



HR PRACTICES IN SELECTED PRIVATE ORGANIZATION IN NAGPUR CITY WITH SPECIAL REFERENCE TO PERFORMANCE MANAGEMENT.

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Abstract:

HR practices, general and performance appraisal vis-à-vis management are becoming more and more dynamic in the era of globalization. Human resource development has undergone a drastic change and has now become Human Resource Management. Similarly, the performance appraisal is changing dimensions to be known as performance management. The present study will focus on HR practices, in general and Performance Management, in particular.

The current scenario and past performance of Human Resource in selected organization from Private sector shall be taken into consideration. (Shree Baidyanath Ayurved Bhavan Pvt. Ltd., Nagpur)

INTRODUCTION:

Humans are an organization's greatest assets; without them everyday business functions such as managing cash flow, making business transactions, communicating through all forms of media, and dealing with customers could not be completed. Humans and the potential they possess drive an organization. Today's organizations are continuously changing. Organizational change impacts not only the business but also its employees. In order to maximize organizational effectiveness, human potential individuals' capabilities, time and talents must be managed. Human resource management works to ensure that employees are able to meet the organization's goals.

“Human resource management is responsible for how people are treated in organizations. It is responsible for bringing people into the organization, helping them perform their work, compensating them for their labours, and solving problems that arises”.

MEANING OF HRM:

Human resource (or personnel) management, in the sense of getting things done through people. It's an essential part of every manager's responsibilities, but many organizations find it advantageous to establish a specialist division to provide an expert service dedicated to ensuring that the human resource function is performed efficiently.

“People are our most valuable asset” is a cliché which n member of any senior management team would disagree with. Yet, the reality for many organizations is that their people remain

Under valued;
Under trained;
Under utilized
Poorly motivated, and consequently
Perform well below their true capability.

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The rate of change facing organizations has never been greater and organizations must absorb and manage change at a much faster rate than in the past. In order to implement a successful business strategy to face this challenge, organizations, large or small, must ensure that they have the right people capable of delivering the strategy.

PERFORMANCE MANAGEMENT :

Performance Management is a way of envisioning the totality of a manager's function. It views the managerial function holistically – not a random collection of objectives that most managers recognize and undertake as their core function. It provides a systematic dimensions to the managerial activities – highlighting their mutual inter-relatedness and interdependence. It emphasizes the dynamic, sequential and cyclical nature of these activities, essential to actualize their potential synergistic impact, which is the source of high performance and excellence. By implication, it also explains why focusing on only one or a few of these activities doesn't deliver the result wished for.

Any system needs certain pre-requisites to function smoothly. So does Performance Management. Performance Management becomes easier to do and more productive to the extent that :

It is used holistically, as a system.

The relevant sub-systems are in place and accepted.

The organization's philosophy and human environment is conducive to high morale.

The manager is oriented to, and equipped with, high performing attitudes and leadership skills.

Performance Management system represents a concrete form of participatory dyadic relationship between each manager's aspirations and roles, and the organization's objectives and activities. As such, an effective Performance Management system can set into motion a tremendous ripple effect, releasing productive manager enthusiasm, high retention, and improved client satisfaction.

How is Performance Management different from Appraisal Systems? Performance Management operationalizes supervisory role of a manager to maximize performance. It is not something that a line manager has to do in addition to her normal chores. Properly implemented, it saves the manager's time. Like any other change intervention, there can however, be a hump in activity during its initial implementation phase.

OBJECTIVES OF THE STUDY :

AIMS AND OBJECTIVES :

Any scientific approach towards research cannot be complete unless specific objectives are set. The objectives for this study are as follows :-

- a) To study the trend of HR Practices in selected private organization.
- b) To study the trend in performance management in selected private organization.
- c) To assess and evaluate various parameters of Performance Management as applied in Private Sector.

Hypothesis of the Study :

Following are the statements of hypothesis in this research work.

- 1) "Good System of Performance Management results in improved efficiency of staff".
- 2) "Good System of Performance Management can lead to TQM in HRM".

METHODOLOGY :

Universe of Study :

The universe of study of this research work shall be Nagpur City and the unit selected from Private Sector was Shree Baidyanath Ayurved Bhavan Pvt. Ltd., Nagpur.

Sample Size :

For undertaking this research, 10 Top Level Officers, 50 Middle Level Officers and 200 Lower Level Employees were taken into consideration.
The various phases of research methodology are given in the following paras.

DATA COLLECTION :

The secondary data shall be collected from annual reports of the selected organization.
The Primary Data was collected by canvassing interview schedule for Top Level Management and questionnaires for Middle and Lower Level Management.

