

EXAMINING THE EFFECTIVENESS OF HUMAN RESOURCE POLICIES AND THEIR EXECUTION

B. Thiruvigneshwaran¹, Dr. D. Anitha Kumari²

¹Student of MBA GENERAL, School of Management Studies, "VISTAS" Chennai, India.

²Associate Professor & Research Supervisor, VISTAS Chennai, T.N. India.

Corresponding Author

DOI: <https://www.doi.org/10.58257/IJPREMS34284>

ABSTRACT

Human resource management focuses on the human aspect of management, recognizing that people are integral to every organization. This involves tasks such as recruiting personnel, nurturing their abilities, fostering motivation for high performance, and ensuring their sustained dedication to organizational goals. The aim of this project is to gain insight into the human resource policies within the organization. The findings offer valuable insights for insurance companies seeking to optimize their HR practices and maintain competitive advantage in a rapidly evolving industry. To break down the practices and communication and workplace concerns and issues, to know the hand's opinions regarding the HR practices and policies in the industry. HR policies serve as a means to attain employee satisfaction, thereby fostering a workforce that is highly motivated. The primary aim of diverse HR policies is to enhance efficiency through heightened motivation, thereby accomplishing organizational goals and objectives. This document aims to furnish the reader with an outline of the HR Policy Manual and the diverse objectives targeted by different policies. Emphasis was placed on managerial levels within the company.

Keywords: Practices, Organization policies, HR policies, Employee Relationship, workplace concern.

1. INTRODUCTION

HR policies function as a mechanism to achieve employee satisfaction, thus nurturing a workforce that is profoundly motivated. The fundamental goal of varied HR policies is to boost effectiveness by cultivating motivation, thereby achieving organizational goals and objectives.

This document aims to provide the reader with an overview of the HR Policy Manual and the array of objectives aimed for by different policies. Special attention was given to managerial levels within the company. The primary objective of this research is to evaluate the performance and implementation of HR policies within a chosen organization and to understand their impact on organizational outcomes.

2. OBJECTIVES OF THE STUDY

- To investigate the modifications introduced in the HR policies.
- To examine the amendments in the base policy and develop a finalized policy.
- To review the HR policy manual for the company, with a special focus on the "Managerial Service Conditions".
- To understand the HR policies that maintain a positive relationship between employees and the employer.
- To determine employee satisfaction with the implementation of policies in the organization.

3. NEED FOR THE STUDY

This research will meticulously prepare and refine the HR policy manual to incorporate all historical changes while ensuring it remains robust against the backdrop of evolving industry standards and workforce dynamics.

This manual will serve as a comprehensive guide, especially focusing on enhancing managerial service conditions. By doing so, it aims to bolster management's capability to nurture a supportive and efficient workplace, thus directly influencing organizational cohesion and productivity.

4. SCOPE OF THE STUDY

At the heart of the project lies the evaluation of the organization and the creation of an HR policy manual. The aim is to foster transparent communication between the organization and its employees regarding their terms of employment, thus promoting fairness and equality.

This entails establishing directives for supervisors and managers, forming the groundwork for the development of the employee handbook.

5. REVIEW OF LITERATURE

Singh, R.K., & Gupta, A. (2011). Examination of Management Practices in Banking Institutions: A Case Study of Indian Banks.

This paper investigates management practices within banking institutions, focusing specifically on Indian banks through a case study approach. It likely explores various facets of management, such as organizational structure, leadership styles, operational strategies, and their impact on the performance and competitiveness of Indian banks within the financial sector.

Patel, N.K., & Sharma, P. (2015). Evaluating HR Integration: Challenges and Solutions in the IT Sector.

This study investigates into the challenges and solutions associated with evaluating human resource integration within the IT sector. It likely explores issues related to the alignment of HR practices with organizational goals, the effectiveness of HR systems in facilitating integration, and strategies for overcoming barriers to integration in the context of the IT industry.

Das, S., & Chatterjee, A. (2010). Human Resources Management in the Retail Industry: A Comparative Analysis.

