An Evaluation of HRD Outcomes among Employees of IT Industry

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ABSTRACT

HRD variables are designed to link with Human Resource planning whereby employees contribute the maximum to the organization satisfying their own personal goals. HR might be characterized as the learning, aptitudes, innovative capacities, gifts and aptitudes gotten in the populace; while from the view purpose of the individual undertaking, they speak to the aggregate of the intrinsic capacities, obtained information and abilities as exemplified in the gifts and aptitudes of its workers. The human resource examines how an organization motivates and enables employees to develop and utilize their full potential with the organizations. Many of the critical competitive issues facing business require changes in traditional HR policies, practices and capabilities. Organizations should strike a balance between developing its workforce and controlling cost. HRD aims at overall development of the human resources through the process of developing competencies and sharpening capabilities.

Keywords: HRD, Organization Outcomes, workforce, HR policies and Organization culture.

INTRODUCTION:

HR is multi-dimensional in nature. From the national perspective, HR might be characterized as the learning, aptitudes, innovative capacities, gifts and aptitudes gotten in the populace; while from the view purpose of the individual undertaking, they speak to the aggregate of the intrinsic capacities, obtained information and abilities as exemplified in the gifts and aptitudes of its workers.

Strategies to improve firm's performance:
Strategy is a simple term is a unified course of action to be achieve the goals. Strategy has a pattern in a stream of decisions or action.

Strategies:
Strategies increase firm performance. We have to prepare different type of strategies depends upon HRM operating functions. We have to prepare strategies to improve firm performance in the following areas.
➢ Employment
➢ Performance appraisal
➢ Training & development
➢ Industrial relations
➢ Works system

- Organization cultures
- Compensation

The human resource examines how an organization motivates and enables employees to develop and utilize their full potential with the organizations overall objectives and action plans & also examined organization's effort to build and maintain a work environment and an employee support climate conducive to performance excellence and to personal and organizational growth.

HRD variables are designed to link with Human Resource planning whereby employees contribute the maximum to the organization satisfying their own personal goals. The HR practices in automobile manufacturing companies are studied in general and the crucial subsystems, namely Organization efficiency increase, Productivity increase, Organizational culture change, Profitability, Employee satisfaction are analyses to know their impact on the working of the organization.

HRD aims at overall development of the human resources through the process of developing competencies and sharpening capabilities. Organization's success depends not only on developing its employees to perform present, but also to fill future roles. Human resource strategies are formulated to meet the challenges. Many of the critical competitive issues facing business require changes in traditional HR policies, practices and capabilities. Organizations should strike a balance between developing its workforce and controlling cost. This is possible through an effective and efficient human resource planning, recruitment, selection and training process[1].

HRD climate is an integral part of the prevailing general organizational climate which may include characteristics such as: important given to human resource, openness of communication, encouragement given to risk-taking and experimentation, feedback given to employees to make them aware of their strengths and weaknesses, a general climate of trust, faith in employee's capabilities, employees' tendency to assist and collaborate with each other team spirit, tendency to discourage stereotypes and favoritism, and supportive personal policies and practices[2].

OBJECTIVES OF THE STUDY:

The objectives of the study are as follows:
1. To study the socioeconomic profile of employees in the IT companies.
2. To assess the HRD outcomes among the employees in IT organization.
3. To make appropriate suggestions for the improvement of Human Resources Development Practices in select units.

METHODOLOGY OF THE STUDY:

The study is conducted using both analytical and descriptive type of methodology. The study primarily depends on primary and secondary data.

Study Area:
The Survey is conducted in IT Companies located in Hyderabad city. Hyderabad hosts a number of IT companies making the study realistic and meaningful. As IT companies have entered the economic arena, their level of play has raised the economic standing of young and educated professionals. Hyderabad, being the metropolitan city, truly represents employees belonging to various strata of the society.

Sampling Size and Design:
The primary data are collected through survey method. The survey is conducted using well formulated Questionnaire. Multi Stage Random Sampling is applied for generating data. Samples for the purpose of the study are selected systematically.

