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FRAMEWORK OF HR PRACTICES FOR EMPLOYEE JOB SATISFACTION WITH REFERENCE TO SELECT ORGANISATION: AN EMPIRICAL STUDY

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ABSTRACT

In the present competitive era, organisations are facing many challenges to cope up with changes evolving in the business. Under these circumstances, HR Practices play a major role in providing direction to the organization paving the way to improve the productivity, commitment and satisfaction among the employees. The present study has been focused on understanding the impact of various HR practices towards employee job satisfaction with reference to select steel industry.. In this study five factors have been taken namely Recruitment, Induction, Employee relations, Employee Involvement, Performance appraisal.

Research objective: *The objective of the study is to come up with the recommendations for the organization to improve the satisfaction levels of employees*

Research methodology: *An empirical analysis has been made by using the statistical tool called spearman rank correlation to know the extent of association between the selected individual factor and level of employee satisfaction.*

KEYWORDS: *HR Practices, satisfaction, commitment, productivity*

1. INTRODUCTION

Harter, Schmidt, and Hayes (2002) defines HR practices as the practices that can generate increased knowledge, motivation, synergy, and commitment of a firm's employees, resulting in a source of sustained competitive advantage for the firm. Good Human Resource practices do make a difference in the functioning of the organization.

Major Roles of HR practices:

- Building critical organizational capabilities.
- Enhancing employee satisfaction.
- Improving customer and shareholder satisfaction.

Good Human Resource practices are those that contribute to one or more of the three C's: Competencies, Commitment and Culture. They need to be identified and implemented cost-

effectively, reviewing and revising them from time to time to enhance their effectiveness and appropriateness'. The practice can take the form of a system, a process, an activity, a norm, a rule, or just a way of doing things They enhance internal capabilities of an organization to deal with current or future challenges to be faced by an organization. The changing Practices in Human Resources will be useful to the organization, as it will reduce the expenditure on the employee while increase his productivity.

Therefore, it is expected of the HR managers to implement these changes effectively for the betterment of the organization. By implementing some of the innovative HR practices, the quality of internal organizational processes improves dramatically.

2. MAJOR HR PRACTICES FOR EMPLOYEE SATISFACTION

- **HR Planning:** HR Planning is essentially the process to provide control measures to ensure that necessary resources are available in the organization as and when required.
- **Recruitment:** Recruitment enables the company to advertise itself and attract talented people.
- **Selection:** Selection is the process of choosing people by obtaining and assessing information about the applicants with a view to matching these with the job requirements.
- **Induction:** Induction is a process through which a new employee is introduced to the organization. It is the process wherein an employee is made to feel comfortable and at home in the organization.
- **Training:** Training helps the employee to get job security and job satisfaction. A well trained employee will be well acquainted with the job and will need less of supervision.
- **Human Resource Development:** Human Resource Development is a continuous process to create a learning environment and development climate in the organization.
- **Performance Appraisal:** Performance Appraisal is needed in most of the organizations in order to find out training and developmental needs.
- **Industrial Relations:** Industrial Relation safeguards the interest of labor and management through mutual understanding and goodwill.
- **Employee recognition:** Employee recognition programs are a strategy to motivate as well as retain the employees.

The success of these programmes will ensure motivation and commitment of the worker.

- **Employee Involvement:**

This is a way in which employees are included in their interest to bring forth employee empowerment and commitment.

3. ORGANIZATION ROLE IN FRAMING HR PRACTICES FOR EMPLOYEE SATISFACTION

HR practice which is suitable for one company may not be the best practice for another. "Best practice" is not a set of discrete actions but an approach to organizational management. HR management is no longer engaged in simply filling vacancies; rather, they are required to partner with business leaders to ensure that the HR processes and practices are aligned towards the company's growth & productivity. Using human resources effectively in order to give the company a competitive advantage and completing the set targets are some of its priorities. Organizations must frame HR practices such that they are able to manage internally and face external challenges also can create sustainable and lasting capability of the organization.

4. HR PRACTICES FOLLOWED IN SELECTED ORGANISATION

There are various practices are being used to enhance the level of employee satisfaction. Some of the HR practices that have been done in the selected organization, where this study has been done were listed below:

- Manpower Planning
- Recruitment
- Selection
- Induction
- Training
- Performance Appraisal
- Human Resource Development
- Grievance Redressal Process
- Employee Welfare
- Employee Recognition
- Employee Involvement
- Employee Relation.

