

IMPACT OF HUMAN RESOURCES POLICIES AND FUNCTIONS

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INTRODUCTION

Human Resource Management is a set of policies, practices and programmes designed to maximize both personal and organizational goals. It is a process by which the peoples and organization are bound together in such way that both of them able to achieve their objectives.

Human Resource Management is concerned with the human beings in an organization. It reflects a new outlook, which views organizations manpower as its resources and assets. Human Resource Management is the process of management which develops and manages the human element of an enterprise considering the resourcefulness of the organization's own people in terms of total knowledge, skills, creative abilities, talents, aptitudes and potentialities for effectively actuating.

The functioning of Human Resources Development right from planning to implementation of policies and controlling the various practical techniques that are adopted to overcome the difficulties faced by the department so that he is generally exposed to field.

IMPORTANCE AND SIGNIFICANCE OF THE STUDY

The Human Resource Policies prove to play a significance role in a organization. This policies and functions is concerned with proper grouping of the personal activities, assignment of different group of activities to different individuals and delegation of authority.

The policy of Human Resource comprises measuring the employee's performance, correcting negative deviations and assuring accomplishment of plans efficiently.

This is done through review reports, records and personal audit programme etc.

Organizations require improving organizational performance by seeking changes in attitudes, organization structure and managerial practices which is accomplished by Human Resource Policies.

OBJECTIVES OF THE STUDY

1. To study Human Resource Policies of Mahindra Hinoday Industry Ltd..
2. To analyze the various policies and recommend ways to help by Human Resource Department Mahindra Hinoday Industry Ltd.

3. To maintain high moral of employees and sound human relations within the organization.
4. To attain effective utilization of human resources.
5. To monitor human audit on continuous basis.
6. To gain an insight into the actual working of Human Resource Department and understand the implications of Human Resource development within the company.
7. In a democratic society, the development of Human Resource's is an indicator of socio-economic development.
8. To identify and satisfy individual and group needs by providing adequate wage, incentives, benefits etc.

HYPOTHESIS

1. Function and policies leads to better performance for increase the quality and production.
2. The HR department attains effective utilization of human resources.
3. To what extent the employees are satisfy needs by providing adequate wage, incentives, benefits etc.
4. The employees and organization both together are able to achieve their objectives.

RESEARCH METHODOLOGY

In conformity with the nature, significance and objective of the study, the researcher has adopted following sources for collecting data.

ij] The Theoretical Study:-

The theoretical study is used to collect various data from different secondary sources such as office records, business and industry publication, books, journals statistical reports, office records, observations, discussions etc.

ii] The Empirical study:-

It has been conducted to study the actual procedure adopted and implemented while passing the benefits of the policy to actual beneficiaries i.e. employee. The data required for study would be composed in the form of questionnaire schedules. The empirical study is relied on questionnaires for the employees of organizations. Tabulation, graphic presentations are the tools used for analysis of data on various aspects.

iii] Personal Interview:-

I have personally contacted the employees and interviewed them with the help of a structured questionnaire.

iv] Selection of Sample: - The samples from confirmed employees were selected form the organization. Out of total confirmed employees up to officer's grade, 80 are considered whereas 20 staff employees from officer and above level are considered for study from Mahindra Hinoday Industry Ltd. Pune.

Companies Profile

The name "Hinoday" is inspired by the Japanese "Hinode" and the word "Suryoday" from the ancient Indian language Sanskrit. Both these words mean '**Sunrise**'. And like the rising sun a symbol of Hope and of Potential Energy, Hinoday today, is poised to surge with confidence and momentum into the 21st century. Let the realisation dawn...

With over 40 years of manufacturing experience, Hinoday today is a trusted name in Ferrites and Ductile Iron castings amongst discerning buyers worldwide. With over 1000 employees and 52 Million US Dollars invested in two manufacturing plants at Bhosari & Urse.

i. Business

- **Ceramic magnets** for Auto Electricals and Industrial DC Motors.
- **Ferrite Cores** for electronics, telecommunications and specialized applications.
- Ductile Iron castings for automotive industry.

A wide range of high performance products, commitment to customer service & partnering for solutions makes Hinoday the supplier of first choice.