Totally 300 Questionnaires were distributed and 285 collected out of which 250 completed questionnaires were found usable. The details are given in the following table

Sample Selection:
The multistage random sampling method is applied to collect the primary data. The random sampling method is

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[1] Rashid Abdullah, Kamaruzaman Jusoff, Zalena Ahmad, Yoshi Takahashi, (2009). The Japanese influence in Malaysian Automobile Industry : Human resources management and development practices, Management science and engineering, Vol.3, No.4.
[2] Bernice Kotey and Peter Slade, (2005). Formal Human Resource Management Practices in small growing firms, Journal of Small Business Management, Vol.43, no.1, pp. 16-40.

applied to obtain the responses from the employees. Hence, the multistage sampling method is justified to collect the samples from the IT companies.

Questionnaire Design:

The primary data are collected through questionnaire survey. The respondents are asked to give their opinion relating to the crucial HRD Practices. The first part of the Questionnaire comprises Demographic factors with optional questions. The second part includes statements relating to HRD Objectives, HRD Needs and HRD Practices with Likert's 5 point scale. The Third part consists of statements about impact HRD practices. Some optional questions are included along with rating questions. The fourth part of the Questionnaire is related to HRD climate.

Scaling Technique in the Questionnaire:

The questionnaire used comprises both optional type and Statements in Likert's 5 point scale. The responses of these sections are obtained from the employees of IT companies in the 5 point scale, which ranges as follows: 5 – Strongly agree 4 – Agree 3 – Neutral 2 – Disagree 1 – Strongly Disagree

Secondary Data:

The Secondary data are collected from Journals, Magazines, Publications, Reports, Books, Dailies, Periodicals, Articles, Research Papers, Websites, Company Publications, Manuals and Booklets.

LITERATURE REVIEW:

Rao, T.V., Raju Rao and Taru Yadav (2001) examined 'A Study of HRD Concepts, Structure of HRD Departments and HRD Practices in India'. In order to examine the structure of human resource development function and implementation of various human resource development systems, 12 [Venture Finance Company (VFC), Consumer Products Company (CPC), Multinational Electronics Manufacturing Company (MEMC), Tyre Manufacturing Company (TMC), Indian Multinational Company (IMC), Automobile Manufacturing Company (AMC), Cement Manufacturing Units (CMUS), Metal Manufacturing Company (MMC), Power Manufacturing Company (PMC), Gas Distribution Company (GDC), Soap Manufacturing Company (SMC)] of the 50 organisations were chosen. This is more so in organisations where there is a separate human resource development department or there is high emphasis on human resource development. There is no potential appraisal as a separate system in any of these companies. It is a part of performance appraisal in a few of these companies. Training and development is well developed and well managed in these organisations[3].

Umashankar, Venkatesh and Akshay Kulkarni (2002) studied that all organisations need strategies to attract and retain employees, at high levels of knowledge, skills and motivation. The service sector employees with their requirements have immediate and pressing need to be provided motivational support within the modern organisation. The main problems in the hospitality industry are – over staffing, lack of multi-skilling and multi-functioning, lack of trained staff and high staff turnover. In order to enhance motivation, it is therefore necessary to create an environment fit enough for the individual to grow. Besides, the deep-rooted feudalism in the Indian society has led to hierarchical structures that create a lot of dissatisfaction among employees[4].

Srivastava, S.K. (2004) has attempted to investigate the impact of welfare activities on job satisfaction and attitude of workers towards management, amongst the workers of public and private sectors. Objectives of the study are – to assess the quality of labour activities, to measure the degree of job satisfaction of workers and provision of labour welfare. This study was conducted on 200 workers, 100 from public and 100 from private in Kanpur city. Welfare activities are provided well in public as compared to private sector. The public sector employees are more satisfied than the private sector employees. The public sector employees have more favourable attitudes towards management in comparison to private sector[5].

