Perception of Employees about Select HR Dimensions Pre and Post Major Change Interventions and Its Impact on Employee Productivity: Study of A PSU in India

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Abstract

HR practices are the backbone of success of any organization because it is simply meant to take care of the most important resource of the organization - its people. HR managers keep on identifying new ways to keep employees in the organization motivated, engaged, performing and productive. Not all the efforts made by HR managers result in higher performance and productivity of employees. This study provides empirical evidence that though there may be significant improvement in the perception of employees towards various HR practices as a result of pre- and post-change interventions, only scope of advancement for future individual growth emerged as significant predictor of employee productivity when all the practices were regressed together. Interestingly, scope of advancement was one of the practices where there was no significant difference in the pre- and post-change perception of employees.

Keywords:

Transformational Change, HR Practices, Perception of Employees, Employee Productivity, Longitudinal Cross-sectional Study

Introduction

Can you imagine any organization without HR department? Travelling a journey from traditional "personnel" to present "asset", management of human resources at the workplace is a critical business function that helps companies succeed in recruiting right set of employees, supporting their growth & development and keeping them engaged. Analyses of available literature on the subject provides critical insights and shows that HR practices if employed appropriately can prove to be a vibrant tool towards enhancing the level of organizational & individual performance. In general, the quality of human resources in an organization determines its productivity and quality of all outputs produced and performance demonstrated. Almost all dimensions of HRM are complementarily performing this key task in managing human resources in the organization. If there are key issues in managing human resources in an organization, it is very hard to materialize the productivity improvement only through organizational systems and procedures. Strong evidence exists in literature about different HRM practices and their impact on organizational

performance. Researchers have found positive relationship between HRM practices namely effective recruitment and selection, training and development, compensation and reward, performance appraisal, employee relations and firm performance (Bartel, 2004; Chie et al., 2002; Batt, 2002; Boselie et al., 2001; Bjorkman & Xiucheng, 2002; Katou & Budhwar, 2007). There are several factors that are described by Stup (2003) towards the success of the employees' productivity. The factors are such as physical work environment, equipment, meaningful work, productivity expectation, feed-back on productivity, reward for good or bad system, standard operating procedures, knowledge, skills and attitudes.

Nongmaithem (2016) found an association between human resource practices and organizational performance. Work design has come forward as a topic of central importance in the management discipline. Interest was prompted by concerns that work-design produced work-quality has effects on employee well-being and performance (Humprey et al., 2007; Holman et al., 2009; Indartono, 2010). Ahmad and Jameel (2016) revealed that HRM practices such as recruitment, career growth and job security have significant association with employee performance and work fulfillment. A research finding of Cooke and Saini (2010) revealed that the most used HRM practices to support innovation and productivity-oriented business strategies were training and development, suggestion-scheme, employee reward & recognition and quality initiatives. Kim and Sung-Choon (2013) observed that to effectively enhance employee motivation and productivity, the performance measurement and feedback must be aligned with the organization's business strategy and organizational culture. By aligning personal interests with company objectives, performance-based pay system motivates workers to realize the strategic objectives of the HR function.

A case-study based research conducted by Glover and Siu (2000), in Chinese context, indicated that productivity in the companies was hindered by inadequate HRM systems such as poor standards of training, dissatisfaction with the pay & reward management practices, poor communication and no career planning etc. De Koeijer et al., (2014) argue that HRM is crucial in improving productivity for employers (in terms of organizational performance) as well as employees (in terms of employee well-being, happiness, health, and trusting relationships). According to them, enabling HRM (productivity and quality promoting HRM system, policies and practices) is crucial in creating mutual gains for both employers and employees.

Absar et al. (2010) in their research entitled 'impact of HR practices on organizational performance in Bangladesh'

studied the overall impact of different HR practices on organizational performance. They collected data from fifty manufacturing firms in Bangladesh and came to the conclusion that HR practices have significant association with organizational performance. Moideenkutty, Al-Lamki and Murthy (2009) concluded that HRM practices have positive relationship with subjective and quantitative measures of organizational performance. This means that organizations that implement highly selective staffing, realistic training, performance management practices and employee empowerment are likely to have higher performance. The main point from these studies is that improvements in HRM policies can improve worker productivity and firm productivity as well.

Keeping in view the importance of various HR practices in driving productivity, the present research was conducted to see whether employees feel the changes introduced or made in the HR practices as part of the implementation of a transformational change in an Indian public sector undertaking (PSU) and how the changes in these practices affect employee productivity.