Mahindra Hinoday is a joint venture with Hitachi metals of Japan. Using India's abundantly available engineering resource, Hinoday has skillfully adopted Hitachi Metals technology to build advantages using local resource. It builds advantage using local resources. it was established in 1936 by Dr. D.E.Merris, an American solid state physicist & in 1980 Dilip G.Piramal took over management of the company in 1985 Hinoday collaborated with Hitachi metals, Japan. M.H.I.L earlier was known as DGP Hinoday .in 2007 Mahindra took over DGP Hinoday & now known as Mahindra Hinoday.

ii. Location

DGP HINODAY automotive castings group is located at Urse, about 35 km outside Pune, and the plant has a capacity of 17,000 TPA. The head office of DGP Hinoday Industries Ltd., the Ceramic Magnets Group and the Ferrite Cores Group are located at Bhosari, Pune. Other units of Hinoday in India are situated in Dehli, Chennai, Bangalore & Mumbai.

iii. Products

a. Ceramic Magnets (CMG):

Production capacity 4500 tons per year

Products-Starters, Power window, Radiators, fan, A/c blower, Wiper etc. Four wheelers automatic doors, Power tools, Domestic appliances, Industrial automation etc. Two wheeler A/C Generators & starter motors arc magnets. Block & slab magnets for handling metal separation, lawn & garden equipment

b. Ferrite Cores (FCG):

Production capacity 2500 tons per years

Products wide range of shapes & sizes of e-cores/u cores for applications in Telecom, Computers, Lighting, Medical electronics, Ring cores-magnetic circuit applications

electronic ballasts, Impeder cores-high frequency tube welding, Slab & sector cores – inductive cooking appliances.

c. **Automotive Casting**

The automotive costing is 20,000 per years

Products- Crank shafts, Turbine housing, Engine brackets, Exhaust manifolds, Power & mechanical, Steering housings

iv. Mahindra Group

The US \$6 billion Mahindra Group is among the top 10 industrial houses in India. Mahindra & Mahindra is the only Indian company among the top tractor brands in the world. Mahindra's Farm Equipment Sector has recently won the Japan Quality Medal, the only tractor company worldwide to be bestowed this honour. It also holds the distinction of being the only tractor company worldwide to win the Deming Prize. Mahindra is the market leader in multi-utility vehicles in India. It made a milestone entry into the passenger car segment with the Logan.

The Group has a leading presence in key sectors of the Indian economy, including the financial services, trade and logistics, automotive components, information technology, and infrastructure development.

v. Core Purpose

Indians are second to none in the world. The founders of our nation and of our company passionately believed this. We will prove them right by believing in ourselves and by making Mahindra & Mahindra Ltd. known world wide for quality, durability and reliability of this products and services.

vi. Core Values

Our cores values are influenced by our past tempered by our present and are designed to shape our future. They are an amalgamation of what we have been, what we are and what we want to be. These values are the compass that will guide our actions, both personal and corporate. They are:

Good corporate citizenship: As in the past, we will continue to seek long term success that is in alignment with our country's needs. We will do this without compromising on ethical business standards.

Professionalism: We have always sought the best people and given them the freedom and the opportunity to grow. We will continue to do so .we will support innovation and well-reasoned risk-taking, but will demand performance.

Customer First: We exit and prosper only because of our customers. We will respond to their changing needs and expectations speedily, courteously and effectively.

Quality Focus: Quality is the key to delivering value for money to our customers .we will make quality a driving value in our work, in our products and in our interactions with others .we will do it "first time right"

Dignity of the individual: We value individual dignity, uphold the right to express disagreement and respect the time and efforts of others. Through our actions, we nurture fairness, trust and transparency.

“For a company to stay a head in term of quality and competitiveness, it has to reply on the strength of its own infrastructure and resources. We at Mahindra Hinoday realized it very early. Today, we not only have a melodeon manufacturing complex but also an array of sophisticated machines to produce a diverse range of world-class magnets.”

To educate workers regarding the use of chemicals, regular orientation programs are conducted warning sings have been painted regarding the handling of chemicals all over the working area.

vii. Quality Policy

Hinoday is committed to continuous satisfaction of customers, shareholders, suppliers and employees. We, therefore, are committing ourselves to the best practices in all our activities across the entire organization that are directed towards –

- Meeting our customer’s expectations on products & services and striving to exceed those from time to time.
- Review and up gradation of processes to achieve continuous improvement in quality of products & services.
- Enhancing skills and contribution of all the employees in day to day performance of their activities.

Hr Policies for Officers, Executives and Employees

The Human Resource Policies in organization are summarized as follows:-

Policy No. 1:- Manpower Planning and Recruitment

Hinoday recognizes that people are the key to retain competitive advantage and seeks to source the best talent to achieve business results. Manpower planning activity will be initiated at the time of the annual budgeting exercise.