DATA ANALYSIS:

Analysis pertaining to the effectiveness of HRD practices in IT industry. In order to identify these factors the researcher was used factor analysis by principal component method and these factors act as a basis to classify

[3] "Rao, T.V., Raju Rao and Taru Yadav (2001). "A Study of HRD Concepts, Structure of HRD Departments and HRD Practices in India," Vikalpa - The Journal for Decision Makers, Vol.26, No.1, Jan-March, pp. 49-63."

[4] Umashankar, Venkatesh and Akshay Kulkarni (2002). "Employee Motivation and Empowerment in Hospitality, Rhetoric or Reality: Some Observations from India," Journal of Series Research, Vol. 2, No.1, pp.31-35

[5] Srivastava, S.K. (2004). "Impact of Labour Welfare on Employee Attitudes and Job Satisfaction," Xavier Labour Relations Institute, Vol.29, No.1, Jamshedpur, pp. 31-40.

the sample unit in to heterogeneous clusters, finally the association between independent variables under the clusters of HR practices the cross tab association is achieved through non-parametric chi-square analysis of association and one way analysis of variance.

Here, Increases Individual Efficiency (OC1), Determine Individual Efficiency (OC2), Enhance Organization Efficiency (OC3), Increases Productivity (OC4), Organization Outcomes (OC5), Self Realization and Status Enhancement (OC6), Enhance Employee and Employer Relationship (OC7), Increases Profitability (OC8), Higher Quality of Work (OC9), Employee Satisfaction (OC10).

FACTOR ANALYSIS FOR OUTCOME OF HUMAN RESOURCE DEVELOPMENT:

These factors are compared of several variables in Likert's five point scale which ranges from strongly agree to strongly disagree. At this juncture, it is very important to reduce the variables into predominant factors. Therefore the researcher applies factor analysis by principal component method to reduce the variables into factors.

Factors of Outcome of HRD practices:
The Outcome of HRD practices consists of ten variables in five point scale. The application of factor analysis over the ten analyses derives the following results.
1. Increases Individual Efficiency (OC1)
2. Determine Individual Efficiency (OC2)
3. Enhance Organization Efficiency (OC3)
4. Increases Productivity (OC4)
5. Organization Outcomes (OC5)
6. Self Realization and Status Enhancement (OC6)
7. Enhance Employee and Employer Relationship (OC7)
8. Increases Profitability (OC8)
9. Higher Quality of Work (OC9)
10. Employee Satisfaction (OC10)

HRD OUTCOMES:

Descriptive Statistics					
	N	**Minimum**	**Maximum**	**Mean**	**Std. Deviation**
HOC1	350	1.00	5.00	3.5829	1.21958
HOC 2	350	1.00	5.00	3.7657	1.30108
HOC 3	350	1.00	5.00	3.5629	1.34582
HOC 4	350	1.00	5.00	3.4914	1.38501
HOC 5	350	1.00	5.00	3.8886	1.29652
HOC 6	350	1.00	5.00	3.5629	1.56805
HOC 7	350	1.00	5.00	3.5714	1.45586
HOC 8	350	1.00	5.00	3.6686	1.48107
HOC 9	350	1.00	5.00	3.6114	1.38261
HOC 10	350	1.00	5.00	3.6286	1.49279
Valid N (list wise)	350				

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.760
Bartlett's Test of Sphericity	Approx. Chi-Square	1736.238
	df	45
	Sig.	.000

From the above table, it suggests that the KMO measure of sampling adequacy .760, Bartlett's test of sphericity with approximate Chi-square value 1736 are statistically significant at 5% level. This indicates all the ten variables represent the Outcome of HRD practices is normally distributed and they are conducive enough to reduce them into predominant factor. The individual variances are presented in the following communalities.

Communalities		
	Initial	**Extraction**
HOC 1	1.000	.477
HOC 2	1.000	.672
HOC 3	1.000	.667
HOC 4	1.000	.663
HOC 5	1.000	.688
HOC 6	1.000	.718
HOC 7	1.000	.856
HOC 8	1.000	.767
HOC 9	1.000	.604
HOC 10	1.000	.806
Extraction Method: Principal Component Analysis.		

