

HUMAN RESOURCE DEVELOPMENT (HRD) PRACTICES IN INDIAN SOFTWARE COMPANIES

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ABSTRACT

The present research investigates the differences in HRD practices in software industry in India. It is based on a survey conducted in the year 2016 which covered 134 employees working in four selected software companies namely within the territory of India. Data have been collected through questionnaires designed on a five point Likert scale. Mean, standard deviation and one way Analysis of Variance (ANOVA) have been used to measure the differences in HRD practices on the variables like quality of work life, organizational development, training and development, performance appraisal, participative management among the employees in

selected software companies. The result shows that there is a significant difference in quality of work life, performance appraisal, participative management but no significant difference exists on the variable training and development among employees in selected software companies.

KEYWORDS

HRD practices, software companies, ANOVA.

PART-1

INTRODUCTION

The term 'HRD' comprises of two words i.e. 'Human Resource' and 'Development'. 'Human resources' in a general way are the people and their characteristics at work either at the national level or organizational level and 'Development' is the acquisition of capabilities that are needed to perform the present job or the future expected job. Human Resources Development (HRD) is a framework for the expansion of human capital within an organization through the development of both the organization and the individual to achieve performance improvement. It is the process of increasing knowledge, skills, capabilities and positive work attitude and values of all people working at all levels in a business undertakings (Rao & Pereira, 1986). HRD is a continuous process to acquire or sharpen capabilities required to perform various functions associated with present and future needs of the job and develop a congenial organizational climate in which dyadic relationship and team collaborations among sub-units are strong and contribute to the professional wellbeing of employees (Aktar, Islam, & Hossen, 2012). Moreover, Human

resource development is the process of developing the human resource working in an organization by modernizing their knowledge and upgrading their skills, attitudes and perceptions in order to meet out the changing trends of the globalised economy and also to utilize those developments for the attainment of the organizational goals (Singh, 2013). It is the fundamental responsibility of HRD department to develop their manpower in a manner that could make them capable enough of handling the managerial obligations in a pervasive way and to sharpen their know-how in direction of meeting out the dynamic challenges of time (Mathivanan, 2013)

BENEFITS OF HRD

- ✱ HRD facilitates dyadic relationship.
- ✱ It facilitates job enrichment through proper training and acquisition of new skills,
- ✱ It increases the awareness among employees regarding change management.
- ✱ It provides higher quality of work life through career, job satisfaction and professional development.
- ✱ It makes people more competent and develops new skills, knowledge among people in the organization concerned.

PART-B

REVIEW OF LITERATURE

Bhatnagar & Menon (1999) in their research paper entitled “*Scaling Heights Together*” found that the survival of an organization is depend on its human resources and therefore HR policies should focus on organizational development and employee development. Moreover, the researchers found that carrer development cannot be an isolated activity and has to be supported by twin processes of training and manpower planning. It has to be strategic in nature, which requires integration of HRD efforts in career's programs, performance management processes and HR planning systems. Mufeed & Rao (2003) made an attempt in their research paper entitled “*HRD for Competitive Advantage: Innovative Practices of Grasim Industries Ltd*” through light upon the various aspects of HRD that have been practicing in the Indian organizations. The authors undertook a study in Grasim Industries (Bhiwani textiles) and found that the organization has focused on various HRD mechanisms both for managerial as well as non-managerial staff and has done a remarkable work in this direction. Solkhe & Chaudhary (2011) analyzed the relationship between HRD Climate and job satisfaction in a public sector undertaking located in North India. The study highlighted that HRD climate has a significant impact on job satisfaction which ultimately assists in enhancing the individual's performance. The authors further suggested that managers should create a congenial working environment for better results and improved performance of employees. Khan (2015) in his paper analyzed the impact of human resource policies on the performance of employees in State Bank of India. The author has taken recruitment and selection policy, training and development policy, and incentive policy as the components of HR policies and applied multiple regression as the tool to measure the impact of HR policies on the performance of employees. The study found that there is a significant impact of HR policies on the performance of employees in State Bank of India.

PART-C

Objectives, Hypotheses, and Methodology

OBJECTIVES OF THE STUDY

The purpose of the study is to examine the level of difference in HRD Practices among employees in selected software companies. The researcher has taken five variables namely quality of work life, organizational development, training and development, performance appraisal, participative management

to measure whether there any significant difference exists in selected software companies across these variables.

FOLLOWING ARE THE OBJECTIVES OF THE STUDY:

- a) To investigate the level of differences on the variable quality of work life among the employees in selected software companies.
- b) To analyze the level of differences on the variable organizational development among the employees in selected software companies.
- c) To analyze the level of differences on the variable training and development among the employees in selected software companies.
- d) To find out the level of differences on the variable performance appraisal among the employees in selected software companies.
- e) To investigate out the level of differences on the variable participative management among the employees in selected software companies.

RESEARCH QUESTION

Is there any difference in HRD practices among employees in selected software companies?

NULL HYPOTHESES OF THE STUDY

Ho1: There is no significant difference in quality of work life among employees in selected software companies.