Literature Survey

There is abounding literature on linkage between various HR practices and employee performance but it scarcely discusses about employee productivity. Many a time these two terms are used interchangeably. In definitive terms, 'Productivity' is the measure of the efficiency of production whereas 'Performance' deals with the way in which someone functions to accomplish something successfully. However, it is believed that if performance of an employee is high, his/her productivity will be high. With this premise we present the studies conducted in last few years to support the study.

Ali, Awan and Javed (2020) conducted a study to see the effect of HRM practices (recruitment & selection and training & development) on performance. The respondents were 354 teachers working in public and private universities of Khyber Pakhtunkhwa. Researchers found positive and significant association and impact of HRM practices and performance. Onyebuchi and Uchechi (2019) in a theoretical paper noted that effective management of employee grievance is must for pleasant working relationship, increasing employee loyalty & commitment, and improvement of productivity & performance.

Khoreva and Wechtler (2018) conducted a study on 300 employees and 34 supervisors of a professional service company in Finland to examine the association between skill-, motivation-, and opportunity-enhancing dimensions of HR practices and job performance. The results of structural equation modelling show that skill-enhancing

and opportunity-enhancing HR practices lead to jobperformance with a partial mediation of physical and social employee well-being. Also, motivation-enhancing HR practices lead to job-performance partially mediated by psychological employee well-being.

Nasution, Mariatin and Zahreni (2018) in a study on 242 employees of a bank found significant positive influence of career development and organizational culture on employee performance. In a study conducted by Mokhniuk and Yushchyshyna (2018) on 556 employees to determine the effect of monetary and non-monetary factors of motivation on employee productivity, the results of the study demonstrate that there are three factors which influence labour productivity more than any others – having a satisfactory basic salary, obtaining bonuses and receiving verbal or written recognition.

Napitupulu, Haryono, Riani, Sawitri, and Harsono, (2017) in a study on 250 civil servants from fifteen regional branches of Ministry of Finance of Indonesia found that career development practices have positive indirect influence on performance via perceived organizational support, motivation and affective commitment.

A study was conducted by Kakui and Gachunga (2016) to see the effect of career development practices on employee performance on 100 employees of National Cereals and Produce Board. The study found positive influence of jobtraining activity on performance of the employees in the form of expansion of key competencies and enhancing motivation, skills, knowledge & capabilities. Many other researchers also found positive linkage between career development and employee performance (Human Resource Management International Digest, 2019; Manggis & Sapta, 2018; Lee & Lee, 2018; Dialoke & Nkechi, 2017).

Ngetich (2016) conducted a study on 167 employees of Jomo Kantyatta Foundation to determine the perceived effect of grievance handling procedure on employee performance. He reported that effective grievance handling procedure affects employee performance, promotes and maintains employee satisfaction, thereby ensuring higher productivity. Similar results are also reported by Balamurugan and Shenbagapandian (2016) and Gomathi (2014).

Shashank et al. (2014) grouped factors affecting labour productivity in six different groups which are motivation group, manpower group, material / equipment group, safety group, managerial group and quality group. They said motivation factor has the highest impact on labour productivity. So, they suggested that the construction company should increase labour satisfaction by paying a

reasonable salary, developing financial reward or recognition program and improving the living conditions on site. In a study conducted by Aibievi (2014), data was collected from 100 non-academic staff of University of Benin, Nigeria to test the impact of training and development on employee motivation. The study found a significant positive relationship between training and motivation; that trained staff were found to be more dedicated to duty compared to those who did not receive training and also that training could lead to increased productivity.

A study by Khaled et al. (2013) comprised 30 productivity factors and classified them under three primary categories: human / labour, industrial and management. Their study represented five factors which are most significant in construction labour productivity in Egypt: (1) labour experience and skills (2) incentive programmes (3) availability of the material and ease of handling (4) leadership and competency of construction management and (5) competency of labour supervision. In another study, Sajuvigbe et al. (2013) collected data from 100 employees of selected manufacturing companies in Ibadan, Nigeria and concluded that pay, performance bonus, recognition and praise were significantly related to organizational performance. Incentive pay has also been found to be significantly related to worker productivity (Jones, Kalmi, and Kauhanen, 2010 and Lazear and Shaw, 2011).

