

KERALA PERSONNEL



National Institute of Personnel Management - Kerala Chapter

Vol. XXIX, No. 10 | JANUARY - MARCH 2026

HR AT THE CROSSROADS
Depth, Disruption & the Future
of Work in an AI-Driven World

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Message from
CHAIRMAN



Message

Dear Members,

The close of a financial year is not just a milestone in time - it is a moment to reflect, realign, and move forward with greater clarity.

The past months have been marked by learning, action, and meaningful progress for the HR fraternity. At NIPM Kerala Chapter, we have continued to create platforms for learning, collaboration, and professional engagement through knowledge sessions, industry interactions, and student connect initiatives, with strengthening a vibrant and forward-looking community.

At the same time, the environment in which we operate is evolving rapidly. With changes in labour laws, increasing regulatory expectations, and the growing influence of technology and AI, the role of HR is becoming more critical and strategic than ever before.

This calls for a shift in how we approach our profession.

HR today is not just about managing processes, it is about understanding business, interpreting change, and creating meaningful impact on people and organisations. The real value we bring lies in our ability to think clearly, act responsibly, and contribute with purpose.

As we step into a new financial year, I encourage each one of you to strengthen your capability, stay adaptive, and engage actively in continuous learning and professional communities.

NIPM Kerala Chapter will continue to support this journey by enabling meaningful opportunities for growth and contribution.

Let us not just be part of change, let us be the ones who understand it and lead it.

Wishing you all a successful and fulfilling financial year ahead.

Warm regards

Anilkumar G

Chairman, NIPM Kerala Chapter

Message from
SECRETARY



Dear Members,
Warm Greetings to all.

As we progress into the third quarter, I am happy to note the continued momentum and active engagement within our Chapter. Over the past months, we have organized meaningful programs and initiatives focused on enhancing professional knowledge and member connect.

I would also like to extend a warm welcome to all the new members who have joined us in the recent months, especially in March. We are delighted to have you as part of the NIPM Kerala Chapter family and look forward to your active participation and contribution.

We are currently working on revamping our NIPM Kerala Chapter website to provide a more user-friendly and enriching experience for our members, improving accessibility, communication, and engagement.

My sincere thanks to our Chairman, Executive Committee Members, and all our Members for their continued support.

Let us move forward together with renewed energy and commitment
Best Regards

Saji V Mathew
Hon. Secretary

Editorial Board

Dr. Ranjana Varghese

Dean - External Programs
Xavier Institute of Management
& Entrepreneurship



Dr. Jose Joy Thoppan

Professor & Associate Dean
Saintgits Institute of Management
Saintgits College of Engineering
(Autonomous)



Ms. Alby Thomas

Director, Human Resources
DCN India



Mr. Zeeshan Zainuddeen

Fractional HR & Process Consultant
Workants Consulting

Editorial Insight

Dear Readers,

As we come to the close of this financial year, it feels like the right time to pause and look back at the last few months. For many of us in HR, this quarter has been a mix of change, planning, learning, and also rethinking how we approach our roles.

The discussions around the new labour codes are now slowly moving into day-to-day practice. While the intent is becoming clearer, the real challenge, we all know, is in how we interpret and implement these changes within our own organizations. Beyond compliance, what matters more is how people experience these changes with clarity and fairness.

At the same time, AI is beginning to influence many parts of our work. It is definitely making things faster and more efficient, but it also raises some important questions around trust and how we use data. More than anything, it reminds us that human connection still remains at the centre of what we do.

We are also seeing small but steady shifts more focus on skills rather than just roles, and increasing attention to employee wellbeing. These are not just trends we read about, but something many of us are already experiencing in our workplaces.

This edition of the NIPM Kerala Chapter Newsletter brings together the activities of the quarter along with a set of thoughtful articles shared by our members. Each one reflects practical insights and experiences that add value to our shared learning.

As we step into a new financial year, let us carry forward this learning with a clearer sense of purpose, and continue to contribute in ways that make a difference to the people and organizations we are part of.

My sincere appreciation to the Chairperson, Executive Committee, my fellow Editorial Desk members, contributors, and all members for their continued support in bringing out this edition.

Wishing you all the very best for the year ahead.

Happy reading



Zeeshan Zainuddeen

ECHOES OF EXPERIENCE, FOUNDATIONS OF THE FUTURE

CORNER STONE



V N Sreedharan Nair
Fellow NIPM

I must begin by admitting that I am a rather late entrant to the National Institute of Personnel Management. I became a member only in the latter half of the 1980s. Until then, my entire professional life was rooted in engineering. I worked in the Civil Engineering Department of HMT Limited, was a member of the Institution of Engineers (India), and a Chartered Engineer. Engineering was what I knew, what I was trained for, and what I thought I would continue doing throughout my career.

To be honest, HR was never really my chosen path. In those days, especially in the 1960s and 70s, industrial relations were quite turbulent. I had seen, from close quarters, the challenges faced by stalwarts like late Shri K. Madhavan and Shri K. P. Philip in HMT. It was a time when trade union and management relationships were often strained, and sometimes even turned unpleasant. That perhaps made me feel that HR was not a space I would naturally gravitate towards.

But life, as it often does, had its own way of guiding us.

My entry into HR happened quite unexpectedly, triggered by a domestic enquiry I conducted as enquiry officer involving a complaint of harassment raised by a lady employee against a lift operator. There were no witnesses to the incident. The enquiry relied entirely on the credibility of the complainant. The reasoning was simple and humane: under normal circumstances, a woman living with dignity in her family would not come forward publicly with such a complaint and withstand cross examination unless there was truth in her words. The absence of an eyewitness could not automatically favour the accused.

This finding was later upheld by the Kerala High Court, which observed that if a third person had been present, the accused may not have even dared to commit such an act. One must also remember that this finding in the domestic enquiry was recorded much before 2013, when the provisions of the POSH Act, 2013 came into force. Looking back, that episode became a turning point in my life. It was perhaps this that led the then Director Personnel to ask me to take up responsibilities in the HR function. Interestingly, he himself, late Shri Suryanarayana Gowda, also came from an engineering background.

From there, my journey with HR and with NIPM truly began.

I had the privilege of serving as the Chairman of the NIPM Kerala Chapter during the early 1990s. One of the most memorable moments of that period was when Kerala hosted the National

Convention for the first time in 1993. At that time, we did not even have a permanent office, and our convention work operated from the premises of M/s Sulaiman Associates.

What made that effort successful was not infrastructure, but people.

I remember with deep gratitude the contributions of leaders like late John Sam, late P. Radhakrishnan, late Kesava Pillai, late Sulaiman, Shri P. K. Sivadasa Menon, and many others. And of course, Shri K. P. Philip, who was then the National Vice President, was the driving force behind bringing the convention to Kochi and ensuring its success.

If I have missed mentioning a name or two, I request your forgiveness. Let me take what I jokingly call “anticipatory bail” for the lapses of an old man's receding memory.

That convention also left behind something very meaningful. The proceeds from it helped build what is today our office at Mather Square. I still remember sketching the initial layout of the office, quite casually, on a piece of paper during an executive committee meeting. It is quietly satisfying to see that something drawn in haste has stood the test of time.

Looking back, I would like the younger members of NIPM to remember that what you see today has been built step by step, through collective effort, commitment, and a shared sense of purpose.

To the present generation of HR professionals, I would like to say this in a simple way: the world of HR today is very different from what we experienced. The challenges are new, the expectations are higher, and we are now in a time when technology and AI are rapidly reshaping the workplace. The only way to remain relevant is to keep learning, stay curious, observe what is happening around you, and adapt with an open mind.

At the same time, one thing has not changed. HR, at its core, is still about people. That, I believe, will always remain.

I understand that the Kerala Chapter has hosted another national convention after our time, and I sincerely hope many more will come in the years ahead. My best wishes to all past chairmen, and my blessings to the present team of office bearers led by Shri Anilkumar.

I wish the chapter continued growth, strength, and relevance in the years to come.

Warm regards,

V N Sreedharan Nair

46th NIPM FOUNDATION DAY



Institutions do more than organize events -they shape professions, nurture values, and build communities that stand the test of time.

The 46th NIPM Foundation Day of the National Institute of Personnel Management (NIPM) was celebrated by NIPM Kerala Chapter on 15th March 2026 at Chakolas Pavilion, Kalamassery, Kochi bringing together HR professionals, industry leaders, and members of the fraternity to reflect on the evolving role of Human Resources.

The theme “HR 2.0 – Back to Basics: People Management” served as a powerful reminder that even in an era driven by technology, analytics, and transformation, the essence of HR remains rooted in understanding, managing, and empowering people.

The celebration was graced by Shri P. Rajeeve, Hon. Minister for Law, Industries & Coir, Government of Keralam, as the Chief Guest, along with Shri S. Sakthimani, CMD of FACT Ltd., and Shri George Oommen, Head – Kerala Plants, Apollo Tyres Ltd., as Guests of Honour, who shared valuable perspectives on leadership, industry, and the importance of people-centric management.

A particularly moving segment of the evening was the remembrance of Late Shri P. John Sam, Fellow NIPM, whose years of dedication and service have left a lasting impact on the HR community. As a mark of respect and gratitude, his family was felicitated, honouring his invaluable contributions to the profession and to NIPM.

For decades, NIPM has played a pivotal role in shaping HR professionals, fostering knowledge-sharing, professional growth, and a strong sense of fraternity among practitioners. The Foundation Day celebrations once again reinforced the institute's commitment to strengthening the HR community and upholding the core values of people management.





KNOWLEDGE SHARING SESSIONS



Evening Knowledge Sharing Session at NIPM House, Kochi from 6.30 pm to 7.30 pm on the topic (i) Pradhan Mantri Viksit Bharat Rozgar Yojana & (ii) Employees Enrolment Campaign. The Resource Person for the above session was Mrs. Meena C Rao, Enforcement Officer, EPFO, Kochi



KNOWLEDGE SHARING SESSIONS



NIPM
KERALA CHAPTER
www.nipmkerala.org

Resource Person:
Ms. Siji Sasidharan,
Function Head - HR, Tech Mahindra



You are cordially invited for a Knowledge Sharing Session

Topic:
POSH Excellence in Practice: Insights from an Award-Winning Organization

FEB 2026 **27**

6:30-7:30PM



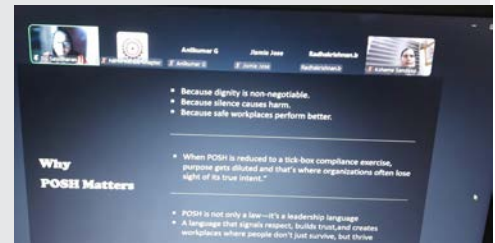
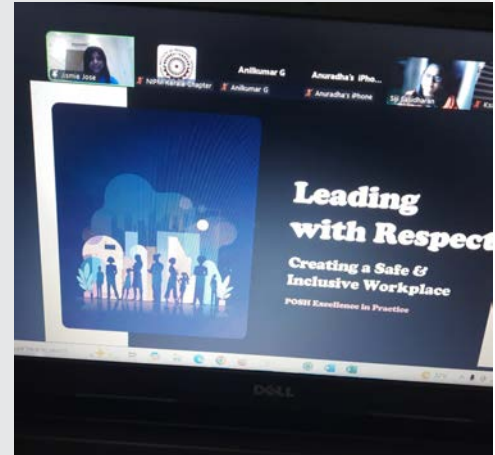
Meeting ID: 826 2524 9457
Passcode: 270226

Ms. Siji Sasidharan, a seasoned HR leader with over twenty years of experience in driving people strategy across mergers, acquisitions, and large-scale organizational transitions.