Ho2: There is no significant difference in organizational development among employees in selected software companies.

Ho3: There is no significant difference in training and development among employees in selected software companies.

Ho4: There is no significant difference in performance appraisal among employees in selected software companies.

Ho5: There is no significant difference in participative management among employees in selected software companies.

RESEARCH METHODOLOGY

a) Universe: The universe of this study consists of all employees working in selected software organizations.

b) Size of the sample: The size of the sample is 134 respondents taken from the four selected companies.

c) Collection of Data: A well designed questionnaire set on a five point Likert-scale (5-highly satisfied to 1-highly dissatisfied) has been used for collecting data.

d) Period of study: The data have been collected since 15th February, 2016 to 30th May, 2016.

e) Statistical Tool: One Way ANOVA have been used to analyze the results through SPSS_19.

Table 1: Shows the sample size

No.	Software Companies	Questionnaires Distributed	Questionnaires Accepted/Sample Size
1	1. Tata Consultancy Services	60	38
2	2. Wipro Limited	60	36
3	3. Infosys Limited	60	27
4	4. HCL Technologies Limited	60	33
	Total	240	134

PART-D**RELIABILITY, MEAN AND STANDARD DEVIATION OF STUDY VARIABLES**

Firstly, the reliability of the collected data has been checked and the most widely used test to examine reliability is Cronbach alpha (Nunnally & Bernstein, 1994). Table 1 highlights the reliability, mean and standard deviation of all five variables taken under study. The value of Cronbach alpha of all variables is ranging from 0.8 to 0.9 and hence it can be said that the data is reliable. The table further shows the mean and standard deviation of the data. The variable quality of work life depicts the highest mean value whereas the variable participative management shows minimum mean value.

Table 1: Reliability, Mean and Standard Deviation of all variables

No.	Name of the Variable	Cronbach's Alpha(α)	Mean	Standard Deviation
1	Quality of work life	0.919	4.121	1.874
2	Organizational Development	0.851	3.975	1.255
3	Training & Development	0.971	4.075	1.574
4	Performance Appraisal	0.896	3.478	1.697
5	Participative Management	0.812	3.017	1.407
Total Number of Respondents: 134				

Table 2: Reliability of all statements

No.	Statements	Cronbach's Alpha(á)
1	The top management gives importance to human resource and treats them humanely.	0.776
2	The top management of this company goes out of its way to make sure that employees enjoy their work.	0.835
3	The top management is willing to invest a considerable part of their time and other resources to ensure the development of employees.	0.847
4	Development of human resources is considered while framing the personnel policies.	0.843
5	There is accurate job description in the organization.	0.745
6	Job rotation in your company is done to facilitate employee's development.	0.757
7	Employees are encouraged to experiment with new methods and try out creative ideas.	0.701
8	There is a good team-spirit and cooperation in the organization.	0.779
9	Promotion decisions are based on the capability of the person promoted and not on any favoritism.	0.946
10	Career and growth opportunities are pointed out to juniors by senior officers.	0.803
11	People lacking competence in doing their jobs are helped to acquire competence rather than being left unattended.	0.841
12	Specific training programs are being organized in your organization on regular basis.	0.835
13	Employees are sponsored for training on the basis of genuine training needs.	0.791
14	When an employee does good work the officers take special care in appreciating it.	0.769
15	There is a mechanism in this organization to reward good work done or any other contribution made by the employees.	0.811
16	The top management makes efforts to identify and utilize the potential of the employee.	0.739
17	Performance appraisal reports are based on objective assessment and adequate information and not on favoritism.	0.770
18	Delegation of authority is encouraged by the managers to enable the employees capable of handling higher responsibilities.	0.946
19	Weaknesses of employees are communicated to them in a non-threatening way.	0.844
20	When behaviour feedback is given to employees they take it seriously and use it for development.	0.841
21	When a problem arises in the company, it is discussed openly and tried to be solved rather than keep on accusing each other.	0.866

Source: Output of SPSS_19

Table 2 highlights the reliability of all questionnaire statements of the study. The value of cronbach alpha of all statements is ranging from 0.7 to 0.9 which shows that the data is reliable.

PART-E
HYPOTHESIS TESTING
HYPOTHESIS 1

Ho₁: There is no significant difference in quality of work life among employees in selected software companies.

One way ANOVA has been used as the statistical tool to measure the differences in quality of work life among employees in selected software companies. The null hypothesis is that there is no significant difference in quality of work life among employees while the alternate hypothesis states that there is a significant difference in quality of work life among employees in selected software companies.

Table 3: ANOVA of Quality of work life

	Sum of Squares	df	Mean Square	F	P value
Between Companies	3.637	3	1.212	0.118	0.000
Within Companies	1323.942	130	10.183		
Total	1327.580	133			

Source: Output of SPSS_19

Table 3 shows the F value is equal to 0.118 and significant value at 5% level of significance is 0.000 which is less than 0.05 therefore null hypothesis stands rejected and hence it can be said that there is a significant difference in quality of work life among employees in selected software companies.