Muhammad Asif Khan (2010) conducted a study titled 'effects of HRM practices on organizational performance – an empirical study of oil and gas industry in Pakistan' to measure the impact of human resource management practices on organizational performance. Five HRM practices namely recruitment and selection, training and development, performance appraisal, compensation & reward and employees' relation with one another are subjective measures of organizational performance. Regression analysis provided a positive and significant association of above practices with organizational performance. Jain and Premkumar (2010) in an article 'management styles, productivity and adaptability of human resource: an empirical study' explained the relationship between management styles and productivity of human resources. This study explained the extent to which management styles are practiced in Indian organizations across public sector and private sector enterprises. The author had measured the impact of management style on HR productivity and HR adaptability. This study is exploratory in nature. He had collected primary data through administering the relevant questionnaires to three hundred executives belonging to both public sector and private sector. This study comes to

the conclusion that both productivity and adaptability of the human resources were found to have positive correlation with the management styles.

Abang Azlan mohamad (2009) in his research article namely 'human resource practices and organizational performance: incentives as moderator' examines different human resource practices and the impact of incentives in manufacturing companies in Malaysia. He studied three types of human resource practices namely performance appraisal, training and information technology and the focus of this research was the presence of incentives as a moderator on organizational performance. The results have indicated that the two components of HR practices namely training and information technology have direct impact on organizational performance. It was found that incentive is positively related to organizational performance but did not moderate the relationship between HR practices and organizational performance. In UAE, Ailabouni et al. (2007) conducted a study aimed at identifying the factors affecting employee productivity in the UAE construction industry. They concluded that the top five affecting factors are: proper work timings giving a balance between work and time for family, leadership skills of supervisors, technical qualifications, whether they are well paid or not and on time, security of job and transparency and accountability of management.

Chang and Chen (2002) linked the HRM practices like work-force planning, training and development, benefits, teamwork and performance appraisal with productivity. They studied firms in Taiwan and found that there exists positive relationship between HRM practices and productivity and business performance. They argued that HRM practices increase the employee productivity &

competencies and thereby increase the organizational performance.

There are numerous such studies exploring the direct and indirect linkage between various HR practices and performance but literature lacks studies related to HR practices and employee productivity. There are no longitudinal studies wherein the difference in the perception of employees towards these practices changed over a period of time is captured and its impact is seen on employee productivity.

Research Methodology

Research Design

The present study is a cross sectional longitudinal study wherein data on perception about HR practices was collected at two points in time i.e. 2002 and 2016. The employee productivity data was also collected from 1995-96 to 2014-15 from company records. The data on HR practices was collected through structured company-wide surveys. First survey was conducted in 2002 on a sample of 1475 employees before many major and path-breaking HR interventions were initiated in the company as part of a transformational change exercise and second survey was conducted in 2016 after all the changes (Table 4) were incorporated and were well in practice. The second survey was conducted on a sample of 539 employees.

Sample

This study includes two surveys conducted at various points in time. The first survey I was conducted in 2002 on a sample of 1475 employees from various cadres in the organization. The sample distribution of first survey is depicted in Table 1 below.

Table 1: Respondent profile for survey I

| GL NI | | | TD 4 1 | | | |
|---------|-------------------------------------|---------------------|--------|-----------|-------|--|
| Sl. No. | Level | Operations Services | | Corporate | Total | |
| 1. | Senior Management (E9 / E8 / E7) | 7 | 4 | 5 | 16 | |
| 2. | Middle Management (E6 / E5 / E4) | 357 | 187 | 151 | 695 | |
| 3. | Junior Management (E3 / E2 / E1) | 316 | 166 | 282 | 764 | |
| | Total | 680 | 357 | 438 | 1475 | |

The respondent profile of 539 employees, who took second survey II in 2016, is presented in Table 2.

Group Sl. No. Level Total **Operations** Services Corporate 12 11 3 26 Senior Management 1. (E9 / E8 / E7) 109 91 28 228 Middle Management 2. (E6 / E5 / E4)136 115 34 285 Junior Management 3. (E3 / E2 / E1)257 217 65 539

Table 2: Respondent profile for survey II

Tools Used

Questionnaire for HR practices

A questionnaire was designed by the experts from Sri Ram Centre for Industrial Relations and Human Resources, New Delhi specific to the needs of the organization. It covered 21 dimensions. The questionnaire contained a set of statements under each dimension to elicit response from

Total

the employees about the various HR practices. A total number of 94 statements were developed and included in the questionnaire to know the perception of employees about the HR practices in vogue. For the purpose of this study we have taken the results of 14 dimensions only. The operational definition of these fourteen dimensions is presented in Table 3.