Currently with Tech Mahindra, over the last decade, Ms. Siji Sasidharan has led more than twenty global acquisitions and people integrations, managing complex workforce transitions across geographies and highly regulated environments.

She brings deep expertise in HR due diligence, risk mitigation, change management, partnering closely with business and M&A leaders to deliver seamless, people-centric outcomes.

In addition, she serves as the Chairperson of the Prevention of Sexual Harassment Committee, where she is accountable for end-to-end investigations and governance initiatives.



27-02-2026 - Knowledge Sharing Session - NIPM Kerala Chapter organized a Knowledge Sharing Session through Zoom on the topic "POSH Excellence in Practice: Insights from an Award-Winning Organization". The Resource Person was Ms. Siji Sasidharan, Function Head-HR, Tech Mahindra.

EX.COMMITTEE MEETINGS

JANUARY 2026

No. 08/2025-2027 held on 28th January 2026 at 7.40 pm at NIPM House, Mather Square, Kochi 682 018.

FEBRUARY 2026

No. 09/2025-2027 held on 27th February 2026 through Zoom

MARCH 2026

No. 10 / 2025-2027 held on 26th March 2026 through Zoom.



L&D SESSIONS



12-03-2026 Training Program – NIPM Kerala Chapter, in association with Rajagiri Business School and Rajagiri College of Social Sciences organized a 3 Hour Session at RBS Conference Hall, Kakkanad, Kochi on the Topic NEW LABOUR CODES – Are you Ready for the Real Cost? The Key Resource Person was Ms. Preetha Soman, Partner Employment Laws Practice, JSA. Other Resource Persons were Ms. Rebecca Thomas, Associate at JSA Specializing in Labour & Employment Laws and Ms. Aishwarya Maria Manjooran, Senior Associate at JSA, Bangalore. Total 108 participants from various industrial sectors, especially from IT/ITES Sector attended the Session.



NIPM Cluster Corner

Kottayam Cluster



നാഷണൽ ഇൻസ്റ്റിറ്റ്യൂട്ട് ഓഫ് പേഴ്സണൽ മാനേജ്മെന്റ് കോട്ടയം ക്ലസ്റ്ററിന്റെ നേതൃത്വത്തിൽ നടത്തിയ ശില്പശാലയ്ക്ക് ഫാക്ടറിസ് ആൻഡ് ബോയ്ലേഴ്സ് ഡയറക്ടർ പി.പ്രമോദ് നേതൃത്വം നൽകുന്നു.

ശില്പശാല സംഘടിപ്പിച്ചു

കോട്ടയം: നാഷണൽ ഇൻസ്റ്റിറ്റ്യൂട്ട് ഓഫ് പേഴ്സണൽ മാനേജ്മെന്റ് കോട്ടയം ക്ലസ്റ്ററിന്റെ നേതൃത്വത്തിൽ രാജ്യത്ത് നടപ്പാക്കാൻ പോകുന്ന തൊഴിൽ സുരക്ഷ, ആരോഗ്യം, തൊഴിൽ കോഡിനെക്കുറിച്ചു ശില്പശാല സംഘടിപ്പിച്ചു. ഫാക്ടറിസ് ആൻഡ് ബോയ്ലേഴ്സ് ഡയറക്ടർ പി. പ്രമോദ് നേതൃത്വം നൽകി. ചെയർമാൻ സുരേഷ് വർഗീസ്, സെക്രട്ടറി ദീപു ഡേവിസ് തുടങ്ങിയവർ പ്രസംഗിച്ചു.



14-02-2026 - NIPM Cluster Activities - NIPM Kerala Chapter (Kottayam Cluster) organized a Knowledge Sharing Interactive Session at Malayala Manorama Conference Hall, Kottayam from 5.00 pm to 6.30 pm on the topic "Decoding the Occupational Safety, Health & Working Conditions Code 2020". The Resource Person was Mr. P. Pramod, Director of Factories & Boilers, Government of Kerala.



NIPM **3** Student Corner

Jai Bharath School of Management Studies

NIPM's Role in Enhancing Industry-Academia Collaboration at SYNERIX 2K26

13-02-2026 –The National Institute of Personnel Management (NIPM), Kerala Chapter, made a significant and impactful contribution to the successful conduct of SYNERIX 2K26, the National Level Management Fest organized by Jai Bharath School of Management Studies.

A major highlight of NIPM's involvement was the presence of Mr. Anil Kumar G, Chairman of NIPM Kerala Chapter, who graced the occasion as the Chief Guest. His insightful address inspired students to bridge the gap between academic learning and industry expectations, emphasizing the importance of professionalism, adaptability, and strategic thinking in today's dynamic business environment.

Further strengthening its contribution, NIPM extended its professional expertise through the judging panel, with Mr. Bijo Joseph (Manager - HR, Paradigm IT Private Limited) and Ms. Anuradha Subramanian (Co-founder & Managing Director, CareerFit360), both associated with NIPM, serving as judges for the various competitions. Their industry experience and HR expertise ensured a fair, practical, and competency-based evaluation of participants.

The involvement of NIPM brought strong industry relevance to the fest by integrating real-world HR perspectives into the evaluation and overall conduct of the events. The judges assessed participants not only on theoretical knowledge but also on critical managerial competencies such as decision-making, teamwork, analytical thinking, and professional communication.

We are to glad note that the contribution of NIPM Kerala Chapter greatly enhanced the quality, credibility, and industry alignment of SYNERIX 2K26. Their active participation reinforced the importance of industry-academia collaboration and provided students with valuable exposure to professional standards and expectations, making the fest a truly enriching learning experience.



Vaishnavi Shasi
MBA 2024-2026 Batch
Jai Bharath School of Management Studies



Report on performance management unplugged: From theory to reality

16-02-2026 – The session on “Performance Management Unplugged: From Theory to Reality” held on 16th February 2026 was a really interesting and useful experience for us as students. The session was taken by Ms. Remya Ravi, Senior Performance Management Specialist at Ideals Solutions, and it gave us a clear idea of how performance management actually works in real companies.

Instead of just focusing on theory, the session helped us understand what really happens in organizations. One of the main things we learned was that companies are no longer depending only on yearly appraisals, but are moving towards continuous feedback and regular performance discussions. This made us realize how important communication between managers and employees is.



The session also explained how individual goals (KPIs) are connected to team and company goals. This helped us understand how every employee’s work contributes to the bigger picture.

We also got to learn about competency mapping, where both skills and behavior are evaluated, not just results. Another interesting part was learning about appraisal biases like the halo effect and recency bias. These are real issues that can affect fair evaluation, and it was helpful to know how companies try to reduce them. The role of technology in tracking performance and making decisions was also something new and relevant for us.

The interactive Q&A session made it even better, as we could ask doubts related to HR careers, internships, and workplace situations. It made the whole session feel more practical and relatable.

The session was very engaging and gave us a clear understanding of how performance management works in the corporate world. It also helped us understand what skills we need to develop if we want to build a career in HR.

Sherin Shaju

PGDM Batch

SCMS Cochin School of Business



NIPM Student Corner

Sahrdaya Institute of Management Studies

HR Conclave 2026 at SIMS: Decoding Labour Codes for a Transforming Workforce Landscape

27-02-2026 - Sahrdaya Institute of Management Studies (SIMS), Kodakara, organized HR Conclave 2026 on 27th February 2026, on the theme “Decoding Labour Codes: Impact on Business and Workforce”, bringing together an eminent panel of HR leaders, academicians, and management students for an intellectually stimulating dialogue on India's evolving labour regulatory framework. The conclave was envisioned as a forward-looking academic-industry platform aimed at fostering deeper understanding of the structural reforms in labour laws and their far-reaching implications for organisations and the workforce.

In the context of India's dynamic economic landscape, the introduction of the new labour codes by the Government of India marks a significant step towards simplifying and modernizing the regulatory environment governing employment. By consolidating a multitude of existing legislations into four comprehensive codes—covering wages, industrial relations, social security, and occupational safety, health, and working conditions—the reforms seek to enhance ease of doing business while simultaneously safeguarding employee rights. Recognizing the importance of these developments, SIMS curated this conclave as a timely initiative to bridge the gap between policy formulation and its practical implications in the corporate world.

The conclave served as a platform for critical reflection and informed discussion on how these legislative changes are reshaping organisational policies, HR practices, and employer-employee relationships. It provided participants with valuable insights into the opportunities and challenges associated with the transition towards the new regulatory regime. The expert panel comprised distinguished industry practitioners with extensive experience in human resource management and industrial relations. The panel included Mr. Praveen Kumar R., Deputy General Manager (Employee Relations and Benefit Administration), Kochi Refinery, Bharat Petroleum Corporation Limited, who brought deep expertise in managing employee relations in large-scale industrial settings; Ms. Sajitha S.S., Senior Manager – Human Resources, Agappe Diagnostics Limited, who shared perspectives from the healthcare and diagnostics sector; Mr. Arun Nair, Fractional HR Practitioner at Herbal Isolates (Synthetic Group Company), who provided insights into agile HR practices in emerging business environments; and Mr. Arunanand T.A., HR Director, KnowBe4 India, who contributed a global outlook on HR transformation and compliance in a digital economy.





NIPM Student Corner

Sahrdaya Institute of Management Studies

The session was effectively moderated by Rev. Dr. Jino Johny M., Executive Director, SIMS, whose thoughtful interventions and contextual framing ensured a balanced and engaging exchange of ideas. The moderation brought coherence to the discussion, enabling the panelists to explore diverse perspectives while maintaining a clear focus on the central theme.

The deliberations during the conclave were rich, multidimensional, and grounded in real-world experiences. One of the key areas of discussion was the complexity of regulatory compliance under the new labour codes. Panelists emphasized that while the consolidation of laws is intended to simplify compliance, organisations must invest in building awareness, updating internal policies, and strengthening compliance mechanisms to effectively adapt to the new framework. The need for proactive HR strategies and continuous learning was highlighted as critical to ensuring smooth implementation. Another significant theme that emerged was the changing paradigm of workforce management. With evolving employment relationships, increased contractualization, and the rise of the gig economy, organisations are required to rethink traditional HR practices. The new labour codes, in this context, were seen as both an opportunity and a challenge—offering greater flexibility to employers while demanding higher accountability in ensuring worker welfare and protection.