From the above table 5.2, the individual variances of the ten variables range from .477 to .856. It implies the variance have the bounds from 47.7% to 85.6%, which has a statistically significant range. This leads to the reduction of factors as shown in the table below.

Component	Initial Eigen values			Rotation Sums of Squared Loadings		
	Total	**% of Variance**	**Cumulative %**	**Total**	**% of Variance**	**Cumulative %**
1	4.065	40.650	40.650	3.897	38.966	38.966
2	1.762	17.618	58.269	1.765	17.650	56.616
3	1.093	10.927	69.196	1.258	12.579	69.196
4	.809	8.091	77.286			
5	.619	6.192	83.478			
6	.532	5.324	88.802			
7	.431	4.308	93.110			
8	.397	3.967	97.077			
9	.202	2.020	99.097			
10	.090	.903	100.000			

From the above table, it is revealed that the ten variables are reduced in to three predominant factors.

The cumulative variance of the three factors is found to be 69.19% and individual variance of the three factors are given by 38.96%, 17.65%, 12.57% respectively. The variable loadings in each factor are given in the following;

Rotated Component Matrix[a]			
	Component		
	1	**2**	**3**
HOC 1	-.084	.657	-.196
HOC 2	-.011	-.244	.783
HOC 3	.814	.026	-.060

Rotated Component Matrix[a]			
	Component		
	1	**2**	**3**
HOC 4	-.240	-.764	.143
HOC 5	.736	-.343	.170
HOC 6	-.195	.681	.465
HOC 7	.855	-.140	-.324
HOC 8	.712	-.169	-.481
HOC 9	.748	.209	-.014
HOC 10	.889	.122	.022

Extraction Method: Principal Component Analysis.
Rotation Method: Vari max with Kaiser Normalization.
a. Rotation converged in 5 iterations.

The first factor consists of six variables
10. Motivation plays an important role in employee satisfaction. (.889)
7. Organization culture change enhances employee and employer relationship. (.855)
3. Proper HRM practices enhance organizational efficiency. (.814)
9. Employee satisfaction leads to higher quality and organizational outcomes. (748)
5. Higher level performance increases organizational outcomes. (.736)
8. Steps taken to attain goals and better performance increases profitability. (.712)
Therefore, this factor can be named "management support"

Human resource management practice enhances organization efficiency to achieve the goal and increases the level of profit. The employee satisfaction and employee relation towards job reveals higher quality and organization outcomes. The organization should take necessary steps to attain goals and better performance.

The second factor consists of two variables;
1. Training and development programs increase individual efficiency of the employees. (.654)
6. Self realization and status enhancement are the key indicators of organizational cultural. (.681)
Therefore, this factor can be named "Employee development"

Training and development, Self realization and status enhancement are the key indications of managerial behavior are the key element of human resource development. It also improves the individual behavior and performance management process and outcomes.
The third factor consists of two variables;
2. Rewards and incentive helps to determine individual efficiency. (.785)
4. Organization's efficiency increases productivity. (.705)
Therefore, this factor can be named Employee motivation.
Rewards and incentive increase organizational efficiency. HR department plays a major role in motivating managing and controlling the employees and ensures satisfaction towards work to increase outcomes of the organization. Employee motivation enhances employee and employer commitment, productivity and organizational performance relationship with the organization. There is a significant difference among different levels of management regarding HRD out comes.

CONCLUSION:

It depicts that there is an association between their experience level and HRD outcome. The analysis concludes that the employee has a similar perception towards HRD outcome. It was observed that almost half of the total respondents had expressed that they are working overtime and majority of them are working exceptional working hours. These types of practices are to be curbed by the IT industry organizations to keep their employees mentally and physically fit for discharging their duties with precision and perfection. HRD outcome and it does not have any influence gender, age, managerial level, experience factors in the IT Organizations.

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