which is more than the enterprise itself has a huge multifarious human resource team is more can save costs and gain greater benefits. Hr outsourcing is one of the

important advantage of lower labor costs, relieve financial pressures, it can help the human resources department from heavy repeatability business freed, focus on the core work of strategic human resource management, and thus enhance the height and core competitiveness. Meanwhile hr outsourcing can also reduce manpower management cost, avoid large investment in talents brought about by the uncertainty risk, achieve maximize efficiency. Hr outsourcing model can be mainly carried out in following aspects: (1) the enterprise can be endowment insurance, unemployment insurance, medical insurance, housing accumulation fund for complicated and policy is strong, need of a special person to work on to talent exchange service center undertakes mandatory. 2 grass-roots staff recruitment will be to general labor company operation, and the demand of enterprise high-level personnel, the outsourcing to headhunt company put these functions have layers of outsourced, to some extent, it can reduce the human resources department operation cost, but also can ensure in a short time, with broader channels, and find a more suitable talents. 3 the employee training specialized degree of relatively high field outsource to other professional training organization, or university: such as jigang had entrusted liaoning university of technology for entering the unit for personnel professional training. The Financial Crisis, the enterprise according to their own impacted by actual situation, will be partially force resources management outsourced, lightly, concentrate human, material and financial resources make economic, can yet be regarded as enterprise for its survival and development of an important strategic measure.

In addition, the introduction of consultant management system is another emerging road in HR management and it is not bad to consult some professional advice in business operations, management trusteeship is not is a disgrace thing, the enterprise introduces the consultant management mechanism, facing human resource meets each kind of question can be consultation and consult hr professionals, the expert's opinion may be more sober, more rational and more objective. Reference professional consultants of the solution and suggestion is not to let our enterprise policymakers action, but let enterprises limited Henry wadsworth Longfellow fewer detours. Since most enterprise often do not understand oneself, introducing the necessary consultant management mechanism can of utmost avoid this scenario.

IV. CONCLUSION

As a whole, it is a systematic project for the enterprise to cope with HR management under the Financial Crisis.

In view of the Financial Crisis, HR managers must consider maintaining the balance between the survival and development of enterprises. In order to maintain this balance, the enterprise should adopt the corresponding strategic human resources management based on their own conditions and draw on the advantages and avoid the disadvantages. Therefore, we have reason to believe that HR will survive from this Financial Crisis by means of promoting strategic human resources management, strengthening the construction of human resources, improving the adaptability between human resources and environment, which will also assist the enterprise in tiding over difficulties and passing through the financial storm and winning more opportunities for the survival and development of enterprises.

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