The panel also discussed the strategic role of HR in navigating labour law reforms. It was underscored that HR professionals must move beyond administrative functions and assume a more strategic role in aligning organisational objectives with regulatory requirements. This involves not only ensuring compliance but also fostering a culture of transparency, fairness, and ethical governance. The integration of technology in HR processes, particularly in areas such as compliance tracking and workforce analytics, was identified as a key enabler in this transition.

A particularly thought-provoking aspect of the discussion was the balance between organisational efficiency and employee welfare. The panelists collectively emphasized that sustainable business success is intrinsically linked to the well-being of employees. While the new labour codes aim to streamline processes and enhance productivity, organisations must remain committed to upholding the principles of social justice, equity, and dignity of labour. The importance of empathetic leadership and inclusive HR practices was highlighted as essential in achieving this balance.

The conclave also provided a valuable learning experience for students, who had the opportunity to engage directly with industry experts and gain practical insights into contemporary HR challenges. The interactive nature of the session encouraged students to think critically about the implications of policy changes and their role as future management professionals in shaping ethical and responsible organisations.

The HR Conclave 2026 at SIMS emerged as a significant academic and professional engagement that successfully bridged the gap between legislative intent and organisational practice. It provided a holistic understanding of the new labour codes and their implications, while also highlighting the evolving role of HR in shaping sustainable and inclusive workplaces. The conclave not only enriched the participants' knowledge but also inspired a deeper appreciation of the complexities involved in managing human resources in a rapidly changing regulatory environment.

Divya T David

Sem 4 MBA

Sahrdaya Institute of Management Studies



NIPM Student Corner

Adi Shankara institute of Engineering & Technology

Future of Work-HR in the Age of AI & Automation.

18-03-2026 - The HR Club of the Department of Business Studies, in association with the NIPM Kerala Chapter, successfully organized the HR Conclave 2026 on the theme “HR 5.0 – People, Purpose & Performance” at ASIET. The conclave was inaugurated by Mr. Anil Kumar G, Chairman of the NIPM Kerala Chapter, Managing Director of Action Rich Business Solutions Pvt. Ltd., Business Coach, Executive Director at BNI, and a member of the Forbes Coaches Council.

The event was enriched by the presence of distinguished guests, including Mr. Anish Aravind, Co-Founder and Principal of SS Consulting and Interim Human Resources Director at C Electric Automotive Drives; Ms. Raji Elizabeth Raphael, Director – People Practice at CCS Technologies IT (P) Ltd.; Mr. Ram Bhaskar, Senior Manager – Human Resources at Plant Lipids Pvt. Ltd.; and Ms. Megha Menon, Senior Officer – Human Resources at Plant Lipids Pvt. Ltd.



Their insightful sessions, along with a panel discussion on the Future of Work and an HR Analytics masterclass, provided valuable industry exposure. The conclave witnessed enthusiastic participation, making it a truly impactful learning experience.

Ganga CS

S4 MBA, Chairperson HR club
Adi Shankara institute of Engineering and Technology



EXPERT SESSION ON NEW LABOUR CODE

23-03-2026 -The expert session on the New Labour Code 2020 was conducted at XIME Kochi on 23rd March 2026 for the students of Section B, PGDM 2025–2027 batch. The session\ was very insightful and enriching. Mr. Mathai K Paulose, the former Executive Director of NHPCL Ltd., took the session. He shared his valuable industry knowledge and practical insights.

The session covered all four new labour codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Social Security Code, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020. The speaker made complex legal terms simpler, making them relevant for management students.

A key highlight of the session was the clear differentiation between the old labour laws and the new codes. Mr. Paulose explained how the previous system had many fragmented laws, creating compliance issues and inefficiencies. In contrast, the new codes aim to gather and simplify these regulations, improving the ease of doing business while protecting workers.

The session also discussed why these new codes are necessary. Topics like changing industrial practices, globalization, and the need for a workforce framework that is both flexible and secure were covered. This helped students grasp the broader economic and policy reasons behind these reforms.

Additionally, the speaker shared both the advantages and disadvantages of the new Labour Codes. The advantages include easier compliance, improved transparency and wider social security coverage. However, there were concerns about challenges in implementation, possible weakening of workers' rights in some areas and whether stakeholders are ready for the changes.



The session was very helpful in improving our understanding of current labour reforms in India. It connected theoretical knowledge with real-world application, making it highly valuable for PGDM students preparing for careers in management and human resources.

SREENATH ANAND
PGDM 2025-2027 Batch
XIME, Kochi



NIPM **3** Student Corner

Kochi Business School

NIPM Students Chapter Inaugurated at Kochi Business School

27-03-2026 – Kochi Business School inaugurated the NIPM Students Chapter on March 27, 2026, with a session on “Personal Branding for Professionals.” The event brought together industry experts, faculty, and students, strengthening academia-industry engagement.

In her presidential address, Dr. Bindhu Ann Thomas highlighted the importance of networking and encouraged students to actively engage with professional platforms like NIPM.

The NIPM Student chapter was inaugurated by Mr. Anilkumar G, Chairman NIPM Kerala Chapter who emphasized NIPM's role in bridging the gap between academia and industry. He also invited students to participate in the upcoming HR Conclave in June

A key highlight was the panel discussion featuring Mr. Anand Sarat and Ms. Bindu Mony, moderated by Ms. Shadiya Shukoor. The discussion focused on personal branding, emphasizing preparation, professional grooming, and building a strong LinkedIn presence. The speakers encouraged students to create authentic personal brands through consistent engagement and meaningful storytelling based on real experiences.



Overall, the event provided valuable insights into career readiness and reflected the institution's commitment to preparing students for the professional world.

ASHNA CHACHO THOMAS

MBA Student,
Kochi Business School

“THE JOURNEY TO EXCELLENCE AN HR LEADERS MUSINGS ACROSS FIVE DECADES”

BOOK REVIEW



Sir, I carried the book with me on my Mumbai–Raipur flight, not really knowing how the journey would unfold – the one in the air or the one in the book. But within a few pages, it stopped feeling like I was reading. It honestly felt as though you had taken the seat next to me and started narrating the stories in your own calm, familiar way. By the time I completed the return journey to Mumbai, the book was finished – in one continuous stretch – without even realizing how quickly the time had passed. At several points I caught myself smiling, as if you had just delivered one of your trademark one-liners. The narration carries your voice so strongly that I could almost predict where you would pause, where you would laugh softly, and where you would become serious. It truly felt like a long in-flight conversation rather than a written memoir.

What I truly admire is that you chose to write this book in your own voice, in your own style, without filtering it through a professional writer. Because of that, every page feels authentic and real. The narration is candid, grounded, and deeply human – not just a record of achievements, but a reflection of the challenges, dilemmas, and convictions that shaped your journey.

More than a personal story, your book feels like a mirror held up to the Industrial Relations profession and to the

life of an IR professional. It captures the pressures, responsibilities, ethical crossroads, and also the quiet satisfaction that comes from building trust between management and workforce – something only those in the field truly understand. For people in HR and IR, it feels validating and inspiring at the same time; for others, it offers a rare glimpse into a demanding yet often unseen profession.

Above all, the book captures you as you truly are – principled, perceptive, resilient, and deeply committed to excellence. For many of us who had the privilege of working with you, your influence did not end with our reporting relationship; it continues even today in the way we think, decide, and conduct ourselves professionally. Through this book, that influence will now reach far beyond those who worked with you directly.

To me, *The Journey to Excellence* is not just the story of a career – it feels like your lived experiences shared with sincerity, humility, and wisdom. It is engaging, authentic, and deeply relatable, especially for anyone who believes that professionalism is as much about character as it is about competence.

Thank you, Sir, for putting this journey into words and sharing it with all of us.



With love and regards
Maneesh M S, Manager HR-BPCL

THE 50% MAGIC



A STRUCTURAL RESET IN WAGE GOVERNANCE AND HR STRATEGY

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1. INTRODUCTION

1.1 The Redefinition of “Wages”: A Structural Shift HR Cannot Ignore

For decades, salary structuring has been one of the most strategic tools available to HR professionals. By balancing Basic Pay, Dearness Allowance, and multiple allowances, organisations optimised statutory costs while designing competitive compensation packages. In many establishments Basic and DA often constituted only 15% to 35% of total salary, with the rest distributed across various allowances. This structure was not accidental; it evolved within the flexibility permitted by multiple labour laws that defined “wages” differently for provident fund, gratuity, bonus, and other statutory benefits.

1.2 The Code on Wages, 2019 has fundamentally altered this landscape.

What appears at first glance to be a technical definitional change is, in reality, a structural regulatory intervention. By introducing a uniform definition of wages and the now widely discussed “50% rule,” the legislature has effectively limited the scope for allowance-heavy salary structuring. Exclusions from wages can no longer exceed 50% of total remuneration (subject to conditions); any excess must be added back into the wage base for statutory purposes.

1.3 For HR professionals, this is not merely a compliance update. It affects:

- Salary design and CTC architecture
- Provident Fund and gratuity liabilities
- Cost forecasting and budgeting
- Long-term employee benefit calculations
- Negotiations with employees and unions
- Payroll systems and HRIS configurations

More importantly, it signals a shift in labour policy philosophy – from flexibility in wage structuring to standardisation of the statutory wage base.

2. The Old Regime: Fragmented Definitions and Structural Arbitrage

Before the consolidation of labour laws into the four Labour Codes, the Indian wage regulation framework was anything but uniform. Different statutes defined “wages” differently, and each definition served a specific statutory purpose.

2.1 Multiple Definitions, Multiple Outcomes

Because each statute recognised different salary components, organisations had the ability to design compensation structures strategically. Basic Pay and Dearness Allowance formed the core statutory base in most benefit calculations. However, there was no statutory cap on how much of total salary could be allocated to allowances.

2.2 The Rise of Structural Arbitrage

Over time, this evolved into what may be described as structural arbitrage – using differences in statutory definitions to optimise cost exposure. This arbitrage manifested in several ways:

- Allowances being labelled strategically
- Performance pay replacing fixed wage components
- Special allowances absorbing increases instead of revising basic pay

2.3 Litigation and Judicial Expansion

The ambiguity around wage components led to sustained litigation, especially in Provident Fund and ESI matters. Courts frequently examined whether certain allowances were genuinely variable or universally paid components disguised to avoid statutory contributions. Judicial interpretation

attempted to expand the scope of “basic wages” in certain cases, but the absence of a uniform statutory formula meant that disputes persisted.

3. The New Definition Under the Code on Wages: From Fragmentation to Standardisation.

The Code on Wages, 2019 represents one of the most consequential technical reforms in India's labour law architecture. At the centre of this reform lies a deceptively simple but structurally transformative element: a uniform definition of “wages.” Unlike the earlier regime, where different statutes carried different definitions, the Code introduces a consolidated and standardised framework that applies across wage-related and social security computations. The intention is clear – remove interpretational ambiguity, reduce structural arbitrage, and create a common wage base.