Policy No. 2:- Joining and Induction

Hinoday would like to inculcate a common culture and values amongst all its employees. It ensures that all employees share a common vision and goals for the future. In the process company impart a planned induction to familiarize new employees with company’s history and culture.

Policy No. 3:- Probation and Confirmation

Hinoday, during probationary period, evaluates the suitability of its new employees w.r.t. their level of competencies and the need of the organization in achieving future goals.

Policy No. 4:- Transfers and Promotion

Hinoday nurture the budding talent and recognizes employee contribution commensurate with exhibited skills and performance. By promoting talented employees to higher levels of influence and responsibility, the company seeks to build ownership and accountability.

Policy No. 5:- Performance Management System

Hinoday values the performance of all its employees in achieving the success for the company. It understands the need to set proper direction for its employees in order to motivate them. Furthermore it also recognizes that employees should be evaluated through a well developed system. In order to achieve this company follows a system of annual appraisal of performance.

Policy No. 6:- Training and Development

Hinoday values every employee and believes that employees provide the cutting edge of excellence. It recognizes the importance of employee development and empowerment through holistic training which enables employees to enrich their knowledge, strengthen skills and develop required capabilities.

Policy No. 7:- Compensation Policy

Hinoday believes that people are its biggest asset in its ongoing quest for sustained competing advantage. Consequently the compensation package is designed to attract and motivate employees to contribute to the success of the company.

Policy No. 8:- Car Policy

In keeping with its corporate image Hinoday provides car to its senior executives.

a] All officers in Grade M3-E and above, currently on the rolls of the company, are eligible for availing this scheme upon confirmation and after approval of Head HR and CEO. b] This Scheme will be applicable with effect from 1st April 09. c] The costs associated with the car are included in the overall CTC of the officer.

Policy No.9:- Telephone and Laptop Policy

Hinoday provides employees suitable communication facilities in order to increase flexibility thereby helping in furthering business interests. The company provides cell phone facilities to employees based on grade and work requirements.

Policy No.10:- Medical Reimbursement, Hospitalization & Accident Insurance Policy

Hinoday values each employee and provides its employees with medical reimbursement, hospitalization benefits accident insurance. The company meets the medical needs of employees through a combination of reimbursement of medical and hospitalization expenses.

Policy No. 11:- Travel and Accommodation Policy

Hinoday understands the importance of traveling for expansion of Business. As the world has become a Global Village, traveling abroad to grab global opportunities and explore new ventures thereby expanding the business horizon has become an integral part of a professional's life. Company ensures the required support for this purpose.

Policy No. 12:- Shift Timings/ Holidays/ Leave Policy and LTC

Hinoday observes disciplined duty timings to carry out smooth business functions. It also observes requisite public holidays each year so as to enable its employees to participate in Festivals, Religious Ceremonies & National Events. It also encourages all employees to avail

authorized leave. Company also encourages its employees to avail privilege leave by providing allowance which allows employees to travel with their families.

Policy No. 13:- Safety and Occupational Health

Hinoday gives the utmost importance to the safety and occupational health of its employees. It also counsels the employees to keep themselves fit and avoid any harmful addictions.

Policy No. 14:- Employee Separation Policy

Hinoday would like to ensure that the process of 'Employee Separation' is smooth and moves to completion with ease for both, the employee & the company.

Impact of Human Resources Policies and Functions

The human resources polices and functions framed by company had great impact on income generation of employees, uplifting their standard of living, job satisfaction, overall development in social status, culture and personality of the employees. These factors are categorically analyzed as follows.

1. Manpower planning and recruitment: The company has recognition that people are the key to retain competitive advantage and seeks to source the best talent to achieve quality business results.

It is observed that only 5% of employees are satisfied with present policy of manpower planning and recruitment. About 95% of the employees did not feel comfortable with manpower planning and recruitment policy.

2. Joining and induction program: The organization would always like to inculcate common culture and values amongst all its employees. It ensures that all employees share a common vision and goals for the future. In the process company impart a planned induction to familiarize new employees with company's history and culture.

It is observed that more than 90% of employees are satisfied about the present policy of joining and induction programme.

3. Probation and confirmation policy: The company, during probationary period, evaluates the suitability of its new employee w.r.t. their level of competencies and need of the organization in achieving its set future goals. The probation period, therefore, limited for six months period for newly recruited employees before their absorption for regular positions.

More than 95% of the employees feel that time limit given in probation and confirmation policy is excellent and only 5% feel that the policy is fair.