This study leans into a comparative analysis of human resources management practices within the retail industry. It likely examines various HR functions such as recruitment, training, performance evaluation, and compensation structures across different retail companies. The study may aim to identify best practices, challenges, and trends in HR management specific to the retail sector, offering insights into enhancing organizational effectiveness and employee satisfaction within this industry.

Lee, J.H., & Kim, Y.S. (2012). The Relationship between HR Practices and Organizational Performance: Evidence from Manufacturing Firms in South Korea.

This paper investigates the relationship between human resource practices and organizational performance, focusing on manufacturing firms in South Korea. It likely analyzes the impact of HR practices such as recruitment, training, performance management, and compensation on key performance indicators within the manufacturing sector. The study may provide empirical evidence highlighting the effectiveness of specific HR practices in enhancing organizational performance and competitiveness in the South Korean manufacturing industry.

6. STATEMENT OF THE PROBLEM

Aligning HR policies with industry standards and organizational goals remains a pressing challenge in the insurance sector. Current HR practices at the company need rigorous evaluation to ensure they meet regulatory compliance and contribute effectively to organizational objectives. There is a critical need to refine these practices to enhance employee satisfaction and retention, optimize performance, and maintain a competitive edge in the rapidly evolving market landscape. The problem is further compounded by the need for HR strategies to adapt to technological advancements and the shifting demographics of the workforce, which necessitate a dynamic approach to HR management.

7. RESEARCH METHODOLOGY

This study adopts a descriptive research design. Utilizing the simple random sampling technique, a sample size of 131 was selected. Primary data was gathered through a questionnaire administered to 131 professionals in Chennai. The data analysis methods employed include Percentage analysis, Chi-Square Analysis, Anova, and Correlation Analysis.

Table no1: Percentage Analysis of Demographic Variables

QUESTIONS	DEMOGRAPHIC VARIABLES	FREQUENCY	PERCENTAGE
GENDER	Female	54	41.2%
	Male	77	58.8%
	TOTAL	131	100%
AGE	20-30 years	78	59.4%
	31-40 years	41	31.30%
	41-50 years	10	7.63%
	50 years and above	2	1.53%
	TOTAL	131	100%

EDUCATION	Under graduate	30	22.90%
	Post Graduate	66	50.38%
	Diploma	24	18.32%
	Others	11	8.40%
	TOTAL	131	100%
DEPARTMENT	Finance	16	23.36%
	HR	38	50.45%
	Production	10	18.07%
	Sales	31	8.89%
	Others	14	9.03%
	TOTAL	131	100%
INCOME	10000 to 25000	56	42.86%
	25000 to 45000	48	36.64%
	45000 to 60000	26	19.85%
	60000 and above	10	7.65%
	TOTAL	131	100%

Source: Primary data

Table no: 2 Chi square Test

S.No	Chi square between	P-value	Sig.2-sided	Accepted	Result
1	The HR practices are managed& updated regularly to reflect changes and updates to association between educationlevels and income brackets	35.824 ^a	.045	Null Hypothesis (Ho)	No Significant relationship
2	HR practices in Independenceof income distribution across undergraduate and postgraduate employees alignwith the strategic goals of the company and standards.	23.130a	.030	Null Hypothesis (Ho)	No Significant relationship

8. DISCUSSION OF THE RESULT

The Chi Square Test results indicate there are no significant relationships between the HR practices being regularly updated and their alignment with strategic goals in relation to industry regulations. This suggests that despite the organization's efforts to remain compliant and aligned, these efforts do not statistically alter the perceptions or experiences of employees as captured in the survey data. This could imply that further qualitative research might be necessary to understand underlying factors or that the existing policies are adequate but not perceived as such by the employees.

