A STUDY OF HUMAN RESOURCE PRACTICES OF EMPLOYEES IN MANUFACTURING INDUSTRY AT PUNJAB

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ABSTRACT
The purpose of the paper is to examine the impact of human resource practices on job satisfaction and organizational commitment on employees of manufacturing industry in Punjab, India. Data is collected from 211 employees from the six units. The analysis of data is done by using Correlation, Analysis of Variance (ANOVA) and Regression Analysis tests. The results indicate that HR practices are perceived to be different by the employees and HR practices positively impact the level of Job Satisfaction and organizational commitment of the employees. Management should pay attention towards enhancing motivation, job satisfaction and organizational commitment through rewards and recognition. Rewards could be monetary or non-monetary depending upon the performance of employees.

Keywords: Human Resource Practices; Job Satisfaction; Organizational Commitment

INTRODUCTION
The Indian Manufacturing Industry is being nurtured for an exponential growth, since the quota regime has been withdrawn. The desire to be world class and serve as a benchmark is an aspiration nurtured by most of the companies. Making this transition requires efforts in a myriad of directions. These fruitful results have created a very challenging environment for the industrialists, as globalization has lead to setting up of new benchmarks for everyone. ‘Any practice that deals with enhancing competencies, commitment and culture building can be considered as an HR practice. The practice can take the form of a system, a process, an activity, a norm, a rule, an accepted or expected habit, or just a way of doing things. Good HR practices do indeed make a difference in term of business effectiveness. They need to be identified and implemented cost-effectively, reviewing and revising them from time to time to enhance their effectiveness and appropriateness’.


Job Satisfaction
For an individual, Job Satisfaction would mean that something within him reacts favourably to the job and its environment. Locke (1990) gives a comprehensive definition of Job Satisfaction as involving cognitive, affective and evaluative reactions or attitudes and states that it is a “pleasurable or positive emotional state resulting from the appraisal of one’s job or job experience.”
Organizational Commitment

Organizational Commitment, or Employee Loyalty, is the degree to which an employee identifies with the organization and wants to continue participating in it actively. The works of Meyer and Allen (1991), commitment is the aggregate result of three different but related components viz., Continuance Commitment, Affective Commitment and Normative Commitment. The three dimensions are as follows: Affective Commitment is defined as an emotional attachment to the organization such that the strongly committed individual identifies with, is involved in and enjoys membership in the organization. In this case, an individual strongly identifies with the goals of the organization and desires to remain a part of the organization. This is the ideal 'happy' state for an individual. Continuance Commitment involves commitment based on the costs that the employee associates with leaving the organization. Normative Commitment involves the employee’s feelings of obligation to stay with the organization. Workers with a strong normative commitment feel that they ought to stay within the organization because he/she believes they should.

REVIEW OF LITERATURE

Simmons (2003) highlighted the need for balancing performance, accountability and equity in stakeholder relationships by pursuing socially responsible HR practice. Harel and Tzafir (1999) highlighted the effect of human resource management practices on the perceptions of organisational and market performance of the firm. Chen, Hsin-yi (1995) examined the difference of organisational climate and human resource practices between American and Chinese companies in Taiwan. Jacobson (2006) in his research paper has emphasized that the most widely used and an effective tool for performance appraisal as perceived by human resource professional is 360-degree competency assessment process. Ramesh (2005) studied the changes occurring in the field of human resource management in today’s era. He observed that today’s competitive business climate presents the HRM function with a number of important challenges and opportunities – dramatic advances in technology, in recruiting, selection, training, appraisals, rewards and other human resource practices. Singh (2003) examined that the aim of the human resources in the organization context is to ensure the availability of competent, motivated and learning employees to the organization to facilitate the achievement of its business objectives. Dhawan (2001) found in his study that job satisfaction varies with the type of job, level of organizational hierarchy, personality types etc. Kassahun (2005) As per his findings, there is a significant difference in perceptions of Indian employees towards the level of their commitment to their organization. Sanne (2005) their paper examined the effects of Human Resource Management (HRM) practices and antecedents (personal variables, job and role characteristics, and work experiences) on organizational commitment among Dutch university employees.

