# HUMAN RESOURCE MANAGEMENT: THE PILLAR OF THE ORGANISATION

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## ABSTRACT

*The Human Resource Management means an integrated and correlated approach of the management of any organisation to value the most valued asset of the company perhaps, which is the people or employees working in it, who individually as well as collectively working for the achievement of its objectives. Human Resource Management is unquestionably some of management but the scope of it's quite large and large. The theories developed for human resource management has not been developed over the night, it took over 100 years to return at the conclusion, what we've got at this level. The term Human Resource Management perhaps replaced the traditional term of personal management used for managing the people in an organisation. An organisation has two categories of assets generally. One is Tangible assets like plant & machinery, furniture & fixtures, building, stock etc and the other one is Intangible assets, like trade mark, patent, copy rights etc. both finds an area within the record of the corporate. However the human resource don't have place in both of it. The concept of Human Resource Management underpins all the activities described in, and also the aim is to supply a framework for what follows by defining the concepts of human resource management and human resource system, describing the assorted models of human resource management and discussing its aims and characteristics. This continues with a review of reservations about human resource management and therefore the relationship between human resource management and personnel management concludes with a discussion of the impact human resource management can make on organizational performance. Today's corporate culture has to actively support quality and customer orientation. With globalization/ proliferation and rapid advanced technological change, quality is of at the most importance for the Indian companies, especially which earn most of their revenues through exports. Hence, the human resource professional as a strategic partner has to encourage a culture of superior quality to make sure customer satisfaction the sole real measure of quality of a product or service.*

**KEYWORDS**: *Human Resource, Human Resource Management, Accounting for Human Asset.*

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## Introduction

Human Resource Management is defined as a separate branch of management because this is staff, who manages the whole organization. It comprises of the functions and principles that are applied to retain, training, developing, and compensating the workers in a corporation. A thoughtful effort has been taken by Institute of Chartered Accountants of India or various national or international Accounting Association for introducing various pronouncements, so uniformity and consistency may be maintained and it becomes mandatory for all organisation to recognise, measure and disclose the worth of human resource, so users can get truth value of their financial position. The rationale behind all this effort is that the general purpose of human resource management is to make sure that the organization is in a position to attain success through people. As we said that one most vital asset which don't happen in record of almost of the all organisations is their employees and workers or technically called Human Resource. Those days has gone when the success of an organisation was totally keen about the production and sales.

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Hence human resource too needs recognition within the financials of the entity together with the other assets. This can be also applicable to non-business organizations, like education, healthcare etc. Human Resource Management is defined because the set of activities, programs, and functions that are designed to maximise organizations efficiency, is just for employee effectiveness. Human Resource Management strategies aim to support programs for improving organizational effectiveness by developing policies in such areas as knowledge management, talent management and usually creating an excellent place to figure. A dissatisfied workforce was a significant threat to the very existence of a corporation. Employees expected the corporate to grant excellent opportunities for his or her personal growth through job rotation and promotions. A decent appraisal system provided the backbone for ensuring career growth to the staff. This however had to be backed by a wonderful training system to satisfy the immediate requirements and futuristic needs on the premise of a decent forecast of the key skills needed for meeting the long run.

**Objective of Study**

The information system has become a wide as well as diverse discipline and information technology has moved from back office closed system to end user controlled open system. The competitive market has become an increasingly important part of advanced industrial economies. The practice of Human resource in today's world and ever-changing era has found the greatest significance because companies now has started recognizing their workers or human resource as the most important factor. The primary objective is to check Human Resource Practices like Recruitment and Selection, Training & Development, Career Planning Development, Performance Appraisal and Employee Retention in Companies along with other secondary objectives such as:-

- To study the Human Resource Practices in selected companies.
- To compare the Human Resource Practices of selected Companies.
- To study the attitudes and perception of Employees associated with Human Resource Practices in selected Companies.
- To investigate the Human Resource Practices affect organizational performance.
- Finding out the explanations for top attrition rates among employees within the companies.
- Devising Human Resource Policies and Practices to contain high attrition levels.
- Devising Human Resource Policies and Practices to scale back conflict and stress.

**Review of Litreature**

**David Needle, in Business in Context, [2004]** states that Human Resource Management could be a responsibility of all people who manage people moreover as being an outline of the work of these who are employed as specialists. It's that a part of management, which is anxious with people at work and with their relationships within an enterprise. It applies not only to industry and commerce, but also to all or any fields of employment. Human resources management is intended to achieve efficiency, effectiveness as well as justice, which all need for the success of the each other. It seeks to produce fair terms and conditions of employment and satisfying work for those employed.

**Srinivas R. Kandula (2004)** in Human Resource one Management in practice with 300 models Techniques and Tools attempts to integrate Human resources management theory with existing practice within the industry. He has highlighted models and tools and techniques for the assorted functions of Human resources. Its rich in content and is a wonderful source and pool of information. It's a one-stop book that documents various theories and models.