HYPOTHESIS 2

Ho₂: There is no significant difference in organizational development among employees in selected software companies.

One way ANOVA has been used as the statistical tool to measure the differences in organizational development among employees in selected software companies. The null hypothesis is that there is no significant difference in organizational development among employees while the alternate hypothesis states that there is a significant difference in organizational development among employees in selected software companies.

Table 4 : ANOVA of Organizational Development

	Sum of Squares	df	Mean Square	F	P value
Between Companies	9.871	3	3.290	0.332	0.000
Within Companies	1286.209	130	9.893		
Total	1296.081	133			

Source: Output of SPSS_19

Table 4 shows the F value is equal to 0.332 and significant value at 5% level of significance is 0.000 which is less than 0.05 therefore it can be said that there is a significant difference in organizational development among employees in selected software companies.

HYPOTHESIS 3

Ho₃: There is no significant difference in training and development among employees in selected software companies.

One way ANOVA has been used as the statistical tool to measure the differences in training and development among employees in selected software companies. The null hypothesis is that there is no significant difference in training and development among employees while the alternate hypothesis states that there is a significant difference in training and development among employees in selected software companies.

	Sum of Squares	df	Mean Square	F	P value
Between Companies	3.590	3	1.196	0.125	0.572
Within Companies	1073.209	130	8.255		
Total	1076.799	133			

Source: Output of SPSS_19

The F value is equal to 0.125 and significant value is 0.572 which is more than 0.05 so it can be said that there is no significant difference exists in training and development among employees in selected software companies.

HYPOTHESIS 4

Ho₄: There is no significant difference in performance appraisal among employees in selected software companies.

One Way ANOVA has been used as the statistical tool to measure the differences in performance appraisal among employees in selected software companies. The null hypothesis is that there is no significant difference in performance appraisal among employees while the alternate hypothesis states that there is a significant difference in performance appraisal among employees in selected software companies.

	Sum of Squares	df	Mean Square	F	P value
Between Companies	318.086	3	106.028	21.414	0.009
Within Companies	644.371	130	4.95		
Total	962.457	133			

Source: Output of SPSS_19

Table 6 shows the results of one way ANOVA. The significant value at 5% level of confidence is 0.009 which is less than 0.05 so it can be said that there is a significant difference in performance appraisal among employees in selected software companies.

HYPOTHESIS 5

Ho₅: There is no significant difference in participative management among employees in selected software companies.

One Way ANOVA has been used as the statistical tool to measure the differences in participative management among employees in selected software companies. The null hypothesis is that there is no significant difference in participative management among employees while the alternate hypothesis states that there is a significant difference in participative management among employees in selected software companies.

	Sum of Squares	df	Mean Square	F	P value
Between Companies	58.086	3	19.333	5.531	0.002
Within Companies	454.371	130	3.495		
Total	512.457	133			

Source: Output of SPSS_19

Table 7 shows the results of ANOVA test. The significant value at 5% level of confidence is 0.002 which is less than 0.05 so null hypothesis stands rejected and hence it can be said that there is a significant difference exists in participative management among employees in selected software companies.

Table 8: Summary of Hypothesis Tested

No	HYPOTHESES	P Value	Results
1	There is no significant difference in quality of work life among employees in selected software companies.	0.000	Rejected
2	There is no significant difference in organizational development among employees in selected software companies.	0.000	Rejected
3	There is no significant difference in training and development among employees in selected software companies.	0.572	Accepted
4	There is no significant difference in performance appraisal among employees in selected software companies.	0.009	Rejected
5	There is no significant difference in participative management among employees in selected software companies.	0.002	Rejected

Source: Based on Hypotheses Tested

Table 8 shows the summary of the entire hypothesis tested to examine the differences in HRD Practices on the variables like quality of work life, training and development, performance appraisal, participative management among the employees in selected software companies. The result shows that there is a significant difference in quality of work life, training and development, participative management but no significant difference exists on the variable performance appraisal among employees in selected software companies.

SUMMARY

It is the fundamental responsibility of HRD department to develop their manpower in a manner that could make them capable enough of handling the managerial obligations in a pervasive way and to sharpen their know-how in direction of meeting out the dynamic challenges of time. The present study is based on a survey conducted in the year 2016 which covered 134 employees working in four software companies namely Tata Consultancy Services, Wipro Limited, Infosys Limited, and HCL Technologies Limited within the territory of India. Data have been collected through questionnaires designed on a five point Likert scale. Firstly, the reliability of the collected data has been checked with the application of Cronbach alpha. The value of Cronbach alpha of all variables and all questionnaire statements is ranging from 0.8 to 0.9 and hence it can be said that the data is reliable for analysis. ANOVA has been used to examine the differences in HRD Practices on the variables like quality of work life, training and development, performance appraisal, participative management among the employees in selected software companies. The result shows that there is a significant difference in quality of work life, training and development, participative management but no significant difference exists on the variable performance appraisal among employees in selected software companies.

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