3.1 A Three-Part Structural Formula

The new definition operates through a carefully designed three-layer structure:

1. Clear Inclusions
2. Specified Exclusions
3. The 50% Cap Mechanism

3.2 From Interpretation to Formula

The new framework shifts the system from interpretational analysis to mathematical formula. The question is no longer: “Is this allowance universally paid?” Instead, the test becomes: “Do excluded components exceed 50% of total remuneration?” If yes, the excess automatically becomes part of wages – regardless of its label. For HR professionals, this dramatically reduces the space for structural discretion.

3.3 The End of Allowance-Heavy Structuring

The practical implication is significant. Salary models that previously allocated 60%–80% of compensation to allowances are no longer sustainable without increasing the statutory wage base. Organisations must now ensure that:

- Basic + DA (along with any includable components) constitute at least half of total remuneration.
- Compensation structures are reconsidered with statutory alignment in mind.
- Payroll systems are capable of applying the 50% test consistently.

This effectively standardises wage architecture across industries.

3.4 A Policy Shift in Philosophy

Beyond compliance, the change signals a broader policy transition.

The earlier system prioritised flexibility in wage structuring. The new system prioritises standardisation of the statutory wage base.

This reflects a legislative intent to strengthen the

social security foundation of employees by ensuring that a substantial portion of total compensation forms part of the statutory wage calculation.

In effect, the Code does not dictate how much an employee must be paid. But it does regulate how that payment must be structured for statutory purposes.

That distinction is crucial.

4. The 50% Rule: A Structural Wage Floor and Its Economic Consequences

At the heart of the new wage framework lies what is commonly referred to as the “50% rule.” While presented as a definitional safeguard, it operates in practice as a structural wage floor. It does not mandate how much an organisation must pay an employee. But it does mandate how that payment must be structured for statutory purposes.

4.1 Example: Pre-Code Salary Structure

Total Monthly Salary: Rs.100,000

- Basic + DA: Rs.30,000
- Allowances (HRA, Special Allowance, Conveyance etc.) : Rs.70,000

4.2 Post-Code Application

- Total Remuneration: Rs.100,000
- Maximum permissible exclusions: Rs.50,000
- But in this example, exclusions are Rs.70,000.
- Excess exclusions = Rs.20,000
- This Rs.20,000 must be added back to wages.
- Revised wage base = Rs.50,000

The effective statutory base increases to 50,000 – without any increase in total salary. This is why the 50% rule functions as a structural wage floor.

4.3 A Shift from Labelling to Proportion

Under the earlier regime, the focus was on classification – whether a payment was labelled as an allowance or wage component. Under the new framework, proportion matters more than nomenclature. Even if an allowance is validly excluded, it cannot collectively exceed half of total remuneration. This significantly reduces the effectiveness of allowance-heavy structuring.

4.4 Economic Consequences for Employers: The economic impact unfolds across multiple layers-

- 1) Increased Statutory Contributions
- 2) Compensation Structure Redesign
- 3) Reduced Scope for Cost Arbitrage

4.6 Economic Consequences for Employees

- 1) Higher Retirement Corpus
- 2) Higher Gratuity Accrual
- 3) Greater Social Security Coverage

4.7 Labour Market Implications

The 50% rule may produce several macro-level effects:

- Encouragement of formal employment models
- Increased compliance costs for MSMEs
- Possible short-term hiring caution in cost-sensitive sectors
- Greater transparency in pay structures

Over time, the reform may shift the labour market toward more standardised wage architecture, reducing

disparities created purely by salary structuring techniques.

4.8 Not a Wage Increase – But a Wage Reallocation

It is important to emphasise:

The 50% rule does not automatically increase employee salary. It increases the statutory recognition of salary. The distinction is subtle but critical. The reform does not mandate higher pay – it mandates higher wage base alignment. In doing so, it reshapes the economics of compensation design.

5. Impact on Employers

The introduction of the 50% wage rule does not merely alter statutory definitions – it reshapes compensation economics. For employers across private and public sector establishments, the impact is both immediate and structural. While the total salary payable to employees may remain unchanged, the internal composition of that salary – and therefore the statutory liability attached to it – undergoes significant transformation.

5.1 Increased Statutory Cost Exposure

The most direct impact is on statutory contributions linked to wages. When the wage base increases due to the 50% threshold:

- Gratuity accrual rises
- Bonus calculations (where applicable) may expand
- Leave encashment and other wage-linked benefits may be affected

For organisations with large employee bases, even a 10–15% expansion in the statutory wage base can materially affect annual financial provisioning. This is particularly relevant for:

- Manufacturing units
- Large private sector undertakings
- IT and service companies with structured pay bands
- Organisations with significant mid-level workforce populations

The cumulative effect across thousands of employees can meaningfully impact EBITDA and long-term liability provisioning.

5.2 Compensation Structure Redesign

HR teams must now reconsider long-standing salary architecture models. Many organisations may adopt one of the following strategies:

- 1) Strategy A: Cost Absorption - Maintain total salary levels and accept higher statutory outflows.
- 2) Strategy B: Cost Rebalancing - Redesign CTC so that increased statutory contributions are offset by restructuring future increments.
- 3) Strategy C: Variable Pay Emphasis - Increase performance-linked components (where legally sustainable) to retain flexibility. Each approach carries workforce morale and

retention implications.

5.3 Budget Forecasting and Financial Planning

The 50% rule introduces greater predictability but reduces structural discretion. Employers must now:

- Recalculate long-term gratuity liability
- Update actuarial projections
- Reconfigure payroll software
- Reassess multi-year compensation budgeting

5.4 Impact on Hiring and Workforce Planning

In cost-sensitive sectors, higher statutory contributions may:

- Increase the cost of formal employment
- Slow aggressive hiring in the short term
- Encourage automation or contractual outsourcing in certain roles

5.5 Compliance Simplification – A Hidden Advantage

While the reform increases statutory exposure, it also reduces interpretational ambiguity. HR professionals may benefit from

- Fewer disputes over allowance classification
- Reduced litigation risk
- Greater clarity in payroll audits
- Standardised HRIS configurations

In the long run, the shift from interpretational disputes to formula-based compliance may reduce legal uncertainty.

5.6 A Strategic Inflection Point for HR Leadership

The redefinition of wages represents more than a compliance amendment. It signals a shift in how compensation strategy must be approached. The earlier system rewarded structural optimisation. The new system rewards transparent, balanced pay architecture. Employers who proactively redesign compensation frameworks – rather than react defensively – are likely to experience smoother transitions and stronger employee trust.

6. Impact on Employees

While much of the discussion around the 50% wage rule has focussed on employer cost implications, its deeper significance lies in how it reshapes the financial security framework for employees. The reform does not automatically increase take-home salary. However, it alters how that salary is recognised for statutory purposes – and that shift has meaningful long-term consequences.

6.1 Strengthened Social Security Foundation

Under allowance-heavy salary structures, employees often received competitive gross pay but accumulated lower statutory benefits because Basic + DA formed a small proportion of total salary. With the 50% rule ensuring that wages cannot fall below half of total remuneration:

- Gratuity accrual improves
- Wage-linked statutory entitlements expand

6.2 Increased Gratuity Benefits

Since gratuity is calculated based on last drawn wages and years of service, a higher wage base enhances

terminal benefits. In allowance-heavy models, employees nearing retirement sometimes discovered that gratuity was calculated on a smaller base than expected. The new structure reduces this gap between perceived earnings and legally recognised wages.

6.3 Greater Transparency in Compensation.

The earlier system allowed significant variation in how salary components were structured across organisations. Two employees with identical gross salary could have very different statutory benefit bases depending on structure. The 50% rule standardises this disparity to an extent. Employees gain:

- Clearer understanding of statutory wage base
- Reduced ambiguity in benefit calculations
- Greater predictability in long-term financial planning

This can enhance trust in compensation systems.

6.4 Impact on Lower and Middle Income Segments

The reform may be particularly beneficial for:

- Mid-level employees with long service tenure
- Workers in organised sectors
- Employees nearing retirement

For higher-income employees already subject to contribution ceilings, the impact may be comparatively limited. The greatest structural gain occurs where Basic + DA was historically compressed to a low percentage of total salary.

6.5 A Shift from Wage Presentation to Wage Substance

Under the earlier regime, gross salary often appeared robust, but statutory recognition was narrower. The new framework narrows the gap between:

- What employees earn
- What is recognised as wages
- What forms the basis for social protection

This alignment enhances substantive wage recognition.

6.6 Long-Term Cultural Impact

Beyond financial calculations, the reform signals a broader policy direction: prioritising social security integrity over structural flexibility. For employees, this represents a shift toward:

- More secure retirement planning
- Reduced dependence on voluntary savings
- Greater institutional support through statutory mechanisms

It strengthens the architecture of formal employment.

7. Impact on the Labour Market

The redefinition of wages under the Code on Wages is not merely an internal HR restructuring issue. It has the potential to influence broader labour

market dynamics in India. By standardising the statutory wage base and limiting structural arbitrage, the 50% rule reshapes cost behaviour, formalisation incentives, and compensation norms across sectors.

7.1 Movement Toward Greater Formalisation

One of the long-term objectives of labour code consolidation is to strengthen the formal employment ecosystem. The 50% rule contributes to this by:

- Expanding the statutory wage base
- Increasing social security contributions
- Standardising compensation ratios

In effect, it reduces the gap between gross salary and legally recognised wages. As wage structuring flexibility narrows, compensation transparency increases – a characteristic associated with more mature and formal labour markets. Over time, this may:

- Improve confidence in statutory systems
- Encourage workforce stability
- Reduce disputes related to wage classification

However, the pace of formalisation may vary by sector.

7.2 Short-Term Cost Sensitivity in Labour-Intensive Sectors

In industries where margins are tight – such as manufacturing, textiles, logistics, retail, and certain MSMEs – the expansion of the statutory wage base may increase labour cost per employee. Potential short-term consequences may include:

- Slower expansion of workforce
- Increased reliance on automation
- Greater use of fixed-term or project-based employment models
- Cautious salary increments

While the reform strengthens social protection, it may simultaneously increase the cost of organised employment in certain sectors. The impact will likely be uneven across the economy.

7.3 Compression of Structural Wage Arbitrage

Previously, organisations could compete partly on compensation structuring efficiency – compressing the statutory base while maintaining gross competitiveness. The 50% rule reduces this competitive lever.

7.4 Impact on Gig and Flexible Work Models

As statutory employment becomes relatively more structured and cost-bound, organisations may increasingly explore:

- Gig engagement models
- Consultant arrangements
- Contractual frameworks
- Output-based compensation

While these models operate within separate regulatory frameworks, the redefinition of wages may indirectly influence how organisations evaluate workforce mix strategies. The long-term balance between flexibility and security will remain a central labour market debate.