**T.V. Rao, Raju Rao, and Tara Yadav (2002)** in their article, Significantly, argued that "Human Resource departments as a function has evolved in India indigenously from the year 1975 when Larsen & Toubro (L&T) conceptualized Human Resource departments as an integrated approach and finalised to make a separation of personnel function. Just after that almost all organisation has started a separate Human resource Departments or else started making redesignation of their Personnel and other concerned departments as Human Resource departments. Now days, there are very high expectations from Human Resource departments.

**Tom Siebel 2002** in his research article, "After CRM, its ERM i.e. Employee Relationship Management" argues that the advocates of Customer Relationship Management (CRM) have moved on to Employee Relationship Management (ERM).

**According to Guest (1989)**, the major distinction between Human Resource Management Policies and Human Resource Management strategic is that Human Resource Management strategic is how organizations integrate strategic decisions into the Human Resource Management policies and practices to address the environment. Within the strategic Human Resource Management perspective, employees are considered a strategic resource that ought to be used collectively with other resources (e.g. patents, reputation) to reinforce organizational success.

**T V Rao's 1984** This investigator, during this context, notes that the group of students although have conducted a study within the Indian organizations, IT industry in and of itself wasn't taken into consideration. Albeit following Rao's suggestion that the usefulness of those frameworks is doubtful unless implementation problems are taken care of, the investigator gets motivated to undertake his present study thereon industry in India, as maintained.

### Rational of Study

It is now well known that success of any business now a day's surround largely on people and not only on capital. This is of great significance especially in 'People Businesses' like service industries with relatively high people costs and low capital costs. The critical resources are employees for a service provider company specially. It hires, motivates and retains the man force. Well the values of employees in companies takes the form of intangible assets such as intellectual property, or brands, most employees in people businesses like service industries and products concentrate largely on developing the short-term values. Line managers have a vital role to play in improving employee productivity, in terms of both business issues and management issues. The number of workers is an indication of the revenue of the organization. Human Resource is life and blood of companies as skillful talents are the source for competitive advantage in these industries.

### Hypothesis

$H_{01}$:    There is no significant impact of employee's attitudes and perception which is directly associated with Human Resource Practices in selected Companies.

$H_{02}$:    There is no significant impact of Human resource policies and practices to contain high attrition levels of workforce.

### Research Methodology

The entire research has been undertaken to measure variables through questionnaire and then to examine relationships among the variables brought forth by the investigation. Then take a sample chosen randomly and interview them so that the responses could be strengthened.

### Source of Data

The study is mainly based on primary data. The source of primary data is collected using questionnaire from Human Resource personnel through online interview schedules and collection of data from employees through online questionnaire in form of opinions schedules. The secondary data is collected through various approaches. A separate secondary data is administered to gather company related data from all five companies, referred journals, magazines, newspapers and textbooks. For this purpose of collecting primary data from the sample respondents, a well-structured questionnaire has been designed and administered on sample respondents. Questionnaires have been widely used for data collection, especially in social science research. Questionnaire is a pre-formulated written set of questions designed by the researcher to which participants' record their answers, and referred to it as "an efficient data collection mechanism since it is known to researcher that what is required and how to it can be measured".

### Sampling Technique

The sampling method that was considered appropriate for the present study was convenient sampling. The total sample as mentioned below is once again divided based on the Job designation of the employees.

### Sampling Design

The sampling method that was considered appropriate for the present study was convenient sampling. Five Companies from different sectors, had been selected. For the employee opinion 100 respondents are chosen from each company, so the total number of respondents is 500.

**Results and Analysis**

**Selection and Recruitment along with Nature of Work**

Table 1 is concerned with various parameters related to level of awareness of the respondents for the nature of work. As it is seen that majority of the respondents i.e. 90 percent are aware about personnel policy of the company. It is also observed that the respondents are having awareness about existence of separate human resource department as well as the recruitment and selection policies followed in the company.

**Table 1: Presentation of Data for Selection and Recruitment along with Nature of Work**

| Sr. No. | Question asked in Questionnaire | Yes | | No | | Total | |
|---|---|---|---|---|---|---|---|
| | | F | % | F | % | F | % |
| 1 | Do you know about personnel Policies of your company? | 450 | 90% | 50 | 10% | 500 | 100% |
| 2 | Do you have separate Human Resource Management Department in your Company? | 440 | 88% | 60 | 12% | 500 | 100% |
| 3 | Do you have knowledge about employee's recruitment and selection policies in your company? | 380 | 76% | 120 | 24% | 500 | 100% |
| 4 | Had you gone through Medical examination at the time of selection in the company? | 500 | 100% | 0 | 0% | 500 | 100% |
| 5 | Do you think the recruitment and selection process is worth? | 400 | 80% | 100 | 20% | 500 | 100% |

Source: Questionnaire

In case of necessity of the medical examination in the selection process there are no respondents in the company who do not aware about this parameter. At the same time 80% of the respondents in the company says that the present process of selection and recruitment is worthy for them.