Recruitment:

The posts intended to be filled through internal sources will be circulated in the Company giving the qualifications, age, experience etc. The recruitment section fills up the posts by taking the approval of competent authority. Recruitment section is responsible for giving recruitment notification, taking care of selection processes and sending the selected personnel to Training Institute.

Induction:

All newly appointed employees in the Company will undergo suitable induction programmes to be organized by the Training Department. During the Induction programme the CMD systematically introduces the new employees to the Company, its philosophy, its major policies, technology, existing status, future plans etc.

Performance Appraisal:

Performance Appraisal is done in the select organization through a well-designed performance appraisal system which comprises of setting up of tasks and targets at the beginning of the year, mid-tem review of the progress, and evaluation at the end of each year. Performance appraisal focuses on two aspects i.e. assessment of performance and identification of potential based on specific parameters which are fixed jointly by the employee and his/her controlling officer. The system has been helping to enhance the performance of individual employees, and through it, the performance of the organization as a whole.

Employee Involvement:

Encouragement of innovation and creativity is given topmost priority in the select organization. Individual employees who come up with creative ideas are encouraged to experiment with those ideas as a Quality Improvement Projects and are rewarded suitably for successful implementation. The suggestion scheme, quality circles and value engineering projects also aim at encouraging innovation and creativity of employees.

Employee Relations:

As a part of overall HR strategy, the select organization focuses on maintaining harmonious industrial relations so that industrial peace is maintained always. A Joint Consultative Machinery has been constituted to discuss issues from time to time and solve industrial relations problems. The functioning of the machinery is being reviewed periodically to strengthen it and make it more effective. Continuous efforts are being made by implementing some of the forums to maintain good relations with all employees for smooth functioning of the operations of the select organization.

5. REVIEW OF LITERATURE

- G. Venkat Rao & D. Jayarama Krishna in his article describes about alignment and integration between HR practices and the Organizational Strategies. The HR Practices are conceptualized into nine factors and organizational strategies into seven intent factors. No correlation was found between Structure & Policies and Business and HRM strategies.
- Mario J. Donate, Isidro Penaand Jesus D. Sanchez de Pablo in his article explained the

mediating effects of both human and social capital in the relationship between HRM systems and innovation, although with different degrees of intensity.

- Subhash C. Kundu and Neha Gahlawat are stating that the size of the relationship between socially responsible HR practices and job satisfaction is greater than that between socially responsible HR practices and employees' intention to quit.
- Julian Goul A-WUiamsin their research paper has outlined a performance model which delineates the relationships between HR practices, trust, individual and organizational outcomes. The paper supports the hypothesis that HR practices are powerful predictors of trust and organizational performance.
 - Sumi Jha, Som Sekhar Bhattacharyya in his article emphasized the relationship between Human Resource (HR) processes viz. manpower planning, job information and job selection is established with job discontent and job pleasure. The article explains that organizations can perform at their best when their employees are satisfied.

6. STATEMENT OF PROBLEM

In this competitive era, it is getting harder in framing and executing HR practices for ensuring increased job satisfaction and reduced job discontent amongst the employees which may cause disturbance in HR policies. To improve the employee satisfaction level of an organization one should know the HR practices that influence the employee satisfaction level so that they can focus on those areas to design HR practices.

7. RESEARCH OBJECTIVES

- To know the satisfaction levels of employees towards existing HR practices in selected organisation.
- To understand the relationship that exists between selected individual HR practice and employee satisfaction.

8. METHODOLOGY

- **Source of Data:** Primary data is collected from discussion various officials, surveys, and personal interviews and secondary data is obtained from company websites, articles and text books.
- **Sampling Technique:** Simple random technique is used.
- **Research Tool:** Spearman rank Correlation technique has been used to know the relation

between the individual HR practice and satisfaction level of an employee.

- **Scope of Study:** The study is limited to a particular organization; results may vary with change in organization so could not give whole picture about the organizations.

9. DATA ANALYSIS USING CORRELATION METHOD - EMPIRICAL ANALYSIS

Data collected in the form sample questionnaire where it covers the question related HR practices that are assumed to be influence the level of employee satisfaction which are Recruitment, Induction, Employee relations, Employee Involvement, Performance appraisal.

The scaling technique used is Likert scale which is 5-point scale ranges from strongly disagree to strongly agree or highly dissatisfied to highly satisfied. By having the collected data correlation has been made between each individual practice and employee satisfaction

level and computed and results obtained as below.

To know the relation between the selected individual HR practice and level of employee satisfaction empirical analysis has been done in which Spearman rank correlation of quantitative techniques has been used.