7.5 Strengthening the Social Security Architecture

From a macroeconomic perspective, a broader wage base strengthens:

- Gratuity provisioning systems
- Overall contributory social security mechanisms

This enhances the financial sustainability of statutory benefit systems. A stronger social security base can:

- Improve retirement preparedness
- Reduce long-term fiscal strain
- Stabilise workforce participation

In the long run, this contributes to labour market resilience.

7.6 Potential Wage Behaviour Adjustments

An important economic question is whether employers will:

- Absorb the increased statutory cost
- Reallocate compensation components
- Or moderate gross salary growth

In some sectors, wage offers to new hires may be structured more conservatively to offset statutory exposure. Thus, while the wage base expands, gross compensation growth patterns may adjust. The reform therefore may not uniformly increase employee income – but it does redistribute how income is recognised and protected.

8. Is This a Move Toward CTC-Based Wage Governance?

At first glance, the 50% wage rule appears to push compensation systems toward a Cost-to-Company (CTC) driven model of wage governance. Since wages must constitute at least half of total remuneration, many HR professionals instinctively interpret the reform as requiring statutory benefits to be calculated on 50% of CTC. But is that technically accurate? And more importantly, does the reform signal a deeper philosophical shift toward CTC-aligned wage recognition? The Code, however, does not use the term CTC. It refers to “total remuneration payable” to the employee.

9. What HR Must Do Now: Implementation Roadmap.

The redefinition of wages and the introduction of the 50% rule is not a change that can be addressed through minor payroll adjustments. It requires structured evaluation, cross-functional coordination, and strategic compensation redesign. For HR leaders, the transition should be approached as a managed reform process rather than a reactive compliance fix. Below is a practical roadmap.

Diagnostic Review

- Conduct a Salary Structure Audit
- Simulate the 50% Test

Financial Impact Assessment

- Estimate Incremental Cost
- Evaluate Cost-Neutral Restructuring Options

Structural Redesign

- Redesign Salary Architecture
- Update Payroll and HRIS Systems

Policy and Communication Strategy

- Update Compensation Policies
- Communicate Transparently with Employees

Strategic Workforce Planning

- Reassess Workforce Mix
- Integrate Wage Governance into Long-Term Planning

9.1A Leadership Opportunity for HR

The redefinition of wages is more than a regulatory development. It is an opportunity for HR to:

- Modernise compensation
- Strengthen governance transparency
- Align statutory compliance with organisational values
- Enhance employee trust

10.A Long-Term Perspective: Strengthening the Social Security State

While the 50% wage rule may initially appear as a structural constraint on compensation design, its broader significance lies in the long-term strengthening of India's social security architecture. The reform represents more than a technical adjustment. It reflects a policy choice – to prioritise social protection stability over wage structuring flexibility.

11.1 Expanding the Contributory Base

Modern social security systems depend on consistent and adequate contributions. When statutory wage bases are compressed through allowance-heavy structures, the contributory pool weakens over time. By ensuring that wages constitute at least half of total remuneration, the reform broadens the base for statutory contributions wherever applicable.

11.2 Reducing the Gap Between Earnings and Protection

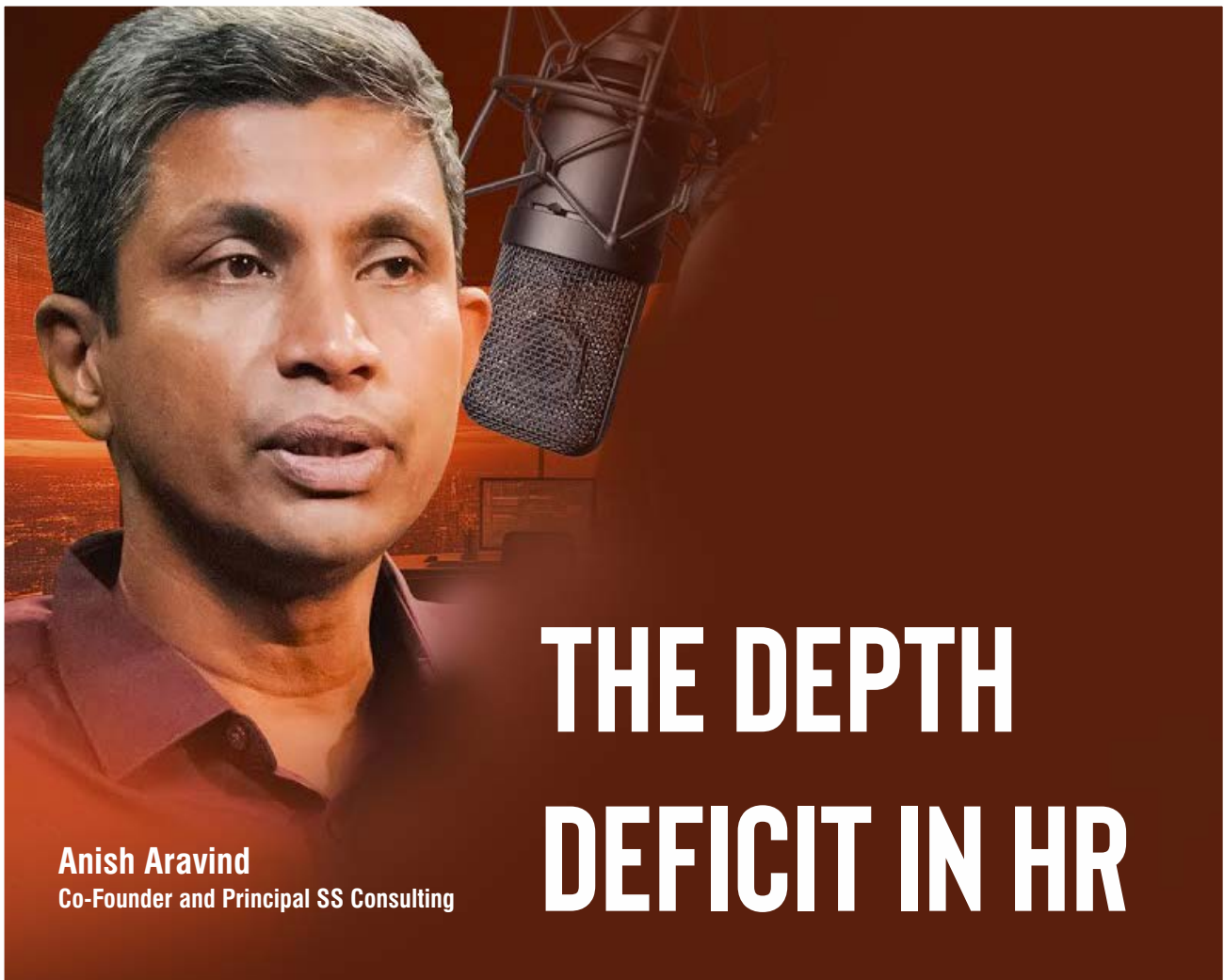
Under fragmented definitions, employees often earned substantial gross salaries while receiving comparatively modest statutory protection. The 50% rule narrows this divergence. It aligns:

- Supporting Long-Term Retirement Security
- Encouraging Stability in Formal Employment
- A Shift in Governance Philosophy
- Long-Term Equilibrium and Institutional Trust
- The Strategic Role of HR in This Transition

For HR leaders, this is a defining moment. The shift from wage structuring flexibility to wage standardisation reflects a maturing labour ecosystem – one where long-term resilience, transparency, and social protection increasingly shape policy direction. The allowance-heavy era is narrowing. The era of proportion-based wage governance has begun. Those who adapt early will not merely comply – they will lead.



(The views expressed in this article are purely personal and do not represent the official position of the Government or any authority under it)



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THE DEPTH DEFICIT IN HR

Why Knowing What You Do Is No Longer Enough - A call to action for early-career HR professionals who are navigating the 21st-century workplace

Over the past several months, I have had the opportunity to learn about HR scene around me as I was tasked for evaluating HR professionals for their next level career roles across organisations that are or have been my HCM or Talent Connect clients with SS Consulting. Folks I interact have been in roles spanning Learning & Development, Employee Engagement, and Talent Acquisition, Talent Management and the likes for 3-15 years. So these were not entry-level screenings – many of the candidates had years of hands-on experience, credible portfolios, and genuine passion for the function.

And yet, something was missing.

In conversation after conversation, I encountered what I can only describe as a Depth Deficit – a gap between doing HR and understanding HR. Candidates could describe their activities fluently. They could walk me through processes step by step. But when asked to connect those activities to foundational concepts, to explain the 'why' behind what they did, or to think about designing a framework from first principles – the confidence evaporated. Looking back, I realise that this trend I could observe for the past decade or so. Here I was, seeking an ideal candidate to the roles I have co-designed with Founding entrepreneurs, who after the HCM consulting stint, are ready to value HR function and are rearing to make it an integral part of their business journeys.

So, I'm writing this piece not to criticise, but to challenge. I'm a strong believer that the HR function is at a pivotal moment. Organisations are demanding more strategic value from people professionals. HRTech boosted by Artificial intelligence is automating the transactional layers of our work, freeing up time for growing more. And the professionals who will thrive – who will earn a seat at the leadership table – are those who develop conceptual depth alongside operational capability.

Let us look at three most common patterns I observed (there are more), understand what post 2000's updates from brain science tells us about why this happens, and – most importantly – explore what the curious and depth seeking ones

Pattern 1:

The L&D Professional Who Only Knows What They Ran

In evaluation after evaluation, L&D professionals described their work with remarkable precision: 'I designed a two-day onboarding programme,' 'I ran a leadership development series,' 'I coordinated 47 training interventions last quarter.' The activity log was impressive.

But when I asked: 'Walk me through how adult learning principles shaped your programme design' – the individual went quiet and in some cases crestfallen and surprised.

Most had never explicitly connected their work to andragogy, the theory of adult learning developed by Malcolm Knowles. They had not considered experiential learning cycles (Kolb), or how cognitive load theory should influence the chunking of content. Concepts like spaced repetition, retrieval practice, or the 70-20-10 model were either vague or completely absent from their vocabulary.

The 70-20-10 Model

A widely accepted framework suggesting that 70% of learning happens on the job through experience, 20% through social learning and feedback, and 10% through formal training programmes – yet this remains largely unapplied in practice.

This matters enormously. When you understand why people learn – not just what programmes to run – you can design interventions that actually change behaviour. You can challenge a budget holder's instinct to default to classroom training. You can advocate for a blended approach with evidence behind it.

Activity without theory is just administration and / or logistics.

Pattern 2:

The Engagement Specialist Who Could Not Define Engagement

Employee Engagement is perhaps the most misunderstood and most abused term in the HR lexicon. In my evaluations, I asked candidates a deceptively simple question: "How would you define employee engagement – and how is it different from satisfaction or happiness?". To some I ask to explain EE to a 1st year undergrad student of any stream.

