



A STUDY ON EMPLOYEE'S PERCEPTION ON HUMAN RESOURCE MANAGEMENT PRACTICES WITH SPECIAL REFERENCE TO SARDA ENERGY & MINERAL LTD, RAIPUR(C.G.)

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Abstract

Human resource is the most valuable resource in every organization and they contribute immensely to organizations the world over. It is therefore imperative for organizations to institute appropriate measures to retain competent employees. Effective HRM practices can help organizations to retain their valued employees. As the world is becoming more competitive and unstable than ever before, manufacturing-based industries are seeking to gain competitive advantage at all cost and need to maintain the best human resource management practices. To gain competitive advantage, organizations need to implement unique strategies. Human resource management practices aims to establish a more open, flexible and caring management style so that employees will be motivated, developed and managed in a way that they can give of their best to support the organization's mission. A good HRM practice is instrumental in helping to achieve organization objectives and has tremendous relevance to productivity of industry. This study is carried out to know the human resource management practices in SARDA Energy & Mineral Ltd, Raipur (C.G.) and the perception of the employees with respect to these practices. Suitable suggestions and measures are also stated for betterment of these practices.

Keywords: *Human Resource Management Practices, Employee Perception, Dimensions.*

INTRODUCTION

The importance and immense contribution of human resource to organizations cannot be overemphasized. Human resource is valuable and serves as the backbone of organizations the world over. Employees are a key resource that can be strategically placed for an organization to attain competitive advantage. It is asserted that resources that are rare and valuable create competitive advantage. Also, studies have shown that, organizations increase and sustain competitive advantage through the management of scarce and valuable human resources (Barney, 1991; Khan 2010). Thus, the success of any organization is dependent on the quality and efficiency of its human resources. Since managing human resources is highly challenging as compared to managing technology or capital and for its effective management, organization requires effective HRM system. HRM system should be backed up by sound HRM practices. Organization performance is influenced by set of effective HRM practices. It gives fruitful results like enhancing employee commitment, retention and reduced employee turnover. Human resources are the source of achieving competitive advantage because of its capability to convert the other resources (money, machine, methods and material) into output (product/service). The effective management of human resources requires sound Human Resource Management systems. In order to develop a sound HRM system, the organization should have effective Human Resource Management practices. HRM practices refer to organizational activities directed at managing the pool of human resources and ensuring that the resources are employed towards the fulfillment of organizational goals. Hence a study is undertaken to highlight the various human resource management practices adopted in SARDA Energy and mineral Ltd. Raipur in changing scenario of human resource management practices

PROFILE OF SARDA ENERGY AND MINERAL LTD. RAIPUR

SARDA Energy & Minerals Limited (SEML) is one of the lowest cost producers of steel (sponge iron, billets, ingots, TMT bars) and one of the largest manufacturers and exporters of ferro alloys in India. Headquartered in Raipur, Chhattisgarh, the company merged Chhattisgarh Electricity Company Limited (CECL) with itself in 2007 with a vision to becoming a leading energy and minerals company. Over the last three decades the company has continuously diversified its product portfolio to include many customized value added products. The company firmly believes in benchmark product quality, customer centric approach, people focus, ethical business practices and good corporate citizenship. Building on these values, SEML has become the supplier of choice for many domestic and international customers across more than 60 countries. SEML differentiates itself from its peers by not being just another steel company. It foresaw the importance and emergence of energy and minerals as two critical ingredients for developing economies and particularly for India. Synergy in Energy became the basis of all its future endeavors. Today, SEML is one of the very few companies to become completely self-sufficient in terms of its energy requirements and is well on its way to achieve self sufficiency in other mineral resources. The company has acquired iron ore, coal and manganese mines in India and is aggressively looking for mineral resources across the globe.