Table 3: Operational definition of the HR dimensions under study

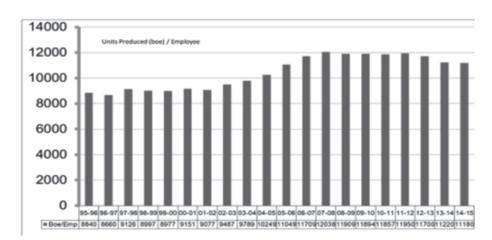
| Sl. No. | Dimension | Description |
|------------|--------------------------|---|
| 1. | Scope for Advancement | Provision of adequate opportunities for advancement and growth; |
| | | existence of definite career development plans for employees |
| 2. | Grievance Handling | Existence of a sound grievance -handling procedure; readiness of the |
| | | management to look into the grievances and complaints of employees; |
| | | sympathetic handling of employee problems |
| 3. | Monetary Benefits | Attractiveness of salaries, allowances and perquisites considering job |
| | | responsibilities, market rates and qualifications and skills of employees |
| 4. | Participative Management | Involvement of employees, through meetings, committees or other |
| | | forums, in joint decision making for tackling day -to-day problem; |
| | | consultation with employees before taking important decisions; |
| | | leading to team spirit among employees |
| 5. | Recognition and | Recognition and appreciation of sincere and hard-working employees |
| | appreciation | and of those contributing to the productivity and efficiency of the |
| | | company |
| 6. | Safety & Security | Provision of safe and healthy working conditions, adequate job security |
| | | and attractive retirement benefits to the employees |

| 7. | Training & Education | Provision of adequate facilities for general education and technical |
|-----|--------------------------|---|
| | | training to the employees, both in -house and outside; positive impact |
| | | of training on employee performance and on the organization |
| 8 | Welfare Facilities | Provision of adequate welfare fac ilities and amenities to employees |
| | | and their families, both at the work-place and outside |
| 9 | Communication System | The existence of a two -way communication system that enables (a) |
| | | different work-centres (b) employees within each work-centre and (c) |
| | | head-office and work -centres to share information with each other, |
| | | employees to have access to work-related information and to be able to |
| | | place before the management their views and suggestions |
| 10. | Performance Appraisal | Existence of a well -designed performance appraisal system which |
| | | takes care of employees' individual potential and enables them to |
| | | periodically plan and impr ove their performance; is implemented on |
| | | the basis of actual performance without any bias or partiality; and |
| | | appraisal data is used to make decisions about whom to promote, train |
| | | or reward etc. |
| 11. | Managerial Style | The extent to which management is accessible to all; encourages |
| | | people to raise relevant issues; open to suggestions and has a balanced |
| | | mix of task and people orientation |
| 12. | Lateral Trust | The extent to which there is mutual understanding and trust among the |
| | | employees in eac h group and between those of various groups; |
| | | readiness of employees to help one another and freedom to discuss |
| | | work-related matter with each other |
| 13 | Delegation of Authority | The extent to which a person is given responsibility and provided all |
| | | resources to meet targets; the authority to do one's job well and high |
| | | emphasis on individual accountability for performance |
| 14. | Inter-personal Relations | Development of co -operation and good inter -personal relations with |
| | | each other and freedom to discuss any issue with seniors |

Productivity Data

In the present study production per employee has been taken as the measure of employee productivity. The performance on this count has been collected and compiled

for many years from 1995-96 to 2014-15. It is commensurate with the immediate period before the commencement of HR interventions as well as during and after the interventions. It is pictorially depicted in Figure 1.



FIGURES
Figure 1: Employee productivity data for years 1995-2015

It is measured in terms of average number of units produced per employee and derived by dividing the total production by number of employees during the year.

Procedure

As mentioned earlier, the present study is a cross sectional longitudinal study. The data on HR practices was collected vide a survey on 1475 employees before change initiatives were implemented in 2002. This survey was conducted by experts from Sri Ram Centre for Industrial Relations and Human Resources. Then company implemented transformational changes organization-wide in structure,

technology, policies and practices. HR practices also underwent revamp as mentioned in Table 4 below. The same survey questionnaire was used in 2016 again on another set of 539 employees and data was collected about the perception of employees with respect to various HR practices. The employee productivity (per person output) data was also collected from company's records. The difference in the perception of employees about HR practices pre- and post-change was mapped to find significant results and also regression was done to see the impact of these practices on employee productivity.