9.1 Reliability Test using SPSS:

Scale: ALL VARIABLES
Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.859	.857	15

Result:

Cronbach's Alpha measures reliability or internal consistency. It sees if multiple question Likert scale surveys are reliable. In

general score of 0.7 or above are acceptable. Here for the questionnaire conducted we got alpha = 0.857 which means that the internal consistency of the data is quite good.

9.2 Correlation between Recruitment and satisfaction level of employee using SPSS: GIVEN DATA:

X = Recruitment Y = Level of Satisfaction

		q1	q15
Spearman's rho	q1		
	Correlation Coefficient	1.000	.572**
	Sig. (2-tailed)	.	.000
q15	N	50	50
	Correlation Coefficient	.572**	1.000
	Sig. (2-tailed)	.000	.
N		50	50

RESULT:

Spearman rank correlation coefficient $r_s = 0.572$, $\rho = 0$, $N = 50$. $r_s = 0.572$, means the HR practice i.e. recruitment has a moderate positive association with employee satisfaction on HR practices. $\rho = 0$, implies rho value is less than .05, then researchers have evidence of a

statistically significant bivariate association between the two ordinal variables. $N = 50$ implies number of observations that were correlated equals to 50.

9.3 Correlation between Induction and satisfaction level of employee using SPSS:

GIVEN DATA:

X = Induction

Y = Level of Satisfaction

		q2	q15	
Spearman's rho	q2	Correlation Coefficient	1.000	.379**
		Sig. (2-tailed)	.	.007
		N	50	50
q15		Correlation Coefficient	.379**	1.000
		Sig. (2-tailed)	.007	.
		N	50	50

RESULT:

Spearman rank correlation coefficient $r_s = 0.379$ means the HR practice i.e. Induction

has a slightly moderate positive association with employee satisfaction on HR practices.

9.4 Correlation between Performance appraisal and satisfaction level of employee using SPSS:

GIVEN DATA:

X = Performance Appraisal

Y = Level of Satisfaction

		q4	q15	
Spearman's rho	q4	Correlation Coefficient	1.000	.731*
		Sig. (2-tailed)	.	.000
		N	50	50
q15		Correlation Coefficient	.731*	1.000
		Sig. (2-tailed)	.000	.
		N	50	50

RESULT:

Spearman rank correlation coefficient $r_s = 0.731$ means the HR practice i.e. Performance Appraisal

has a fairly strong positive association with employee satisfaction on HR practices.

9.5 Correlation between employee relations and satisfaction level of employee using SPSS:

GIVEN DATA:

X = Employee Relations

Y = Level of Satisfaction

		q6	q15	
Spearman's rho	q6	Correlation Coefficient	1.000	.504**
		Sig. (2-tailed)	.	.000
		N	50	50
q15		Correlation Coefficient	.504**	1.000
		Sig. (2-tailed)	.000	.
		N	50	50

RESULT:

Spearman rank correlation coefficient $r_s = 0.504$ means the HR practice i.e. Employee relations has

a moderate positive association with employee satisfaction on HR practices.

9.6 Correlation between Employee Involvement and satisfaction level of employee using SPSS:

GIVEN DATA:

X = Employee Involvement Y = Level of Satisfaction

		q8	q15
Spearman's rho	q8		
	Correlation Coefficient	1.000	.470**
	Sig. (2-tailed)	.	.001
q15	N	50	50
	Correlation Coefficient	.470**	1.000
	Sig. (2-tailed)	.001	.
N		50	50

RESULT:

Spearman rank correlation coefficient rs = 0.470 means the HR practice i.e. Employee relations has a fairly moderate positive association with employee satisfaction on HR practices.

10. FINDINGS

- Many employees of selected organization are satisfied with the existing HR practices in the organization.
- Many employees mentioned that the induction program conducted by the selected organization made them easily adapt to the organizational culture.
- Most of the employees agreed that they are free to express their views to their superiors and have good relationship with them.

11. SUGGESTIONS

- Organisation should ensure that there are sufficient numbers of clean and hygienic restrooms for female employees.

The organization can also conduct some employee engagement activities such as marathon, sports, group activities etc...once in a month to reduce employee stress and increase his job involvement levels.

12. CONCLUSION

From the above discussion we can conclude that HR practices that improve employee satisfaction levels are necessary for every organization to retain the talented workforce. Due to these practices both organization and employees can gain benefit. From overall study we can say that all the five HR practices selected have a positive monotonic relationship with the level of employee satisfaction from the empirical analysis (spearman rank correlation) done.

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