The responses were revealing. The majority blended engagement, satisfaction, and happiness into a single concept. Several described engaged employees as those who "like their jobs" or "are happy at work." These are not wrong observations – but they are dangerously incomplete. An employee can be satisfied with their pay and conditions, even happy in their team, while remaining fundamentally disengaged from the organisation's purpose and direction. Satisfaction is transactional. Engagement is relational and motivational. Conflating the two leads to interventions that feel good but change nothing.

The intellectual lineage of engagement is rich and well-documented – and an Engagement specialist who does not know it is working without a map. The modern concept of engagement traces back to William Kahn's foundational 1990 paper, in which he introduced the idea of psychological presence at work – the degree to which employees bring their full selves to their roles. Kahn's research identified three psychological conditions that enable this: meaningfulness (does this work matter to me?), safety (can I show up without fear of consequence?), and availability (do I have the personal resources to be fully present?). This framework remains one of the most theoretically rigorous models in the field, and yet very few practitioners in my evaluations could name it, let alone apply it.

A note on Kahn's Three Psychological Conditions (1990)

William Kahn's research identified three conditions for employees to bring their full selves to work: (1) Psychological Meaningfulness – does the work feel worthwhile and valuable? (2) Psychological Safety – can I show up without fear of

negative consequences? (3) Psychological Availability – do I have the emotional, cognitive, and physical resources to be fully present? These conditions do not arise by accident. They are shaped by management behaviour, organisational culture, job design, and the quality of workplace relationships – making them powerful levers for intentional HR intervention.

Building on the academic tradition, Gallup spent decades translating engagement theory into actionable organisational measurement. Their research – spanning over 30 years, more than 35 million employees, and hundreds of organisations globally – produced the Q12: the twelve questions / items that have become the most widely used and rigorously validated engagement measurement instrument in the world. What makes the Q12 intellectually significant is not merely that it measures engagement, but what it revealed about the conditions that drive it. Gallup's meta-analyses demonstrated that engagement is not primarily driven by perks, pay, or satisfaction with company strategy. It is driven by the quality of the immediate work environment: whether employees know what is expected of them, whether they have the right tools and resources, whether they have the opportunity to do what they do best every day, and – above all – whether their manager genuinely cares about their development. This finding has profound implications for how HR designs engagement strategies. It shifts the unit of intervention from the organisation level to the team level, and from policy to management behaviour.

A note on Gallup's Q12: What Three Decades of Research Taught Us

Gallup's Q12 is built around twelve questions that predict employee performance, retention, customer outcomes, and profitability. Its most important insight is structural: engagement is experienced locally, not organisationally. An employee's level of engagement is far more strongly predicted by their relationship with their immediate manager and the dynamics of their team than by the organisation's overall culture or benefits package. Gallup's research also consistently shows that managers account for at least 70% of the variance in team engagement scores – a finding that should fundamentally shape how HR directs its investment and effort. Critically, Gallup's data links engagement directly to business outcomes: highly engaged business units show 23% higher profitability, 18% higher productivity, 81% lower absenteeism, and significantly lower turnover than their disengaged counterparts (Gallup, State of the Global Workplace, 2023).

Taken together, Kahn's psychological model and Gallup's empirical research form the twin pillars of serious engagement thinking. One gives us the theory of the individual's inner experience at work; the other gives us the organisational data to understand what drives that experience at scale. An Engagement specialist who is aware of both can move fluidly between the human and the commercial dimensions of the conversation(s). Therefore, in practice, they can challenge a leadership team that wants to “run an engagement survey” without a coherent action framework. They can articulate why investing in frontline manager capability is an engagement strategy, not just a development initiative. They can design listening architectures – pulse surveys, focus groups or pulse sessions as some call it, 1-0-1 interactions / interviews – that are purposeful rather than performative.

When asked to sketch a basic engagement framework during evaluations, most candidates defaulted to a single response: run a survey and act on the results. The survey is a diagnostic tool. It is not a strategy. A strategy begins with understanding what drives engagement in your specific context, identifying the levels at which intervention will be most effective, designing an action system – not just an action list – and building manager capability as the primary mechanism of change. That is the depth of thinking an Engagement role demands. And it begins with being able to define the concept you are being paid to influence.

Pattern 3:

The talent acquisition professional who had not thought about sourcing strategy

Recruiters, in my experience, are often excellent tacticians. They know how to write a compelling job post, navigate Naukri or LinkedIn Recruiter, manage candidate pipelines, and close offers. These are genuine skills.

But talent sourcing – the strategic discipline of proactively identifying, mapping, and engaging talent communities before a vacancy exists – is a different conversation entirely. And it is one that most recruiters I evaluated, did not even realise as existed!

So, when I asked applicants to walk me through how they would design a sourcing framework for a hard-to-fill technical role, the responses revealed the gap. Most described reactive steps: post the job, search LinkedIn, engage a recruiter agency. Very few considered talent mapping, building passive candidate pipelines, employer brand signals, competitive intelligence, or how data

analytics could help identify talent pools. One common response when asked about concept of Boolean search, was that the search strings they worked on were created by the platform's (Naukri / LinkedIn) trainers!

The sourcing function is becoming one of the most strategically valuable within organisations facing skills shortages. The professionals who understand it as a discipline – with its own frameworks, data tools, and competitive dynamics – will be indispensable. Those who understand it only as a series of steps will be disintermediated by technology. Worse still, such professionals will not be able to generate the relevant prompts that will get GenAI tools to teach them the route to learning this skills.

Why does this Happen: What does Brain Science Tell Us?

So, for anyone trying to bridge this gap, understanding the root cause of the Depth Deficit is essential. This is not about intelligence or work ethic. It is about how learning environments shape the kind of knowledge professionals develop.

1. Procedural Memory vs. Declarative Memory

Neuroscience distinguishes between two primary types of long-term memory. Procedural memory governs how to do things – the muscle memory of tasks performed repeatedly. Declarative memory governs conceptual knowledge – understanding why things work the way they do.

Most HR professionals develop strong procedural memory through daily practice. Running a recruitment process 200 times builds fluid, automatic capability. But unless the environment explicitly prompts conceptual reflection – 'why are we doing this? what framework is this based on? what would we change?' – declarative knowledge does not develop alongside it.

The result: impressive execution with shallow foundations. This is the pattern I was getting in over half of the applicants.

2. The Fluency Illusion

Cognitive psychologists have identified what they call the fluency illusion – it's the tendency to mistake familiarity with understanding. When we have performed a task many times, it feels familiar. That familiarity is often misread – by ourselves – as deep knowledge.

This is why experienced professionals are sometimes more surprised than novices when their conceptual knowledge is tested. They have been doing the work for years. Surely they understand it? But doing is not the same as understanding, and fluency in execution can mask conceptual gaps that only become visible under scrutiny – like a senior interview.

What makes matters worse for these individuals is that their ability to express what they did has improved many notches. This will make them sail through their workplace challenges and even clear initial rounds of evaluations / interviews.

3. The Spacing and Retrieval Effect

Learning science consistently demonstrates that concepts are retained and deepened through spaced retrieval practice – the act of actively recalling information at intervals, rather than passively re-reading or re-experiencing it. Most workplace learning is episodic and unreinforced. A training session attended once, a framework encountered briefly, a concept mentioned in passing – these do not become integrated knowledge without deliberate re-engagement.

If HR practitioners are not building deliberate habits of conceptual review and application, their knowledge remains shallow and fragile – impressive in familiar territory, brittle under challenge.

Evidence-Based Action Plans for HR Professionals

Now for some good news: these gaps are entirely bridgeable. What follows is not a list of vague suggestions from me. These are specific, evidence-backed practices that will build the kind of depth that sets exceptional HR professionals apart. I have been lucky to have seen some of them in action and could identify these traits in their approach to life.

Evidence-Based Action Plans for HR Professionals

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Action Plan 1: Trace Every Practice Back to Its Concept

For every HR activity you are responsible for, challenge yourself to answer: What foundational concept or theory is this practice based on? Who developed it, and why?

Practical steps:

- Pick one activity from your current role each week – a programme you run, a process you manage, a tool you use.
- Research its conceptual origin. Use Google Scholar, LinkedIn Learning, CIPD resources, or SHRM's Knowledge Advisor or ping your HR mentor.
- Write a one-paragraph explanation in your own words: what is the underlying concept, and how does your activity connect to it?
- This is retrieval practice in action – and it compounds powerfully over months.

ACTION PLAN 01

Trace Every Practice Back to Its Concept

Don't just know what you do — know why it works and where it comes from.

- Pick **one activity from your current role** each week — a programme, process, or tool.
- Research its conceptual origin. Use **Google Scholar, CIPD, or SHRM's Knowledge Advisor** to trace it to theory.
- Write a **one-paragraph explanation** in your own words: what is the concept, and how does your activity connect?
- This is **retrieval practice in action** — and it compounds powerfully over months.

Action Plan 2: Build a Personal Framework Library

The most strategically fluent HR professionals maintain a mental and written library of frameworks – structured ways of thinking about problems in their domain.

Practical steps:

- Start a running document: 'My HR Frameworks Library.' Dedicate one page to each framework relevant to your specialism.
- For L&D: Kolb's Experiential Learning Cycle, Bloom's Taxonomy, the 70-20-10 model, Kirkpatrick's evaluation levels, cognitive load theory.
- For Engagement: Kahn's psychological conditions, the Gallup Q12, Herzberg's two-factor theory, the job demands-resources model.
- For Talent Acquisition: the sourcing funnel model, employer value proposition frameworks, talent mapping methodologies, data-driven hiring frameworks.
- For each framework, note: What problem does it solve? How does it apply to your current context? Where all have you seen it work or fail?

ACTION PLAN 02

Build a Personal Framework Library

Strategic HR professionals maintain a mental library of structured thinking tools for every challenge.

LEARNING & DEVELOPMENT

- Kolb's Experiential Cycle
- Bloom's Taxonomy
- 70-20-10 Model
- Kirkpatrick Levels
- Cognitive Load Theory

EMPLOYEE ENGAGEMENT

- Kahn's Conditions
- Gallup Q12
- Herzberg Two-Factor
- Job Demands-Resources

TALENT ACQUISITION

- Sourcing Funnel Model
- EVP Framework
- Talent Mapping
- Data-Driven Hiring

Action Plan 3: Practise Explaining, Not Just Doing

The Feynman Technique – named after physicist Richard Feynman – is one of the most powerful tools for identifying gaps in your own understanding. The principle: if you cannot explain a concept simply and clearly to someone unfamiliar with it, you do not yet understand it fully.

Practical steps:

- Once a month, choose one concept central to your HR specialism and explain it out loud – to a colleague, a mentor, or even a voice note to yourself.
- Avoid jargon. Use analogies. Welcome follow-up questions.
- Notice where you hesitate or use vague language. Those hesitations mark the exact territory you need to explore further.
- This practice also builds the communication skills that distinguish strategic HR professionals in senior conversations.