Table 4: Showing HR practices before and after transformational change interventions

| Sl. | Area | Pre - change | Post - change |
|-----|--------------------------|--|--|
| No. | | | |
| 1. | Scope for Advancement | Departmental Promotion Committees were constituted every year to consider each case and recommend for promotion eligible candidates as per its evaluation Long delay in issue of promotion orders was common Recruitment of executives at induction level was made through in-house conducted test | Recruitment and promotion rules modified At junior and middle management level, promotions based only on professional qualifications, merit in performance and seniority / experience without interview For senior level promotions, potential and emotional quotient judged through assessment and development centre taken into account Eligibility and vacancies for promotion reviewed and determined every year to facilitate career growth of executives and avoid stagnation Supervisory grade channel created to |

| | | | facilitate career growth of under- qualified non-executives All promotion orders issued on time and employees joined by due date Recruitment of executives at induction level based on the score of tests conducted by national bodies to ensure objectivity |
|----|--------------------|--|--|
| 2. | Grievance Handling | A Grievance Management System was introduced in 1990s to address employee grievances but with the changing scenario it had been losing its effectiveness and relevance | Grievance Management System revised to bring it in sync with the new organisation structure Composition of the committees modified to ensure availability of members for the proceedings Timelines set for timely and speedy redressal of grievances Appeals Committee consisting of outside professionals as members empowered to suggest measures to prevent similar grievances in future. A 'single window front office' at all work-centres created for ensuring accessibility and responsiveness to public grievances. A public grievance portal launched to provide redressal of grievances of all stakeholders through a single window on corporate web-portal and a structured apparatus operationalised to process the grievances within a limited time-frame. |
| 3. | Monetary Benefits | The last pay and allowances were revised in mid-90s Many perquisites and fringe benefits were as per the then norms | Pay and allowances of employees revised with sizable increase Salary structure with satisfactory gain in basic pay & allowances made comparable with the best in the country for retaining talent Various new perks extended e.g. home computers, mobile phones, internet facility, out-of-pocket allowance, enhanced house building & vehicle advance, children education allowance etc. with periodical revision Many facilities enjoyed by executives extended to non-executives also Liberal operational allowance and travel facility for field personnel Fair wage policy adopted for secondary workforce ensuring minimum wages, provident fund, uniform, insurance, overtime etc. |

| 4. | Participative Management | Collectives were consulted by the management as & when required to obtain their opinion on various issues | Comprehensive review of the performance incentive scheme done and a new performance related pay scheme introduced resulting in significant monetary gain to employees each year A Code of conduct framed and adopted for regulating the relations between the collectives and management laying down a framework for bilateral resolution of |
|----|------------------------------|--|---|
| | | | all issues and disputes New policy on recognition of collectives issued Structured meetings with collectives at regular intervals convened to sort out issues on agenda Collectives consulted or involved as committee members for framing and revision of HR policies & rules |
| 5. | Recognition and Appreciation | Awards committees constituted every year to recommend names of individual awardees based on its deliberations and criteria | New guidelines, containing specific criteria, issued to ensure objectivity in awards to individual high performers under different categories Detailed justification regarding contribution of individual to the organisation needed to be mentioned in the recommendations for nomination and reason for award in the citation Significant increase in cash award for different categories and foreign holiday package Awards introduced for SBUs based on their annual performance evaluation to encourage healthy competition |
| 6. | Safety & Security | Employees deputed for safety training programmes as and when required or as per availability of the individual and programme | Training on sea survival, fire control skills and Helicopter Underwater Escape Training made mandatory for offshore going personnel Health, safety and environment training modules upgraded to international standards to make more effective First of its kind workshops on safety for contractual workers started "Mission - zero fatality" launched with each employee of the organisation as safety officer to reduce accident rate Safety training planned and imparted to non-operational employees also on |