METHODODOLOGY

The present study is confined to cover human resource practices of six selected manufacturing units in Punjab. Data is collected from 211 employees from the six units. The analysis of data is done by using Correlation, Analysis of Variance (ANOVA) and Regression Analysis tests.

OBJECTIVES

- To study the HR practices in selected units.
- To study the impact of HR Practices on Job Satisfaction and Organizational Commitment level of employees.

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HYPOTHESES

H1: There is no significant difference between HR Practices by the employees in selected units.

H2: There is statistically significant relationship between HR practices and Job Satisfaction of employees.

H3: There is statistically significant relationship between HR practices and Organizational Commitment of employees.

FINDINGS

To arrive at pertinent analysis, the collected data was put to plan statistical analysis using SPSS package. The tools, which were employed to test the drafted hypothesis for analysis included: Analysis of Variance (ANOVA), Co-relation and Regression Analysis. After scoring the questionnaire the data was tabulated for each variable being studied separately for each textile units. Descriptive Analysis, Inferential Analysis, Correlation Analysis and Multiple Regression Analysis were used.

It was observed that the HR practices as perceived by the employees holds an important place in the six units under study. The study was conducted on HR Practices. To study the appropriateness of the HR Practices, an attempt was made to identify those HR Practices. From the Analysis of Variance (ANOVA), the researcher drew the inference that the perceived appropriateness of the factors like Procurement & Development; Employee Benefits; Employee Schemes; Promotions & Transfers and Exit Policy is also significantly different in all the six textile units under study i.e. the level of perceived appropriateness of prevalent HR practices undertaken vary significantly from one unit to the other. The inference drawn from pair wise multiple comparisons were that the appropriateness of HR Practices in different pairs of the units studied under each factor was significantly different. The researcher concluded from the overall analysis that the appropriateness of prevalent HR practices is perceived to be different by the employees in units under study.

The units enables us to examine the impact of the appropriateness of HR practices as perceived by the managerial employees on their level of Job Satisfaction. The variables of Job Satisfaction namely, Team Working and Supportive Culture, Working Conditions, Quality of Work Life, Supervisory Style and Skill Enhancement using factor analysis. It may be concluded that the factors Supervisory Style and Skill Enhancement are important factors leading towards Job Satisfaction of the employees. However, Quality of Work Life and Working Conditions in the organizations are also integral factors that lead to Job Satisfaction. All six units showed different Job Satisfaction levels. The correlation between appropriateness of factors of HR practices as perceived by the managerial employees and the factors of Job Satisfaction was calculated to determine the linear relationship between them. The result showed a positive correlation between them. The inference drawn from the correlation analysis was that HR Practices increase the level of Job Satisfaction of the employees.

Multiple regression analysis was also performed to find out the relationship among various variables under appropriateness of the prevalent HR Practices and Job Satisfaction. It was observed that the factors of HR Practices having maximum impact on the level of Job Satisfaction among employees were Employee Schemes, Employee Benefits, Promotions and Transfers. Therefore, a positive change in these factors can lead to higher Job Satisfaction.

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CONCLUSION

It was expected that the HR Practices is perceived to be similar by employees. This hypothesis is rejected due to the findings of the Analysis of Variance (ANOVA) and pairwise multiple comparisons, which show that the HR Practices is perceived to be different by the managerial employees in the units under study. It was expected that HR Practices increases the level of Job Satisfaction of the employees. The hypothesis is accepted by the results of the correlation analysis wherein a positive relationship is seen to exist between factors of Human Resource Practices and Job Satisfaction. Through an Analysis of Variance (ANOVA) of Job Satisfaction factors like Team Working & Supportive Culture; Working Conditions; Quality of Work Life; Supervisory Style and Skill Enhancement, in the units under study, the level of Job Satisfaction is not the same in all the units. It was expected that HR Practices augment the level of Organizational Commitment of the employees Through Correlation Analysis a positive relationship is seen between the HR Practices and Organisational Commitment. Analysis of Variance (ANOVA) revealed that Organisational Commitment in all units is perceived differently by the employees. Hence, the hypothesis has been supported and accepted. The employees should be given motivation through rewards and recognition. Rewards could be monetary or non-monetary depending upon the performance of an employee and the company policy. But the good work and efforts of an employee must be recognized from time to time so that he is always charged up to perform better each time.

REFERENCES


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