TABULATION AND PROCESSING OF DATA :

The data collected from Primary and Secondary sources were processed and tabulated according to objectives of study.

Analysis and Interpretation :-

The data collected and tabulated were analyzed by applying various statistical techniques and was presented as per objectives.

RESULTS & DISCUSSIONS :

1)SHREE BAIDYANATH AYURVED BHAWAN PRIVATE LIMITED :

i) Top Level Management :

The data of 10 top level managers was collected by canvassing pre-designed questionnaire.
The age group-wise distribution has shown maximum concentration in the age group of 50 years and above.
The top management has contributed for the organization for considerable time. The organization has successfully taken advantage of their experience.
The length of service-wise distribution has shown maximum concentration in the range of 16 to 20 years service completed by 4 respondents (40%).
The management was successful in getting the benefits of experienced employees for overall development of the organization.
It may be revealed that out of 10, 5 (50%) Managers were having salary in the range of Rs.25,001/- to Rs.40,000/-, which was highest and 1 each out of 10 (10%) were having salary in the range of Upto Rs.15,000/- and Rs.15,001/- to Rs.25,000/- respectively, which was lowest.
The salary range is good but considering the experience, it was found to be less than the expectations of the employees.
It may be observed that out of 10, 4 (40%) were having 2 to 3 dependents, which was highest and 3 each out of 10 (30%) were having dependents upto 2 and 4 to 5 respectively, which was lowest.
Training and Performance Appraisal : The response to the question asked about training and performance appraisal, the majority opinion was (a) Personal Growth – observed to be good, (b) Development of new skills – Satisfactory, (c) High earning capacity – Achieved considerably, (d) Adjustment with changing technology – Found to be slightly difficult, (e) Increased safety – Satisfactory because of training and (f) Confidence – Increased confidence level because of training and skill development.
Performance Appraisal : There are many systems of performance appraisal. Although 360 Degree appraisal is considered as most advanced and suitable, Baidyanath Ayurved Bhawan Private Limited, Nagpur have adopted Result Oriented Appraisal or MBO method.
Transfer, Promotion & Job Rotation : The Top Management Level has observed that promotion is most acceptable form of motivation to the employees followed by job rotation and transfer.
Motivation and Incentives : The majority employees have favoured Cash Incentives over Incentives in kind.
The overall observations made by Top Management have suggested that the organization should adopt 360 degree of Performance Appraisal Method. They have also suggested for more cash incentives to enhance motivational level amongst the employees.

ii) Middle Level Management :

The age group-wise distribution has shown maximum concentration in the age group of 50 years and above. It may be concluded that the management has continued with the old employees, may be considering their honesty, experience and attachment.

The length of service-wise distribution has shown maximum concentration in the 25 years and above service completed by 17 respondents (34%). It may be concluded that the management has continued with the old employees, may be considering their honesty, experience and attachment.

It was observed that 27 out of 50 (54%) belonged to the category of Graduation, which was highest and 1 out of 50 (2%) belonged to the category of Upto 9th Standard, which was lowest. These observations indicate that higher education lead to get good job performance.

The data reveals that out of 50, 22 (44%) were having experience of more than 25 years, which was highest and 4 out of 50 (8%) were having experience of 1 to 5 years and 11 to 15 years respectively, which was lowest. This result has indicated that majority of the employees were experienced in their field.

The data has revealed that out of 50, 25 (50%) were having salary in the range of Rs.8,001/- to Rs.10,000/-, which was highest and 2 out of 39 (4%) were having salary in the range of Rs.1,000/- to Rs.3,000/- and Rs.13,001/- & above respectively, which was lowest. Therefore, it may be concluded that the salary range is good but considering the experience, it was found to be less than the expectation of the employees.

It was observed that out of 50, 32 (64%) were having 4 to 5 dependents, which is highest and 1 out of 50 (2%) was having 6 to 7 dependents, which is lowest. The data above revealed that No. of dependents were more which results in the economic problems in the family budget

27 out of 50 respondents (54%) were favouring money as the main source of motivation whereas opportunity was accepted as source of motivation by 12 out of 50 respondents (24%). The status as well as Award-Reward was given very less importance. It may be concluded that the employees are more in favour of monetary gains for motivation.

As regards freedom at work, 34 out of 50 (68%) were fully satisfied while 11 out of 50 (22%) were unsatisfied. 5 out of 50 (10%) could not answer this question. The overall situation has shown good satisfaction level amongst the respondents with respect to freedom of work.

The respondents have shown that there is good appreciation by the management in case of innovations brought in by the employees. 32 out of 50 (64%) have opined in favour while 18 out of 50 (36%) had opined otherwise. The results have shown more than 50% favouring the management's attitude towards employees.