| | | | a large scale |
|----|----------------------|--|---|
| 7. | Training & Education | Employees were deputed for training programmes normally based on the recommendations of the superiors Nomination was made as per availability of the employee and programme timing Dropout rates were significant due to last minute nominations and non-availability of individuals Regional training institutes catered to training of non-executives only Training-plan for senior executives was not very well planned and nominations were made on case-to-case basis | A new training policy formulated after review of current process of training, infrastructure and system of course / faculty evaluation Software package to aid in training need identification in order to improve training effectiveness developed Training-programmes identified and made mandatory for employees at different stages of career as part of career-planning Regional training institutes empowered to conduct training for executives also to facilitate holding of training neat the work-place 15-month executive development programme for high potential senior executives launched Technical qualifications upgradation to graduate degrees and diplomas through whole-time mid-career residential learning programme to facilitate career growth of underqualified employees launched Customized, specialised and exclusive MBA programmes of the leading institutes started for 40 executives every year An intense 'Leadership Development Programme' and 'Advanced Management Programme' for senior level executives started 'Senior Management Programme' for mid-level executives introduced 'Performance Support' to provide desired knowledge back-up to young executives in their respective domains working at various locations launched as a pilot Centre for creative leadership set up to hone managerial qualities of executives |
| 8. | Facilities | Several welfare benefits were generously extended to employees | Long-term settlement covering the post-retirement benefit scheme signed |
| | 1 acinties | generously extended to employees | post-retirement benefit scheme signed |

| | | and their families in the area of medical care, education, housing, recreation, community and social security These were as per the guidelines of government or standard norms with improvements effected if permissible and possible | • | and group leave encashment scheme adopted To provide an assured ex-gratia payment to an employee in case of death / permanent disability in service, a trust set up by the company To alleviate hardship of personnel or their dependants in case of disability or death suffered on duty, a trust established The medical scheme further improved by: Extension of medical facilities to the dependents of employees who die while in service Standardisation of periodical medical examination of employees Policy on high cost medical treatment Roll out of an online health data base across company Renovation and upgradation of existing offices / colonies / guest houses / Bachelor Accommodation completed A single integrated seamless computerised accounting system for all welfare trusts, which can be viewed |
|----|-------------------------|--|---|--|
| | | | | by the employees, implemented and e- payments made operational Model Service Agreement to protect the interests of the secondary work force designed and implemented An initiative, unique in the Indian Corporate scene, to provide a monthly ex-gratia benefit to former employees, not receiving any pensionary benefits, launched Scheme to meet the emergency needs of the ex-employees passing through distressful situation started |
| 9. | Communication System | A suggestion – scheme was started long back in early 90s but had become dysfunctional over the years due to various reasons Manual system for processing of employees personal claims existed resulting in delay and other related problems | • | A new suggestion scheme aimed at facilitating achievement of Organizational excellence by encouraging employees to put forth suggestions for improvement in various functional areas of the company's business and operations initiated |

| | | | • | New scheme made more effective through decentralised implementation and evaluation, time bound processing of suggestions and awards commensurate with the benefits / savings to the company A portal-based information system to enable employees to transact their personal claims, through the system started Facility for submission of claims from office or home created and real time information made available to the employee All the office-orders, circulars and other corporate information made readily available to employees through corporate web-portal. |
|-----|--------------------------|--|---|--|
| 10. | Performance Appraisal | 'Annual confidential report' system was in practice At the end of year, employee submitted his / her performance / achievement and based on it, a confidential assessment was made by the supervisor | • | Employee performance appraisal system completely e-enabled KPI-based goal-setting at the beginning of year in consultation with employee and mid-term review introduced for more objectivity Intimation of poor performance and counselling for the same introduced Moderation of grading done to remove imbalances and skewed assessments To strengthen transparency, performance ratings of the employees disclosed to them Assessment and development centre to determine the potential of middle level managers leading to nomination for advance management training to high |
| | Managial | M. C. C. L. C. | • | potential executives established Special group for performance assessment of SBUs through balanced score-card technique and reporting to top management created |
| 11. | Managerial Style | Most of the employees were first-generation employees of the company in higher age group and as such were guided by their own personal style of management The corporatisation of the company happened only a few years back and change in managerial attitude of command & control was seeping in only gradually | • | Role and responsibility of the key executives clearly defined through office-order to encourage result-oriented approach Faster decision-making by key executives facilitated through decentralisation Creation of virtual corporate boards in each SBU developed a sense of empowerment and achievement motivation among senior executives |