4. Transfers and promotions policy: Promotion decisions are also based on merit, caliber, capacity and potential of the employees and not only on an individual's tenure with the company. Moreover, company is free to transfer the person from one unit to other units depending upon its exigencies and requirement.

However, more than 72% of respondent employees are not comfortable with the present transfers and promotions policy.

5. Performance management system: On analysis, it is observed that about 2% of the employees feel that performance management system imparted by the company is excellent.

Nearly 18% employees feel that the system is fair whereas remaining majority of 80% chunk of the employees expressed a need of some improvement in the existing system.

6. Training and development program: Time and again the company is conducting various need based training and skill development programme as per requirement. Training and skill development of an employee is one of the important tools for betterment of the organization.

However, nearly 23% of employees are satisfactory about the present training and development programme and majority 77% employees need something extra over and above the normal and regular inputs given during such types of programmes.

7. Compensation policy: The compensation structure is based on the Cost To Company (CTC) concept & it consists of Basic Salary, retrials, allowances including car and performance pay. The performance pay awarded to an individual executive is a function of his own performance and the business performance of the division/company. The amount of Performance Pay assumed in CTC calculation is at 60% of the maximum of an employee's entitlement at 100% Performance level. The actual payout depends upon the individual's performance and the year's business performance.

a. Payment of bonus is done as per the Bonus Act.

b. An Officer, whose basic salary is below Rs. 10, 000/- per month is eligible for payment of statutory bonus at 8.33% as per 'The Payment of Bonus Act'.

About 74% of the employees has satisfactory feeling about the compensation policy and have rated it as excellent whereas remaining 26% employees have more expectations may be because of their nature of work.

8. Telephone and laptop policy: All officers in the Managerial, Departmental Head and Executive rank only are eligible for telephone facility. Therefore, none of selected employees are eligible for laptop facilities.

Besides reimbursing the purchase cost of handsets, the company also reimburses the monthly usage charges to such users. The limit allowed for monthly usage is as given below. About 17% of the employees feel that the policy is fair while remaining 83% employees feel that though reimbursable cost of the handset is reasonable, the limit of monthly usage need to be enhanced.

9. Medical reimbursement, Hospitalization and Accidental Insurance Policy: The company meets the medical needs of all employees through a combination of reimbursement of medical and hospitalization expenses. The company reimburses domiciliary medical up to a maximum of Rs. 15, 000/- to its officers.

More than 76% of the employees feel that medical reimbursement, hospitalization and accidental insurance policy is excellent while remaining 24% of the employees feel necessity for improvement in policy especially to take care and cover heavy expenses in some of the treatments like heart, brain etc.

10. Traveling and accommodation policy: The Officers are allowed to stay in hotels only when accommodation in the group/ transit quarters maintained by company is not available.

a. It is observed that the 22% of the employees feel that the traveling policy is excellent; nearly 59% employees feel that the policy is fair while remaining 19% wants additional improvement in policy by way of increasing the allowance.

b. It is observed that about 24% of the employees feel that accommodation policy provided by company is excellent, 60% employees feel that it is fair and remaining 16% wants further improvement in policy.

11. Shift timings, Holidays, LTA and Leave policy: 1. About 100% of the employees feel that shift timings are acceptable and all employees feel that 8 paid holidays for a year are inadequate.

2. a) Privilege Leave-Almost 100% of the employees feel that leave structure of 30 days Privilege leave (PL) p.a., accumulation of PL upto 240 days for all Grades and encashment of PL minimum 15 days in a year is satisfactory.

b) Casual Leave- Total 7 days p.a. is adequate.

c) Sick Leave-10 day's p.a. with maximum accumulation of Sick leave allowed is only 60 days. The accumulation is expected to be enhanced at par with PL i.e. maximum 240 days is adequate.

d) Maternity Leave- maximum 12 weeks which is at par with other industries.

3. LTA- Allowed claiming the facility twice in a block of 4 years. Minimum 6 days leave is expected to avail during the period of LTA claimed. LTA can be released on pro-rata basis for the completed calendar year. This facility is well accepted by almost all employees in general.

12. Safety and occupational health policy: a] Majority chunk of 65% employees are satisfied with the present safety policy whereas remaining 35% employees feel that safety arrangement need to be strengthened further.

b] About 22% of the employees are still not satisfied with the arrangement of occupational health policy and hope for its improvement further.