Practise Explaining, Not Just Doing

If you can't explain a concept simply, you don't yet understand it fully. The Feynman Technique reveals the gaps.

"If you can't explain it simply, you don't understand it well enough."
— RICHARD FEYNMAN, NOBEL LAUREATE IN PHYSICS

THE PRACTICE

- 1 Once a month, choose **one concept central to your specialism** and explain it out loud — to a colleague, mentor, or voice memo.
- 2 **Avoid jargon. Use analogies.** Welcome follow-up questions that probe your understanding.
- 3 Notice where you **hesitate or use vague language** — those moments mark the exact territory to explore further.

Action Plan 4: Read Beyond Your Job Description

Depth requires exposure to thinking beyond your immediate function. The HR professionals who bring the most value draw connections across disciplines – psychology, behavioural economics, evolutionary biology, neuroscience, organisational development, data science, and leadership theory.

Practical steps:

- Commit to one book per quarter that sits at the edge of your specialism. Suggestions: 'Drive' by Daniel Pink (motivation), 'Thinking, Fast and Slow' by Daniel Kahneman (decision-making), 'The Culture Code' by Daniel Coyle (team dynamics), 'Measure What Matters' by John Doerr (OKRs), First Break All The Rules by Marcus Buckingham and Curt Coffman.
- Subscribe to one academic or practitioner publication: Harvard Business Review, CIPD People Management, the Journal of Applied Psychology, the NHRDN Journal.
- After reading, write three bullet points: What did I learn? How does it apply to my current work? What questions does it raise?

our current context? Where all have you seen it work or fail?

Read Beyond Your Job Description

Depth requires exposure to thinking beyond your immediate function. The best HR minds draw from psychology, economics, and leadership science.

- Drive — Daniel Pink**
MOTIVATION & INTRINSIC REWARD
- Thinking, Fast and Slow — Kahneman**
DECISION-MAKING & COGNITIVE BIAS
- The Culture Code — Daniel Coyle**
TEAM DYNAMICS & BELONGING
- Measure What Matters — John Doerr**
OKRS & STRATEGIC ALIGNMENT

After each book: 3 bullet points — Learn — Apply — Question

Action Plan 5: Seek Conceptual Mentorship

Find at least one mentor or peer who thinks at the level you aspire to – someone who asks 'why' as often as 'how,' who can challenge your thinking and introduce you to frameworks you have not encountered.

Practical steps:

- Identify 3-5 HR thought leaders whose content you find intellectually stimulating. Follow them actively – not just liking posts, but engaging with the ideas.
- Seek a mentoring relationship with a senior HR professional who is known for strategic thinking, and ask explicitly to be challenged on conceptual depth.
- Join any HR community of practice – NHRDN or NIPM Active chapters, SHRM chapters, or specialist LinkedIn groups – where conceptual debate is the norm. Select Whatsapp / Discord groups where such debate is usual.

The infographic is titled "Seek Conceptual Mentorship" and is part of "Action Plan 05". It features a yellow lightbulb icon in a circle at the top left. The main text reads: "Find someone who asks 'why' as often as 'how' — and deliberately expose yourself to that level of thinking." To the right, under the heading "THREE WAYS TO BUILD YOUR CONCEPTUAL NETWORK", there are three numbered items, each with an icon: 1. A lightbulb icon: "Identify **3-5 HR thought leaders** whose content challenges your thinking. Engage with ideas — don't just like posts." 2. A clock icon: "Seek a senior HR mentor known for **strategic depth**. Ask explicitly to be challenged on conceptual understanding in your sessions." 3. A globe icon: "Join a **community of practice** — CIPD branches, SHRM chapters, or specialist LinkedIn groups — where conceptual debate is the norm." Below these is a fourth item with a notepad icon: "After each meaningful conversation, **write down one idea** that challenged your existing thinking. That friction is growth."

A Final Word: The Function Needs You to Be Better

HR is at an inflection point. The conversation about whether HR can be truly strategic is no longer theoretical – it is being decided right now, in boardrooms and budget meetings, by the quality of thinking that HR professionals bring to the table. In the fast growing SME world, the need for conceptually clear HR role player is acute.

The professionals who demonstrate conceptual depth – who can move between the level of daily practice and the level of foundational ideas, who can design frameworks and not just follow them, who can explain the 'why' with the same confidence as the 'how' – those professionals are reshaping what it means to work in HR.

The Depth Deficit is not a permanent condition. It is a choice to remain at the surface of your field, or a choice – made daily, through deliberate practice – to go deeper.

So, here is my nudge to make the choice to go deeper. The HR function needs it. And so does your career.



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THE HUMAN EQUATION IN THE AGE OF AI



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A few decades ago, the most valuable asset in a company was its machinery.

Then it became data and today, something far more complex and far more fragile has taken that place: human capability, the Artificial Intelligence.

We are living in an era where algorithms write code, machines analyze millions of data points in seconds, and automation performs tasks that once required entire teams. In such a world, the competitive advantage of organizations is no longer technical efficiency alone.

On the other end the "human depth" such as Creativity, Judgment, Empathy, Social intelligence, the ability to navigate ambiguity and inspire others are still hold its unique place, fatefully, the more advanced our technology becomes, the more valuable these distinctly human traits grow.

However this shift has quietly rewritten the role of leadership.

For leaders in the age of artificial intelligence, the challenge is no longer simply acquiring talent. The real challenge is building a culture that deserves it.

In my book *The Human Equation: The Penta Factor*, I argue that organizations must rethink how they view its people. For decades, companies have chased an elusive and often unrealistic goal of universal happiness at work. What organizations can realistically achieve and what truly sustains performance is collective satisfaction.

This is where the Penta Factor emerges: a five-pillar framework designed to bridge the gap between individual expectations and organizational execution.



The Five Pillars of the Penta Factor

1. Hierarchy: From Power Structures to Wisdom Networks

Traditional hierarchies often resemble dams in a river.

Information flows upward slowly, power accumulates at the top, and the voices of those closest to the work rarely reach decision-makers. Over time, leaders can fall into what psychologists call the Solipsism Trap—the belief that their perspective reflects the entire reality.

When this happens, organizations become dangerously insulated.

People-centric leadership changes this dynamic.

Instead of functioning as barriers, leaders act as filters and facilitators, ensuring that ideas, insights, and concerns move freely across the organization. By dismantling cultures of fear and encouraging collaborative networks, leaders unlock the most powerful resource available to them: Collective intelligence.

And decisions shaped by collective intelligence are rarely fragile. They are stress-tested by experience, perspective, and debate.

2. Openness: The Oxygen of Innovation

Innovation cannot survive in secrecy. When transparency disappears, organizations fall into a dangerous cognitive trap known as hindsight bias. Failures suddenly appear “obvious” in retrospect, creating cultures where people fear mistakes rather than learn from them.

The result? Silence replaces experimentation.

Healthy organizations cultivate something deeper than transparency, they nurture epistemic curiosity, the willingness to question assumptions while maintaining trust.

This balance requires two forces working together:

- Self-Belief – confidence in experience and expertise
- Receptiveness – openness to new ideas and unfamiliar perspectives

When organizations achieve this equilibrium, they become resilient systems capable of adapting to constant change.

3. Integrity: Closing the Credibility Gap

Every organization proudly displays its values, such as Integrity, Accountability, Respect, Collaboration. But employees rarely judge values by what is written on the wall. They judge them by what leaders actually do.

When actions contradict words, a credibility gap emerges, an invisible fracture between promise and

practice.

And once that gap widens, trust collapses. Employees respond instinctively by forming protective group norms: quiet resistance, disengagement, and minimal effort.

Integrity demands courage from leaders. It requires overcoming two powerful human tendencies:

- Loss aversion – the fear of admitting mistakes
- Social approval – the desire to avoid criticism

By embracing transparency and inviting honest feedback, leaders transform integrity from a slogan into a living organizational habit.

In such environments, trust becomes the default—not the exception.

4. Reward & Recognition: Seeing the Individual

Many organizations unintentionally undermine morale through generic recognition systems.

A standardized bonus. A routine certificate. A one-size-fits-all reward. Ironically, these gestures can sometimes be worse than offering nothing at all. They signal that the organization does not truly see the individual behind the contribution.

When employees perceive inequity or indifference, the brain experiences cognitive dissonance—a psychological friction between effort and appreciation. Over time, this friction erodes motivation.

Effective recognition is not broad—it is precise.

It is transparent, meaningful, and deeply personal. It acknowledges not only the outcome but also the human effort behind it.

Recognition becomes the bridge between how employers perceive work and how employees experience value.

5. Support: The Strategic Power of Empathy

For too long, employee well-being has been categorized as a cost center.

Mental health programs. Flexible work policies. Support systems.

These are often evaluated purely through short-term financial metrics.

But this perspective misses a fundamental truth: support is not an expense—it is an investment.

The returns may not appear on next month's balance sheet. But over time, they create something far more powerful than profit margins.

They create loyalty. Employees who feel genuinely supported become advocates. They protect the culture,

elevate the brand, and sustain the organization through periods of uncertainty.

Empathy, when institutionalized, becomes a strategic advantage.

The Engine Behind the System: Judgment and Passion
Beneath all five pillars lies a simple but powerful psychological mechanism.

Every employee, consciously or unconsciously, evaluates their workplace through a basic judgment:

Do I like being here, or do I dislike it?

This internal calculation happens every day.

When organizational behavior consistently aligns with human expectations—fairness, transparency, respect—something remarkable happens.

That judgment transforms into passion and the passion cannot be mandated by policy.

It cannot be purchased through salary alone.

It emerges when people feel that their work, their voice, and their presence matter.

And when passion spreads through an organization, it becomes contagious.

It fuels creativity, elevates performance and creates a shared energy that no technological advancement can replicate.

The Human Advantage

The coming decades will undoubtedly belong to artificial intelligence, automation, and digital transformation. But technology will not determine the ultimate winners.

Culture will.

Organizations that master the Penta Factor will understand something profound: machines may optimize processes, but humans define purpose.

And leaders who embrace this reality will evolve beyond administrators of systems.

They will become architects of culture.

Because in the age of the machine, the most powerful competitive advantage any organization can possess is still—and will always remain, the human spirit.



THE FOUR LABOUR CODES: REFORM, REALITY AND THE IMPACT ON ESTABLISHMENTS



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Background - The First National Commission on Labour

India's labour reform journey formally began in 1966 with the constitution of the First National Commission on Labour (FNCL), chaired by former Chief Justice of India P. B. Gajendragadkar. The Commission was tasked with reviewing the working and living conditions of labour across organized and unorganized sectors. Its report, submitted in August 1969, was comprehensive and forward-looking. Yet, much of it remained unimplemented, with only select recommendations such as those relating to Works Committees and Contract Labour finding their way into legislation. I was a student of Jamnalal Bajaj Institute of Management Studies (JBIMS), University of Bombay (now called University of Mumbai) from 1968 to 70 studying for the Master of Management Studies (MMS) course when the report was submitted.