| | | | Multi-disciplinary team-work inculcated among employees with the creation of an asset-based organisation around business units rather than functional divisions Execution of performance contract and service level agreement resulted in better co-ordination, co-operation and sharing of responsibility amongst directors and senior executives A pool of accredited mentors by training senior executives created in partnership with global HR consulting firms KPI-based assessment of SBUs and senior executives had a positive bearing on managerial style due to transparency in performance, clear accountability and incentives for individual growth |
|-----|-----------------------------|---|---|
| 12. | Lateral Trust | Personal relationship of individuals was the basis of trust amongst the employees | Business games for the teams of executives and Fun Team Games for staff initiated to inculcate spirit of camaraderie & belongingness and multi-disciplinary teamwork |
| 13. | Delegation of Authority | It was as per the level of executives only without consideration for the nature of job and responsibilities involved | 'Book of Delegated Powers' revised to facilitate empowerment of executives from hierarchical levels to positions based on roles Virtual corporate boards in the SBUs facilitated full and fast exercise of power in a collective manner |
| 14. | Inter-personal Relations | It was based mostly on one-to-one acquaintance and friendship | Outbound programmes organised for employees in groups to strengthen relations Team-games and family get-together programmes held frequently to encourage informal interaction |

The above list is not exhaustive. Many other initiatives were taken in HR area for the first time or as an improvement based on the critical review of the existing processes. In other disciplines also new measures were implemented based on the SWOT analysis carried out as a part of the transformation exercise. These steps taken in different areas all over the organisation as stand-alone or collectively helped in improving the corporate performance in a positive way.

Result

Independent samples t-test was applied to map the

significant difference in the various HR dimensions between the two pre- and post-change survey data collected. The results show that perception of employees improved significantly on grievance handling, participative management, recognition & appreciation, training and education, communication systems, performance appraisal, managerial style, lateral trust, delegation of authority and inter-personal relations. There is no change in the perception with respect to scope of advancement, monetary benefits, safety and security and welfare facilities despite major changes happening in these practices too (Table 5). This can only be possible because

either the changes happened in letter only and not in spirit (i.e. on paper only but not in practice) or the changes that

happened were not that much impressive, visibly significant and productive.

Table 5: Significant mean difference on perception of employees about various HR practices from Survey I and Survey II

| HR Practices L | | Survey Scores of 2002 (N= 1475) | | cores of (=539) | t - value | Sig. |
|------------------------------|------|---------------------------------|-------|--------------------|-----------|-------|
| V | Mean | SD | Mean | SD | 1 | |
| Scope for Advancement | 1.66 | 0.71 | 1.68 | 0.415 | 0.62 | NS |
| Grievance Handling | 1.51 | 0.69 | 1.84 | 0.452 | 10.32 | 0.001 |
| Monetary Benefits | 2.41 | 0.575 | 2.41 | 0.344 | 0.00 | NS |
| Participative Management | 1.57 | 0.618 | 1.814 | 0.428 | 8.45 | 0.001 |
| Recognition and Appreciation | 1.67 | 0.731 | 1.908 | 0.499 | 6.99 | 0.001 |
| Safety and Security | 2.31 | 0.491 | 2.316 | 0.392 | 0.26 | NS |
| Training and Education | 1.65 | 0.594 | 1.912 | 0.309 | 9.77 | 0.001 |
| Welfare Facilities | 2.07 | 0.614 | 2.073 | 0.426 | 0.10 | NS |
| Communication Systems | 1.72 | 0.566 | 2.191 | 0.282 | 18.50 | 0.001 |
| Performance Appraisal | 1.46 | 0.696 | 1.885 | 0.327 | 13.64 | 0.001 |
| Managerial Style | 1.67 | 0.643 | 2.063 | 0.371 | 13.40 | 0.001 |
| Lateral Trust | 1.92 | 0.58 | 2.006 | 0.392 | 3.19 | 0.002 |
| Delegation of Authority | 1.78 | 0.611 | 2.134 | 0.352 | 12.70 | 0.001 |
| Interpersonal Relations | 1.85 | 0.621 | 2.048 | 0.415 | 6.86 | 0.001 |

Further, regression analysis was conducted to see the effect of these HR practices on employee productivity. Since perception of employees was available for only two points in time and for regression continuous data is required, so bootstrapping was used to obtain data on HR practices for period between 2002 - 2016. This was then regressed upon employee productivity data individually to see the effect of

each practice on productivity. The results show that all the HR dimensions except monetary benefits had significant positive effect on employee productivity when regressed individually. Also, this impact ranges from 67% to 76%. Monetary benefits had no effect on employee productivity (Table 6).