13. Employees separation policy: a. Employee intending to resign from services has to write a notice of resignation letter addressing to the GM – HR / any other authorized person of Hinoday.

b. Subsequently He/She has to undergo such notice period as mentioned in his / her appointment letter or compensate with salary in lieu of the said period.

It has been observed that more than 68% of the employees feel the policy as fair and the remaining expects some improvement in the policy.

14. Relations with supervisor/officer/higher authorities: Maintaining cordial relations within the employees both horizontally and vertically is an essence for overall growth and development of any industry.

It is observed that almost 90% of the employees have cordial relation with their supervisors in excellent form.

15. Relations with employee colleagues and subordinates: More than 85% of the employees have excellent relations with their colleagues and subordinates whereas remaining 15% employees have fair relations.

16. Labour welfare activities: Labour welfare activities undertaken by company are always moral boosting factors for employees and motivating them to give 100% in return. During analysis, it is observed that about 70% of the employees inclined favorably towards these welfare activities and rated them as excellent whereas 18% opinioned the provision of welfare activities as fair. Remaining 12% employees have suggested need for some additional improvement in the existing welfare activities.

17. Job security of employees: More than 77% of the employees are sure about their job security and therefore, rated job security as excellent, 10% feel that the job security is fair and remaining 13% of the employee feel that needs improvement in policy.

18. Present human resource activities: The company is performing broadly the human resource activities like a] Safety measures for employees b] Recognitions to the employees c] Publishing News Letter for workers / employees d] Sense of belongingness to them e] Employees Attendance f] Implementation of Quality system g] Performance award scheme etc.

The human resource activities run by the company satisfy to majority chunk (82%) of the employees.

CONCLUSION

The hypothesis is tested and recommendations are suggested to improve the quality implementation of policy in terms of the stated objectives. The research study reveals that there is a gap between the views of the policy designers and actual implementation of the scheme. The success of implementation of programme depends upon the motivation and willingness of the HR Department, Top Level Management, Line Manager and Employees.

The core values of the company are Good corporate citizenship, Professionalism, Customer first, Quality focus, Dignity of the individual. HR purpose statement of the company is to create a culture of sustained business out-performance, accompanied by extreme care for all stakeholders-starting with customers and employees, while nurturing and strengthening the core values of the Group.

The company is committed to customer satisfaction in terms of quality, cost, delivery and services through pursuit of excellence in its products. This shall be achieved through continuous improvement in all its area of work is the quality policy of the company.

The company's HRD policy are respect people, look upon a person as individual who is constantly changing, value to interpersonal relationship and team work, discipline and rules and regulations, do not go away from conflicts, differences, compensation.

In this Information and Technology age manpower is the most essential and indispensable resource of any organization. Resourcefulness of different categories of people like managers, scientific personnel, executives, skilled as well as unskilled workers and all such people available for the organization can be treated as a human resource. No organization can exist and grow today without the Human Resource Management. While during the

period of research I found that Human Resource Policies is beneficial for all the employees during working in an organization. Human Resource Policies helps to maintain the activities, which are going in the organization. It includes almost all policies i.e. recruitment, selection, promotion, leave, gratuity, retirement, termination, etc. that are covered under the Policies Act. Most of the employees are satisfied with their remuneration and gainful employment.

In the organization, I saw that more emphasis is given on the development of each individual. Training of every kind is been provided on regular basis. The company provided perfect solution to every employee's problem, that's the reason for its progress today.

My observation therefore -

- Independence is given to make decision to employees and they increase to make mistake i.e. they follow a performance oriented environment.
- Human Resource initiate its employee development with the help or accelerated learning programme and ensure that it has the best retention [overtime] rate. Human Resource
- Policies found to be a blessing to the employees.
- Mentor-mentee programme makes employees to feel that they have somebody else who can talk to establish emotional connect with,
- The trainees are also encouraged to participate in discussion making process.
- Employees are included in all the discussion being made for the betterment of the company.
- Overall the organization has tremendous respect for its employees.

SUGGESTIONS

1. A Human Resource survey should be initiated with the help of which the company should try to identify the Human Resource head of its employee.
2. The employee's feedback should be sought after the Human Resource programme implementation. This follow up will help gauge the effectiveness of the programme.
3. In Human Resource department should follow up the necessary Human Resource programme inefficiencies. This will help increase employees performance.
4. The company must adopt well defined standardize policy for an awarding employees.
5. A policy of planned promotion should be implemented in order to avoid demotion.
6. The company should try to motivate its employee in reasonal word fro the enhancement of the company.
7. The company has a transparency at end level of the organization and the manager and some manager look after subordinates.

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