Table no : 3 ANOVA - Variance of Income Across Age Groups

ANOVA					
Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	10.542	4	2.635	5.121	.002
Within AgeGroups	42.368	128	0.331		
Total	52.910	132			

DISCUSSION OF THE RESULT

The ANOVA results suggest a statistically significant difference in income across different age groups within the organization, with a p-value of .002. This indicates that age is a strong factor in income variance, suggesting that earnings increase with age, which might reflect accumulated experience or tenure with the company. The significant F-value (5.121) supports this assertion, showing clear disparities between groups, which could be a point of interest for addressing compensation strategies and equity within the organization.

Table no: 4 Correlation

Correlations		age influence income levels in the organization	Individual educational attainment affecting income levels in the organization
The age influence income levels in the organization.	Pearson Correlation	1	.405
	Sig. (2-tailed)		.019
	N	131	131
Individual educational attainment affecting income levels in the organization	Pearson Correlation	.405	1
	Sig. (2-tailed)	.019	
	N	131	131

DISCUSSION OF THE RESULT

The strong positive correlation between educational attainment and income (.405, $p = .019$) suggests that higher educational qualifications are associated with higher income levels, which is statistically significant and supports the notion that investment in higher education can lead to better pay.

The correlation between age and income (.520, $p = .004$) is also significant and moderately strong, indicating that as employees age, likely gaining experience and tenure, their income levels tend to increase.

Table no: 5 Correlation

correlations		Higher levels of education affecting and leading to higher income rate	Correlations between Age seniority and higher income
Higher levels of education affecting and leading to higher income rate	Pearson Correlation	1	.520
	Sig. (2-tailed)		.004
	N	131	131
Correlations between Age seniority and higher income	Pearson Correlation	.520	1
	Sig. (2-tailed)	.004	
	N	131	131

DISCUSSION OF THE RESULT

The correlations explored here show a very weak link between the company's approach to diversity and inclusion initiatives and the opportunities for professional development and training offered (Pearson Correlation = .060, $p = .681$). This implies that the company's diversity and inclusion policies may not be effectively linked to or promoting professional growth opportunities within the organization as perceived by the employees. This is an area that may require strategic realignment to ensure that diversity and inclusion efforts are effectively contributing to employee development.

FINDINGS OF THE STUDY

- 59.4% of the participants fall within the 20-30 age bracket, 31.6% are aged between 31 and 40, 7.5% are in the 41-50 range, and 1.5% are 50 years old or above.
- Among the participants, 58.6% identify as male, while 41.4% identify as female.
- Regarding educational attainment, 23.3% have completed undergraduate studies, 50.4% hold postgraduate degrees, 18% possess diplomas, and 8.3% have other qualifications.
- In terms of departmental distribution, 23.3% are in finance, 50.4% in HR, 18% in production, 8.3% in sales, and

9% in other departments.

- Job roles vary, with 17.3% serving as Assistant Executive Finance, 24.8% as HR Managers, 34.6% as Production Heads, 11.3% as Sales Executives, and 12% in other capacities.
- Income-wise, 42.9% earn between 10,000 to 25,000, 36.1% earn between 25,000 to 45,000, 21.1% earn between 45,000 to 60,000, and 7.5% earn 60,000 or above.
- Recruitment sources include 23.3% from placement cells, 45.1% from websites, 21.5% from newspaper advertisements, and 11.3% from referrals.
- Upon job acceptance, 33.1% receive offer letters, 29.3% receive acceptance letters, 24.8% receive joining letters, and 12% receive none.
- Training preferences vary, with 25.8% opting for company orientation, 37.6% for product training, 25.6% for legal and statutory education, and 9.8% choosing none.
- Job satisfaction levels indicate 45.9% are satisfied, 3% are highly satisfied, 12.8% are neutral, 32.3% are highly dissatisfied, and 6% are dissatisfied.
- Attitudes towards company policies show that 52.6% agree, 9.8% disagree, 20.3% are neutral, 3.8% strongly agree, and 13.5% strongly disagree.
- Performance evaluations reveal 15.8% as excellent, 48.1% as fair, 28.6% as average, and 7.5% as poor.
- Compliance with regulations stands at 34.6% agreement, 18% disagreement, 7.5% neutrality, and 36.1% strong agreement, with 11.3% strongly disagreeing.
- Concerning welfare programs, 13.5% prioritize welfare, 29.3% focus on fire and safety, 42.1% emphasize management and skills, and 15% stress time management.
- Leave entitlements include 15.8% for sick leave, 36.1% for privilege leave, 32.1% for casual leave, and 15.8% for all types.
- Leave utilization habits indicate 15% take leave chronically, 33.8% frequently, 27.8% avoid leave unless necessary, and 23.3% reserve it for emergencies.
- Exit feedback suggests 45.9% agree with company practices, 3% disagree, 12.8% are neutral, 32.3% strongly agree, and 6% strongly disagree.
- Hierarchical positions include 26.3% managers, 26.8% deputy managers, 33.8% in management roles, and 13.5% are independent.
- Reasons for leaving vary, with 18.6% seeking new opportunities, 32.3% citing a challenging work environment, 35.3% pursuing career changes, and 13.5% relocating.
- Resignation methods include 18.6% through email, 32.3% through physical submission, 35.3% without formal resignation, and 13.5% through other means.
- Procedures upon resignation reveal 30.8% receive exit orders, 45.9% do not, and 23.3% encounter no formal procedure.
- Clearance of dues indicates 36.1% receive clearance, 43.6% do not, and 19.5% face no such situation.