Table 6: Regression of employee productivity on various HR practices (HR practices regressed individually)

| HR Practices | F (sig) | \mathbb{R}^2 | Adjusted | | dardized icients | Standardized Coefficients | t- | Sig. |
|------------------------------------|-----------------|----------------|----------------|-----------|---------------------|------------------------------|-------|------|
| • | 1 (3.8) | K | R ² | В | Std. Error | Beta | value | ~ |
| Scope for Advancement | 30.54 (.001) | .792 | .766 | 127729.47 | 23112.89 | .890 | 5.526 | .001 |
| Grievance Handling | 20.67 (.002) | .849 | .721 | 7173.77 | 1577.69 | .849 | 4,547 | .002 |
| Participative Management | 20.13 (.002) | .716 | .680 | 9281.72 | 2068.60 | .846 | 4.49 | .002 |
| Recognition and Appreciation | 20.17 (.002) | .716 | .681 | 9520.83 | 2119.96 | .846 | 4.49 | .002 |
| Safety and Security | 23.24 (.001) | .744 | .712 | 391554.45 | 81220.08 | .863 | 4.82 | .001 |
| Training and Education | 23.24 (.001) | .716 | .680 | 8647.66 | 1925.95 | .846 | 4.49 | .002 |
| Welfare Facilities | 19.47 (.002) | .709 | .672 | 698380.16 | 158257.03 | .842 | 4.41 | .002 |
| Communicatio n Systems | 20.03 (.002) | .715 | .679 | 4806.25 | 1073.82 | .845 | 4.48 | .002 |
| Performance Appraisal | 20.18 (.002) | .716 | .681 | 5325.53 | 1185.56 | .846 | 4.49 | .002 |
| Quality Management | 20.07 (.002) | .715 | .679 | 282873.66 | 63137.52 | 846 | 4.48 | .002 |
| Discipline | 21.63 (.002) | .730 | .696 | 164868.52 | 35451.37 | .854 | 4.65 | .002 |

| Lateral Trust | 20.34 (.002) | .718 | .682 | 26408.29 | 5855.65 | .847 | 4.51 | .002 |
|----------------------------|--------------|------|------|----------|---------|------|------|------|
| Management Style | 20.19 (.002) | .716 | .681 | 5759.23 | 1281.84 | .846 | 4.49 | .002 |
| Delegation of Authority | 20.06 (.002) | .715 | .679 | 6390.93 | 1426.86 | .846 | 4.48 | .002 |
| Interpersonal Relations | 20.19 (.002) | .716 | .681 | 11447.24 | 2547.67 | .846 | 4.49 | .002 |

We tried to determine which of the practices are stronger predictors of employee productivity. To assess this, we regressed employee practices on all the HR practices together. The results were very interesting as only one practice (scope of advancement) emerged as predictor of employee productivity when regressed together (Table 7).

This indicates that of all the practices, employees are concerned only about the scope of advancement in the organization. This means that if employees keep on getting career advancement and can visualize such avenues of future growth, they remain productive no matter what other practices are.

Table 7: Regression of employee productivity on various HR practices (HR practices regressed together)

| HR Practice | F (sig) | R ² | Adjusted R ² | Unstandardized Coefficients | | Standardized Coefficients | | c • |
|--------------------------|-----------------|----------------|-------------------------|--------------------------------|---------------|------------------------------|--------------|------------|
| | | | | В | Std. Error | Beta | t - value | Sig. |
| Scope for Advancement | 32.42 (.000) | .903 | .875 | 70922.73 | 23520.50 | .516 | 3.02 | .020 |

Conclusion and Managerial Implications

HR practices are the back-bone of success of any organization because it is simply meant to take care of the most important resource of the organization - its people. HR managers keep on identifying new ways to keep employees in the organization motivated, engaged, performing and productive. Not all the efforts made by HR managers hit the bull's eye and generate profitable results. As such, it remains a constant challenge for HR managers to identify which all practices should be changed to gain

maximum results.

The present study brought forward some interesting results from the statistical analysis. Firstly, it is not necessary that employees always perceive all changes in practices really meaningful as is evident from the results of significant differences in the perception about pre- and post-transformational change interventions and resultant HR practices. This implies that managers must gather perception of employees before and after any intervention to keep track of whether the change was actually

meaningful or not or has it been implemented successfully or not which can be judged through significant improvement in perception of employees. Second, the result of regression reveals that out of all practices only scope of advancement emerged as strongest practice having impact on employee productivity. So, HR managers should identify the practices which are impacting productivity & performance and work on them rather than changing all the practices since changes in all the practices may take a lot of time and face resistance from employees but may not lead to desired results. Identification of the significant relevant HR practices directly influencing productivity is crucial and challenging for an organisation and these should always stay under focus for improving the corporate performance

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