REVIEW OF LITERATURE

Huselid (1995) reported that HR practices can influence firms' performance through provision of organizational structures that encourage participation among employees and allow them to improve and redesign how their jobs are performed. Green, Wu, Whitten and Medlin (2006) reported that organizations that vertically aligned and horizontally integrated HR functions and practices performed better and produced more committed and satisfied HR function employees who exhibited improved individual and organizational performance. Pawan S. Buhdwar and George Boyne (2004) conducted a study on, "Human Resource Management in the Indian Public and Private Sectors: An Empirical comparison". The investigation is based on a questionnaire survey of 137 large manufacturing firms (public sector=81; private sector=56). In functional areas like compensation and training and development, Indian private sector firms have adopted a more rational approach than their public sector counterparts. Andre Luiz Fisher and Lindolfo Go De Albuquerque (2005) undertook a study on "Trends of HRM Model in British Companies – A Forecast according to Opinion Leaders from the Area". Having consulted more than 160 people, it was observed that themes such as the management of competences, corporate education and encouragement for organizational learning will be gradually assimilated by companies.

Becker et al. (1997) similarly argued that HR practices operate most directly through employee skills, motivation, and work design, resulting in behavioral outcomes such as creativity, productivity, and discretionary effort, which are expected to work through operational and eventually through financial market outcomes. Hence in order to assess the most immediate consequences of an HR system, Becker et al. (1997) and Dyer & Reeves (1995) would suggest examining employee outcomes as they are predicted to be affected most directly.

Cherrie Juhna Zhu et al (2005) attempted a research study on "A Problematic Transition to a Strategic Role: HRM in Industrial Enterprises in China". The study revealed the changing business environment in China and participation by the HR function in strategic decision making were the strongest predictors of HRM practices. W. Cathirne Anitha (2007) conducted a research study on Human Resource Management in Neyveli Lignite Corporation Limited. The conclusion was that the challenge before human resource management department was to actively coordinate, synergize and monitor the various areas of human resources and achieve the objectives of the corporation. Satheeshkumar L. (2008) in his article entitled "Payment System" has stated that concentration on quality is increasingly a characteristic of strategic planning. It is an important element in HRM as employee's effort is directed towards organization survival and development.

Saxena and Tiwari (2009) examined the HRM Practices implemented by leading IT Companies such as TATA, Infosys and Wipro in India. They developed the 3cTER Framework of HRM practices and identified Training and Development, Employer-Employee Relations, Recognition through Rewards, Culture building, Career Development, Compensation and Benefits as important HRM Practices. Osman et al (2011) in their study on the Relationship between human resource practices and firm performance: An empirical assessment of firms in Malaysia, found that the effectiveness of implementing HR practices in a company does indeed have a major impact of 50 per cent towards a firm's performance.

STATEMENT OF THE PROBLEM

Indian economic scenario is undergoing a basic structural change affecting all walks of life. Physical, behavioral and psychological differences among individuals have increased with rapid changes taking place in the management process of organizations. These have implications in the design of human resource planning and policy, work environment and job design, training and development, employee retention, career and succession planning, rewards and recognition, compensation, health and safety and employee performance assessment. Most of the shortcomings are due to differences in the characteristics and attitudes of employees and unrest among certain workforce. Therefore this study is undertaken to reveal the perception of the employees with respect to the various human resource management practices in SARDA Energy and mineral Ltd, Raipur district and to determine the influence of the demographic variables like age, experience and category on these practices.

OBJECTIVES OF THE STUDY

- To identify the innovative human resource management practices in the study unit.
- To analyze the perception of the employees with respect to the selected dimensions of HRM practices in the study unit.
- To suggest suitable measures for better implementation of the practices.

RESEARCH METHODOLOGY

Research Design: The research design adopted for this study is Descriptive Method. The perception of the respondents on the selected human resource management practices namely, work environment and job design, training and development,

employee retention, rewards and recognition, compensation, health and safety, employee performance assessment system and career and succession planning in SARDA Energy and mineral Ltd. Raipur is considered in the study.