**Figure 1**
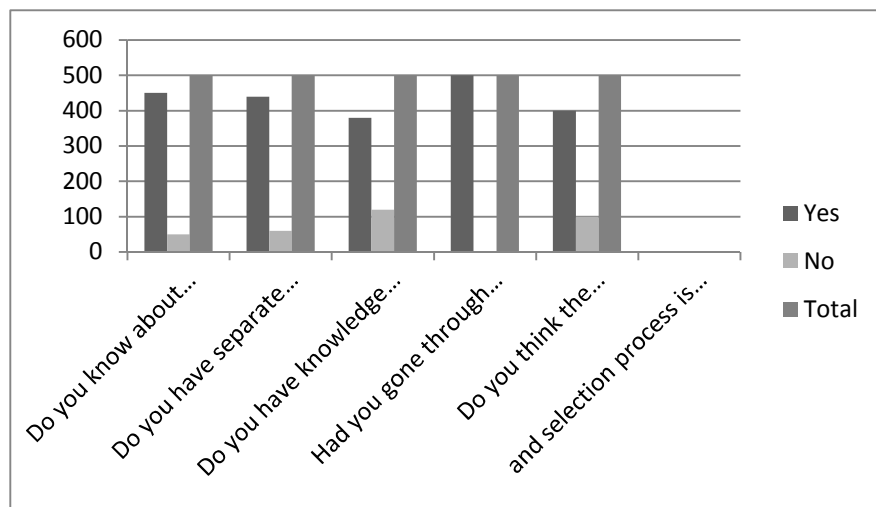


Source: Questionnaire

**Other Welfare, Social Securities and Other Fringe Benefits**

The responses from the employees in relation to various benefits such as welfare, promotion, benefits, etc. are recorded in Table no. 2. In case of the awareness of the officers related to different commission about wage, service conditions; labor welfare social security, the response is almost 100 percent affirmative. In the same manner the similar responses also observed from the employees of the companies in case of regularity of the payment and for the payments as per terms and conditions set at the beginning. In the same way in case of payment of bonus the result is 100 percent affirmative. However in other areas the response is little disappointing.

**Table 2: Data Presentation other Welfare, Social Securities and Other Fringe Benefits**

| Sr. No. | Question asked in Questionnaire | Yes | | No | | Total | |
|---|---|---|---|---|---|---|---|
| | | F | % | F | % | F | % |
| 1 | Do you know the different level of wage, service conditions; labour welfare social securities, which are to your work? | 500 | 100% | 0 | 0% | 500 | 100% |
| 2 | Are you getting payment as per terms and conditions? | 500 | 100% | 0 | 0% | 500 | 100% |
| 3 | Are you getting regular payment of your salary? | 500 | 100% | 0 | 0% | 500 | 100% |
| 4 | Do you get overtime wages for work more than your given schedules? | 450 | 90% | 50 | 10% | 500 | 100% |
| 5 | Do you get bonus every year? | 500 | 100% | 0 | 0% | 500 | 100% |
| 6 | Is there any loan facility Available in your company? | 450 | 90% | 50 | 10% | 500 | 100% |
| 7 | Is financial assistance available for children education? | 450 | 90% | 50 | 10% | 500 | 100% |
| 8 | Have you got any promotion? | 400 | 80% | 100 | 20% | 500 | 100% |
| 9 | Does the work environment and nature of work impacts on your health? | 50 | 10% | 450 | 90% | 500 | 100% |
| 10 | Does the company provide housing facilities? | 150 | 30% | 350 | 70% | 500 | 100% |

Source: Questionnaire

The above two table shows and analysis indicates that companies are now a days more concerned about the human resource development as they understand that it is one of the crucial area which need greater attention. The sole criteria used for employees motivation in past years was the salary and bonus in some cases. But now the concern of employees for salary as their benefit is not at all sufficient, they look other factor, facilities and evaluate their company as their true well wisher with other factors too.

**Conclusion**

With the appearance of a piece situation where more and more companies must concede that their valued employees are leaving them, a brand new concept of career and human resource management is sure to emerge. The main target of this new paradigm shouldn't only be to draw in, motivate and retain key 'knowledge workers', but also on a way to reinvent careers when the loyalty of the staff is to their 'brain ware' instead of to the organization. Human Resource practitioners must play a proactive role within the industry especially as all of them are totally supported Human Resource. As business partners, they have to bear in mind of business strategies and therefore the opportunities and threats facing the organization. As strategists, Human Resource professionals require to attain integration and acceptable an organization's business strategy. Finally, as innovators, they ought to introduce new processes and procedures, which they believe will increase organizational effectiveness.

Companies themselves expect their employers to produce them with all the training they'll need so as to perform not only in their current projects, but also in related ones that they will subsequently hold within the organization. When the speed of technological change is high, the sufficient time is required for acquiring competence in one area, and hence professionals could undergo psychological turbulence as a result of the requirement to figure in an exceedingly new technology throughout their career. They require achieving new knowledge, which is able to be utilized by their organization. With the idea of the new learning they require to figure in higher segments of software value chain. Therefore, constant up-gradation of employee skills poses one more challenge for HR personnel.

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