Mr S. R. Mohandas (a well-known authority in the field of industrial relations) who was a visiting faculty, taught us the subject of Labour Laws & Industrial Relations. He asked the students to read the report, as

the chairman of the report Justice P.B. Gajendragadkar was then the Vice-Chancellor of the University of Bombay. I, as a student remember reading this report, which has remained in cold storage to date and was never implemented.

Background - The Second National Commission on Labour

Three decades later, the Second National Commission on Labour (SNCL) was constituted in October 1999 under the chairmanship of Mr. Ravindra Varma, former Union Minister for Labour. The SNCL was assigned only two tasks (i) suggest rationalization of existing laws relating to labour in the organized sector, and (ii) suggest an umbrella legislation for ensuring a minimum level of protection to the workers in the unorganized sector. In the terms of reference, the SNCL had a provision that they could submit an interim report which was not there in the terms of reference of FNCL. However, the SNCL chose not to submit any interim report. The SNCL submitted its report on 29 June 2002.

The SNCL recommended consolidation of India's

fragmented labour laws into broader thematic groups. Although the report was submitted in 2002, substantive reform materialised only with the enactment of the four Labour Codes between 2019 and 2020.

The Four Labour Codes

The Government consolidated 29 central labour laws into four Codes:

1. Code on Wages, 2019
2. Social Security Code, 2020
3. Industrial Relations Code, 2020
4. Occupational Safety, Health and Working Conditions Code, 2020

Together, they aim to simplify compliance, standardise definitions, expand coverage, and modernise India's labour regulation framework. These Codes became operational on 21 November 2025, marking a 23-year gap between recommendation and implementation.

There is no separate labour code for the informal sector. Under the Wage Code, 2019, the Minimum Wage is guaranteed to all workers, including unorganized sector workers, with a statutory national floor wage. Also, the Gig & Platform workers are covered for social benefits under the Social Security Code, 2020.

The Central and State Governments (except Government of West Bengal) had prior to 21 November 2025 released Draft Rules and received objections and suggestions from citizens, organizations, and stakeholders.

The Central Government has once again released the Draft Rules on 30 December 2025. A period of 30 days has been provided for submitting objections or suggestions on the draft rules for Industrial Relations Code, 2020, and a period of 45 days for the draft rules under the other three Labour Codes. It is likely that the Draft Rules will be finalized and released before 31 March 2026.

Key Structural Reforms

Uniform Definitions A major reform is the standardisation of definitions such as "wages" and "worker" across all Codes, eliminating historical inconsistencies that triggered litigation.

Digital Compliance

Returns and registers are to be filed electronically through labour department portals, increasing transparency and accountability.

Fixed-Term Employment Employers may engage workers on fixed-term contracts. If employment exceeds 12 months, gratuity becomes payable without the five-year qualifying requirement.

Threshold Revisions

Permission for layoff, retrenchment and closure is now required only for establishments employing 300 or more workers (earlier 100 or more workers). Contract labour registration thresholds have been raised from 20 to 50 workers. Factory definition thresholds have also been increased.

Universal Minimum Wages Minimum wages now extend to all sectors and all employees, including informal workers, supported by a national floor wage framework.

The Draft Rules have identified occupations under each category: i.e., 116 in unskilled category, 134 in semi-skilled category, 323 in skilled category and 113 in highly skilled category.

Wage Definition Impact

Wages (basic + DA + retaining allowance) will be calculated at actual or at 50% of specified items of remuneration, whichever is higher for social security benefits and leave encashment. This significantly impacts funding for leave encashment and gratuity liabilities.

Leave Eligibility The eligibility for earned leave now requires 180 days of work instead of 240 days – a clear worker benefit.

Canteen, Welfare and Safety Canteens are mandatory at 100 workers strength (earlier 250). Welfare and Safety Officer thresholds have been reduced across industries, strengthening workplace standards.

Inclusion and Diversity For the first time, transgender employees are explicitly recognised in welfare provisions; a progressive step toward inclusive workplaces.

Separate shelters or rest-rooms for male, female and transgender employees to be provided in every factory, mine plus motor transport undertaking wherein an employee is required to halt at night to be made available which employs fifty or more workers compared to the earlier limit of one hundred fifty or more.

In 2017, the Kochi Metro Rail Ltd (KMRL) in Kerala became India's first government-owned entity to hire transgender employees, employing 23 individuals for housekeeping, customer care, and crowd management to promote inclusivity. Since 2021, Tata Steel Ltd. has also actively employed over 100 transgender individuals, pioneering inclusivity in India's industrial sector by integrating them into core operations like mining, crane operation, and

technical roles.

Trade Union Recognition

To date the law on recognition of trade unions was silent, except in certain states i.e. Kerala, Maharashtra & West Bengal. Recognition of trade union has been spelled out in the Industrial Relations Code, 2020 (i.e. after 99 years of The Trade Union Act, 1926 coming into force). The Industrial Relations Code formally introduces recognition of trade unions at the central level. As per the labour Code If only one registered trade union is functioning in an industrial establishment, the employer must, subject to prescribed criteria (i.e. minimum 20 % membership as mentioned in the draft rules) recognise that union as the sole negotiating union for the workers.

If more than one registered trade union operates in an industrial establishment, the employer must recognise the trade union that has the support of 51% or more of the workers on the muster roll as the negotiating union. Also, if multiple registered trade unions exist and none has the support of 51% or more workers, the employer must constitute a Negotiating Council. The Negotiating Council will include representatives from registered trade unions that have the support of at least 20% of the total workers, with one representative for each 20% of membership (and proportionate representation for any remaining fraction).

Contract Labour Regulation

Contract labour is restricted to defined non-core activities i.e. sanitation, security, canteen services, housekeeping, transport, civil and constructional works including maintenance, gardening, courier services, with limited exceptions. Principal employers must provide equivalent health, safety, and welfare facilities to contract workers.

Appointment letters are mandatory including for contract workers. Draft Rules specify the content of the appointment letters. Establishments need to check their existing employment letters and issue an addendum to the existing employment letters if items mentioned in the Rules are not there in the existing employment letters.

Inter-State Migrant Workers

Employers must ensure registration and annual travel allowance payments from his / her native place to the place of his / her employment for eligible migrant workers, currently defined as those earning below 18,000 per month. This limit may be raised as it was incorporated in the Labour Code in 2020.

Penalties and Enforcement

Penalties for non-compliance have increased substantially, with fines ranging from Rs.50,000 to Rs.5 lakh and imprisonment provisions extending up to three years. Power has been given to officers of appropriate Government to impose penalty in certain cases.

Key implementation challenges:

(i) In an establishment when there is an agitation by the workers involving violence, management of the establishment declare a Lockout to contain the situation. Declaration of lockouts will now technically become illegal, as the employer has to give fourteen days' notice and the subject matter will get into conciliation. Employers will have to use innovative methods to avoid the Lockout being declared illegal.

(ii) Every industrial establishment employing 20 or more workers will have to constitute a Grievance Redressal Committee to address individual employee grievances. The Committee must have an equal number of representatives from Employer & Workers and the total number of members must not exceed 10. Chairman post is rotatory annually. Majority vote means at least 50 % of the worker's representatives must endorse the decision along with the Employer's. This Committee is mandatory and the earlier practice where companies had a grievance redressal mechanism with all representatives of the employer is no more valid under the Labour Code.

(iii) The Code on Wages restricts all deductions to 50% of wages. It is uniform and protective compared to earlier 75% for deductions.

(iv) Settlement of Wages has to be done within two working days for resignation, dismissal and termination cases. Earlier this was applicable only in the cases of dismissal and termination. Whenever an employee resigns, he / she is governed by the contract of employment, which in most cases gives the option for immediate release, if the employee agrees to pay for the notice period. In case of employees, who are paying for the notice period and seeking immediate release, it will be tough for the establishment to settle the wages in two working days, as payroll for most establishments is outsourced and obtaining the computation within this time period will be tough.

(v) An independent director cannot be an 'Occupier'. This is a change from the previous law. Hence only the Managing Director or an Employee Director on the Board can be an occupier.

(vi) Under Duties of Employers it is stated that annual health examination of such employees of such age or such class of employees or establishments or such class of establishments, as may be prescribed by the appropriate Government. When the Labour Codes were made

operational from 21 November 2025, there were advertisements by the Government of India in leading national and regional newspapers that all employees above the age of 40 years will be medically examined annually at the cost of the employer.

(vii) The Occupational Safety Health & Working Conditions Code, which deals with The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 states that a person who is deaf or has a defective vision or tends to giddiness be not employed in building or other construction work which is likely to involve a risk of any accident either to the building worker himself or to any other person. Establishments engaging Building and Other Construction Workers will have to get these workers medically examined and ensure they do not have these medical limitations.

Implementation strategy for establishments

Leading organisations are:

- Conducting compliance audits
- Reviewing workforce classification
- Restructuring salary components
- Updating employment contracts
- Revising policies to align with the Codes

Trade Unions Concerns

Major trade unions organised nationwide protests against the implementation of the four new labour codes in February 2026, citing concerns about increased retrenchment thresholds, restrictions on strikes, and expansion of fixed-term and contract labour arrangements.

The trade unions claim that the Codes are anti-worker, pro-corporate, and threaten to reduce workers to "virtual slaves" by increasing working hours to 12 per day and restricting strikes.

Some of the reasons why Trade Unions have reservations about the Labour Codes are as follows: -

- (i) Strikes technically will now be illegal.
- (ii) Layoff, retrenchment & Closure permission from Government threshold limit revised from 100 to 300 and no change in compensation, though The Second National Commission on Labour had recommended higher compensation both for retrenchment and closure.
- (iii) Too much of Contract Labour in establishments. The Second National Commission on Labour had recommended that Contract labour not be engaged for core production/service activities but it also suggested that Contract labour to be remunerated at the rate of regular labour. However, these recommendations are not part of the Code.

Conclusion

The Four Labour Codes represent the most significant labour reform in independent India. Whether they ultimately prove transformative or contentious will depend not merely on statutory language, but on how employers, workers, and governments interpret and implement them.

For HR leaders, the Codes are not merely a compliance exercise. They demand strategic workforce planning, constructive industrial relations, transparent compensation structures, and strong governance.

The responsibility now rests on organisations to move beyond compliance toward responsible, inclusive, and sustainable employment practices. It is with passage of time that establishments and trade unions will realise and answer whether the Four Labour Codes are "a boon or bane".



** Based on the online session talk by the author on "Impact of Labour Codes on Establishments" organised by Indian Society for Training & Development (ISTD), Mumbai Chapter on Friday 06th February 2026.

Published in March 2026 issue of "Current Labour Reports (CLR)"