- **Sampling Design and Size:** Stratified Random Sampling Technique was adopted with a sample size of 150 respondents consisting of 35 Officers, 40 Staff and 75 workmen.
- **Method of Data Collection:** The primary data needed for the analysis were collected through a structured questionnaire using Likert's five point scale. All the other relevant information for the study were collected from journals, books, magazines and relevant web sites.
- **Analysis of Data and Tools Used for Analysis:** SPSS Package was used to analyze the data collected. The tools used for analysis include Frequencies, Percentages, Karl Pearson's Coefficient of Correlation to determine the relationship between the independent variables and opinion on overall human resource management practices.

DISCUSSION AND FINDINGS

The demographic frequencies of the respondents taken up for the study are as follows: Out of the total of 150 respondents taken up for the study, a majority of 60 per cent of them are from the age group of 21-30 years, a maximum of 50 per cent of the respondents are married, maximum of 51 per cent are Under Graduates, followed by 21 per cent Post Graduates and 16 per cent ITI/Diploma holders. A majority of 57 per cent are getting income below Rs.20000 followed by 29 per cent between Rs.20000-Rs.30000, respondents between 5-10 years of experience and below 5 years of experience are found to be dominant (41% each). Greater proportion of the respondents are workmen (49%) followed by staff 26 per cent.

Table No: 1 Correlation between Independent Variables and overall opinion on Human Resource Management Practices

Factors	Overall opinion on HRM Practices	Significance @ 1% level
Work environment and job design	0.470	S
Career and succession planning	0.582	S
Training and development	0.382	S
Rewards and recognition	0.316	S
Compensation	0.380	S
Health and safety	0.465	S
Employee performance assessment	0.434	S
Employee retention	0.426	S

S = Correlation is significant at the 0.01 level (2-tailed)

The correlation matrix presented in table no.1 shows the significant positive relationship between the independent variables like Work environment and job design, career and succession planning, training and development, rewards and recognition, compensation, health and safety, employee performance assessment and employee retention and overall opinion on human resource management practices. Among the independent variables opinion on career and succession planning ($r=0.582$) have a high correlation with overall opinion on human resource management practices. It is followed by the opinion on work environment and job design with $r=0.470$, health and safety with $r=0.465$ and employee performance assessment with $r=0.434$

FINDINGS OF THE STUDY

1. A majority of 64 per cent of them belong to the age group of 21-30 years. About 55 per cent of the respondents are married and 51 per cent are under graduates.
2. As many as of 54 per cent of the respondents fall in the income group of Rs.20000-Rs.30000. "5-10 years of experience" and "below 5 years" are found to be dominant (41%) experience groups.
3. A major portion (49%) of the respondents taken up for the study is workmen followed by 26 per cent - staff.



4. Career and succession planning” has a strong and significant positive relationship ($r = 0.582$) with overall opinion on HRM practices than all the other independent variables considered in the study. It is followed by the opinion on work environment and job design with $r=0.470$, health and safety with $r=0.465$ and employee performance assessment with $r=0.434$.

SUGGESTIONS

1. The 360 Degree Performance appraisal System which solicits feedback from seniors (including the boss), peers and subordinates, has been increasingly embraced as the best of all available methods for collecting performance feedback.
2. A systematic approach can be adopted to ensure that knowledge supports strategy. When an employee returns after attending any competencies or skills development programmes, sharing essential knowledge with others could be made mandatory.
3. The Company should conduct awareness programmes related to Human Resource Policies and Practices, it will improve the proactive attitude knowledge of employees about Human Resource Policies and Practices.

CONCLUSION

In the present competitive world, the manufacturing companies are facing lot of competition and skill shortage. The SARDA Energy and mineral Ltd. felt that the internal customer is equally important with external customers. Therefore, the company has devised and implemented a number of innovative human resource practices in order to attract the best talent, providing them a good environment to work with and which also enables the company to retain talents. A good human resource management environment ensures harmony between the boss and the subordinates. A healthy corporate philosophy ensuring uniform policies at all levels of an organization is necessary. The study shows that majority of the respondents’ revealed positive opinion with respect to the HRM practices. Following open book management style, fair evaluation system and knowledge sharing initiative can make the practices more successful and take the company to heights.

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