The respondents have shown that there is good appreciation by the employees in case of Change in system / procedure / work atmosphere brought in by the management. 32 out of 50 (64%) have opined in favour while 18 out of 50 (36%) had opined otherwise. The results have shown more than 50% favouring the management's attitude towards employees.

The respondents have shown that there is good appreciation by the management in case of team building brought in by the employees. 46 out of 50 (92%) have opined in favour while 4 out of 50 (8%) had opined otherwise. The results have shown that majority of the respondents were favouring the management's attitude towards team building.

As regards perception of success, the respondents have shown that 45 out of 50 (90%) have favoured team work whereas only 5 out of 50 (10%) have shown individual contribution for success. The results from the above, it may be concluded that team work was the key to success.

38 out of 50 (76%) of the respondents have shown that there is good approach by the management regarding discussion on motivational factors. 12 out of 50 (24%) have opined otherwise. The results have shown more than 75% favouring the management's attitude towards discussions regarding motivational factors.

38 out of 50 (76%) of the respondents have favoured the principle of accountability and 12 out of 50 (24%) have opined otherwise. The results have shown more than 75% favouring the management's attitude towards principle of accountability.

19 out of 50 (38%) of the respondents have accepted that performance appraisal system persists in the organization while 31 out of 50 (62%) were of the opinion that there did not exist any performance appraisal system. It was concluded that the majority employees were not aware of the performance appraisal system adopted by the management.

The majority of the respondents (20 out of 50) have shown that the system of appraisal was beneficial to the organization and for all (17 out of 50). The above details revealed that the benefits of the appraisal system was beneficial to the organization and not to employees.

45 out of 50 (90%) respondents have supported duplication of roles whereas 5 out of 60 (10%) respondents have opposed to this question. The data above provides that duplication of roles should not be allowed in the organization.

The 13 respondents out 50 (26%) have opined that the management conducts the programmes for skill development of the employees whereas 37 out of 50 (74) did not approve of skill development. It was concluded that majority of the respondents were not favouring skill development programme.

In response to the query regarding measurement of the results given by the employees, 33 out of 50 (66%) were of the opinion that the results should be measured whereas 17 out of 50 respondents (34%) were not in favour. The majority respondents have favoured measurement of results by the management.

In response to the query regarding measurement of the failures, given by the employees, 37 out of 50 (74%) were of the opinion that the failure to be recognized and 13 out of 50 respondents (26%) were not in favour of recognition of failure. The majority respondents have favoured measurement of failures by the management.

In response to reasons of failure, 20 out of 50 (40%) were of the opinion that the organization should focus on feedback and action.

There was almost 50 : 50 response to the performance of employees. 27 out of 50 respondents (54%) have favoured designing of motivation package by understanding and analyzing performance of particular employee. This attitude of the management has made it possible to assess and evaluate the performance of the employee.

Majority employees accounting for 33 out of 50 (66%) were of the opinion that management has always encouraged new methods and creative ideas given by the employees. 17 out of 50 (34%) were against such approach. The observations have clearly identified that majority employees were in favour of the management's attitude towards new methods and creative ideas.

The organization has given training to the employees and 30 out of 50 (60%) respondents were of the opinion that evaluation of the training should be undertaken by the management. The majority respondents have shown positive attitude towards management's approach to try out the learning of employees through training.

47 out of 50 (94%) respondents were of the opinion that the employees are the main human assets for the organization and only 3 out of 50 (6%) were against such opinion. The majority employees have favoured that they are assets for the organization.

46 out of 50 (92%) respondents were of the opinion that the people in the organization are helpful to each other and only 4 out of 50 (8%) were against such opinion. The majority employees have favoured that the people in the organization are helpful to each other.

iii) Lower Level Management :

The age group-wise distribution has shown maximum concentration in the age group of 51 years and above. It was concluded that honesty, sincerity and attachment to the organization are the main parameters considered by management for their continuation in this service.

The length of service-wise distribution has shown maximum concentration in the length of service ranging from 26 years and above. The data analysis has shown 71 out of 200 (35.5%) respondents in the group of 26 years and above. It was concluded that the Management has given importance to the honesty, experience and attachment of the employees.

86 out of 200 (43%) belonged to the category of education upto 9th Standard, which was highest and 79 out of 200 (39.5%) belonged to the category of SSC. 3 out of 200 (1.5%) was the lowest number against education upto XIth Standard. These observations have indicated that the lower level employees were less educated but the dedication, sincerity and attachment have made them stay in the same job.

Out of 200, 74 (37%) were having experience of more than 26 years, which was highest and 3 out of 200 (1.5%) were having experience of 6 to 10 years, which was lowest. This result has indicated that majority of the employees were experienced in their field.