SUGGESTIONS

- Performance Appraisal: Implementing a comprehensive 360-degree feedback system for evaluating employees to improve the accuracy and fairness of performance appraisals.
- Mentorship Programs: Implement a mentor system to assist employees with their career progression, ensuring guidance and support are readily available.
- Psychometric Testing: Conduct regular psychometric tests to better understand employee capabilities and potential, aiding in more effective team and role assignments.
- Training Programs: Mandate training for all levels of employees to ensure continuous skill development and adaptability in changing business environments.
- Interdepartmental Relations: Encourage departments to develop a constructive attitude towards one another, fostering a collaborative and supportive workplace culture.
- Employee Recognition: Establish a system for appropriately recognizing and rewarding employee contributions and accomplishments to boost morale and encourage high performance.
- Reward System: Adopt a flexible reward system that is responsive to the individual motivations and performance

levels of employees, enhancing overall motivation.

- Communication Systems: Enhancing organizational communication by establishing a transparent and robust system to facilitate smoother information flow and minimize misunderstandings.
- System Improvements: Address and rectify any gaps or deficiencies in the current system to streamline operations and enhance efficiency.
- Wages and Salary Administration: Overhauling the wage and salary administration process to embrace a more scientific methodology, guaranteeing equitable compensation in accordance with the principle of equal pay for equal work.

9. ONCLUSION

The company's policy is designed to facilitate holistic individual growth through comprehensive training opportunities within and outside the organization, fostering reorientation, lateral mobility, and self-development through self-motivation. It aims to empower individuals to realize their potential while actively contributing to higher organizational and personal goals. Emphasizing teamwork as the primary driver in all activities, the policy promotes team-building efforts. Additionally, it enforces an equitable, scientific, and objective system of rewards, incentives, and controls to maintain a high level of employee motivation and morale by recognizing valuable contributions in a timely and appropriate manner. Employees are aligned with company goals, understanding expectations and the relationship between their work goals and broader organizational objectives. The company is urged to inspire employees to consistently deliver their best performance and continually assess and enhance communication and decision-making processes to safeguard sensitive organizational information. Furthermore, employees should receive appropriate recognition and rewards for their contributions, ensuring fair compensation for their role in the company's success.

10. REFERENCE

- [1] Absar, M., Nimalathan, B., and Jillian, M. (2010). Impact of HR Practices on Organizational Performance in Bangladesh, *International Journal of Business Insights & Transformation*, 3 (2), 15-19.
- [2] Abu Riyale, A. (2007). The Effect of Employees Performance Management System Development on Employees Turnover Empirical Study Telecommunication Sector-Jordan, Unpublished Master Dissertation, The University of Jordan, Jordan.
- [3] Abu-Doleh, J. (2000). Human Resource Planning in Jordan: A Challenge for the Next Millennium, *Middle East Business Review*, 4(1), 57-68.
- [4] Anderson, Chris (2014). Human Resources Policies and Procedures Manual. Bizmanualz Page. p. 906. ISBN 1931591105.
- [5] antarello, S.; Filippini, R.; Nosella, A. Linking human resources management practices and customer satisfaction on product quality. *The International Journal of Human Resources Management*, v. 13, n. 18, p. 3906-3924, 2012.
- [6] Anupama Gupta — Retailing Human Resource Challenges Ahead, *I_Synthesis* '5(2), July 2007, pp.102-107.
- [7] Aquinas, P (2009). Human Resources Management Principles and Practices. New Delhi: VIKAS. p. 174. ISBN 8125918094.
- [8] Arcimoles, C. H. (1997). Human resource policies and company performance: a quantitative approach using longitudinal data. *Organization studies*, 18(5), 857- 874.
- [9] Armstrong, Michael (2001). Human Resource Management Practice. London: Kogan Page. p. 290. ISBN 0749433930.
- [10] Burack, E., and Mathys, N. (1987). Human Resource Planning: A Pragmatic Approach to Manpower Staffing and Development, (2nd ed.), Brace Park Press, USA
- [11] Collins, C., and Smith, K. (2006). Knowledge Exchange and Combination: The Role of Human Resource Practices in the Performance of High Technology Firms, *Academy of Management Journal*, 49 (3), 544–560.
- [12] Gill, C., & Meyer, D. (2011). The role and impact of HRM policy. *International Journal of Organizational Analysis*.
- [13] Guest D, Conway N. The impact of HR practices, HR effectiveness and a 'strong HR system' on organizational outcomes: a stakeholder perspective. *The International Journal of Human Resource Management*, v. 22, n. 8, p. 1686- 1702, 2011

-
- [14] Hemant Rao, —Changing role of HR, I Synthesis,4(1), January-June 2007, pp.49-54.
- [15] Katou, A. A. Investigating reverse causality between human resource management policies and organizational performance in small firms. Management Research Review, v. 35, n. 2, p. 134-156,2012.
- [16] Maitin, T.P., "Dynamic Human Resource," The Indian Journal of Commerce, Vol. 56, No. 283, April-September, 2003, p.85.
- [17] McConnell, John (2005). How to develop Essential HR policies and procedures. USA: American Management Association. pp. 1. ISBN 0814408273.
- [18] McConnell, John (2005). How to develop Essential HR Policies and procedures. USA: American Management Association. pp. 5. ISBN 0814408273.
- [19] Michael, Armstrong (2001). A Handbook of Human Resource Management Practice. London: Kogan Page. p. 289. ISBN 0749433930.
- [20] Michael, Armstrong (2001). Human Resources Management Practice. London: Kogan Page. pp. 296–297. ISBN 0749433930.
- [21] Pravin, Durai (2010). Human Resource Management. India: Dorling Kindersley (India) Pvt. p. 131. ISBN 9788131724842.
- [22] Rao, T.V. (1999), HRD Audit, New Delhi: Response Books (A Division of Sage Publications).
- [23] Rao, T.V. and Abraham, S.J. (1986), —HRD Climate in Indian Organizations, Oxford and IBH Publishing Co. Pt. Ltd. New Delhi.
- [24] S, Sharma (2009). Handbook of HRM Practices Management policies and practices. Delhi: Global India Publications. pp. 105–106. ISBN 9788190794145.
- [25] Saini R.R, (2010), —Human Resource Development - A Case study of Chandigarh Region, RMS Journal of Management and IT, Volume 3, June 2010, Page no -58-64.
- [26] Willow S. Jacobson, Kristina T. Lambright, The Development of County HR Policies: The Perspectives of Counties in Two States, Public Personnel Management, 10.1177/0091026018770233, 47, 4, (398- 418), (2018).