It may be revealed that out of 200, 133 (66.6%) were having salary in the range of Rs.7,001/- to Rs.9,000/-, which was highest and 1 out of 200 (0.5%) were having salary more than Rs.10,001/-, which was lowest. It was concluded that the salary range was good but considering the experience, it was found to be less than the expectation of the employees.

Out of 200, 141 (70.5%) were having 4 to 5 dependents, which is highest and 1 out of 200 (0.5%) was having dependents 8 and above, which is lowest. The data has revealed that No. of dependents were more which has resulted in the economic problems in the family budget.

108 out of 200 (54%) respondents fully agreed about perception of motivation, remaining 92 out of 200 (46%) were agreeable to the perception of motivation. From the data analysis, it was concluded that all employees were in favour of perception of motivation.

138 out of 200 (69%) partly agreed with the concept of financial motivation while 59 out of 200 (29.5%) fully agreed for financial incentives. The data has shown that almost all employees were in favour of

financial incentives.

159 out of 200 (79.5%) respondents were not satisfied with the current salary and wages. 31 out of 200 (15.5%) and 4 out of 200 (2%) were in favour of current salary and wages. The data has clearly indicated that the employees are not satisfied with current salary and wages.

182 out of 200 (91%) agreed with the satisfaction level given by lunch, recess and leave. Only 15 out of 200 (7.5%) dis-agreed with the satisfaction level. The results shown have clearly indicated that the majority employees had the level of satisfaction pertaining to lunch, recess and leave.

150 out of 200 (75%) were dis-satisfied with the provision of working conditions in the organization. Only 36 out of 200 (18%) were satisfied with working conditions. The observations indicated that majority of the employees were not satisfied with the working conditions.

185 out of 200 (92.5%) have agreed that there was complete job security. The data above has clearly indicated that the employees are feeling job security in the organization.

167 out of 200 (83.5%) were not satisfied with the compensation package given after retirement by the organization. The data has clearly indicated that the employees were not satisfied with the post retirement compensation package.

153 out of 200 (76.5%) were not satisfied with the provision of medical facility and incentives. The data has clearly indicated that the employees were not happy with the provision of medical facility and incentives.

It was observed that 122 out of 200 (61%) were favourable towards implementation of high level management techniques.

The observations recorded have shown that 81 out of 200 (40.5%) agree with the approval given by superiors for work accomplishment. 33 out of 200 (16.5%) dis-agreed with the view and 85 out of 200 (42.5%) could not answer the question.

197 out of 200 (98.5%) have agreed with the view that the work done by them has given good status to them in the organization.

196 out of 200 (98%) have agreed with the view that full satisfaction is given by their roles and responsibilities.

Complete 200 respondents (100%) have favoured informal relationship with the management as most important.

189 out of 200 (94.5%) were happy with the co-operation of HR and Administrative Department.

199 out of 200 (99.5%) have agreed that there was good team spirit in the organization.

Although 51 out of 200 (25.5%) agreed with the view that they observe rules and regulations of the organizations with least supervision was possible. 147 out of 200 (73.5%) could not answer this question. It may also be concluded that either majority employees are not in the know of rules and regulations or they were reluctant to comment on this delicate issue.

Although 53 out of 200 (26.5%) agreed with the opportunities for promotions, 125 out of 200 (62.5%) were not accepting that there were opportunities for promotions.

109 out of 200 (54.5%) agreed that the responses and feed-backs were important for the organization but 42 out of 200 (21%) dis-agreed with the view whereas 48 out of 200 (24%) could not answer.

199 out of 200 (99.5%) almost all have agreed that the treatment given by the superiors to the subordinates was humanitarian.

197 out of 200 (98.5%) were having complete work satisfaction from their jobs

The HRD climate prevalent in the organization is favourable for the employee development but a substantial improvement is needed. The general supportive climate for HRD is at an average level.

The HRD mechanisms in the organization were not much improved and need a big trust. The OCTAPAC culture which was essential for facilitating HRD was good in some aspects such as openness, confrontation, trust, collaboration and needs improvement. In others such as autonomy, productivity and authenticity. Baidyanath was working with a old type of management system. The work culture was very informal and people expressed their feelings but it needs to give more importance to innovative work culture, R&D may help in dimension.

The final conclusion that can be drawn that the HRD climate needs improvement and implementation of HRD mechanisms for employee development and organizational development.

CONCLUSION :

On the basis of results and discussions, following conclusions are drawn.

1. "Good System of Performance Management results in improved efficiency of staff" – This hypothesis is accepted.
2. "Good System of Performance Management can lead to TQM in HRM" – This hypothesis is not accepted.

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