

# Analyzing the Effects of HR System on Organizational Performance

Salman Hussain Shah    Muhammad Zia-ur-Rehman    Majed Rashid  
AIOU, Islamabad, Pakistan

## Abstract

It is responsible for bringing people into the Organization, helping them carry out their work, pay off them for their labors, and solving problems that arise. There are seven management functions of a human resources (HR) department that will be specifically addressed: staffing, performance appraisals, compensation and benefits, training and development, employee and labor relations, safety and health, and human resource research. The organizations should focus, promote and endorse the effective use of HR policies for the enhancement of pace of Organizational performance. The management of performance can often involve tough decisions such as choosing who to let go, who to promote and who to hire. Keeping the decision making process behind closed doors is an ethical practice that breeds the least amount of contention possible.

**Keywords:** Humana Resource Management, Organizational Performance, motivation,

## 1 Introduction

An organization is said to be as good or bad as its people. Successful organizations have competent and committed people. So an organization should develop such a system through which they can produce, develop and train highly motivated and utmost skilled personals and plan such activities to provide its members to meet current and future job demands. The activities can cover the entire period of the employee career. This system should respond to job changes, and integrate its activities to the long-term plans of the organization.

Managing Human Resources is one of the key elements in the coordination and management of work organizations. Several new technologies are used to ensure the creation and delivery of services and goods in modern economies. Whatever means are used, the role of individuals and groups as employees and the ability of management to effectively deploy such a resource is vital to interests of both employee and organization alike.

Research Questions or Problem Statement

Following is a set of investigations that need resolution and findings for the study.

### 1.1 Research Questions

1. Whether HR department boosts the overall performance of the organization which can create satisfaction of the employees with their jobs?
2. Is an HR department cause for any organization to achieve its goals and remain effective for long term Basis in Business world?

### Research Objectives

- 1) To develop such a system, which covers all the activities, related to the HR department?
- 2) To compare the performance of the organization after development and implementation of the proper HR system.
- 3) To examine that whether an HR system helps the organization to grow and move forwarded for long-term basis.

## 2. Literature Review

The existing literature is reviewed as;

### 2.1 HRM & Employee's Motivation

In the process of human resource management all activities are used for the retention, compensation and motivation of the employees of an organization. The old personnel has rigidity in all its processes while the new trend shows flexibility in all these activities and thus human resource management shows a behavior of motivation in the environment of the organization (Rao,S.P.2000). When the employees for an organization are recruited, trained and developed they are motivated in all these processes. In the same sense when the aggrieved employees are settled as a result of an effective process of grievance handling it will be a source of inspiration. Safety and health measures can also be a wide range of encouragement and motivate the people working in a safe and healthy environment (Louis T, 1987). Most important factor in the employment is the pay, compensation and reward system introduce by the management of any organization has the most attractive features in it. Employees work for money to take care of them and their families and to enhance their livelihood so it can be said that this factor is the largest part having source of motivation for the employees in any

organization.

## **2.2 HRM and Organizational Performance**

Human resource management is all about the supervision of the employees working in any organization. Every activity operating in the organization can be planned in such a way that the employees of that organization work efficiently and provide better services for the achievement of the goals of the organization (Cecil Bell 1973). They are fully management in the environment of competition provide pace to the organizational work. Every person works for the organization with full zeal and zest and of course managed and motivated employees can provide. To be successful in the automotive market, these companies needs a highly skilled, flexible and committed work force, a flexible and innovative management, the ability to retain developed talent, and a strong partnership between management and labor unions. To achieve these goals, the company needs a talented HR department (Wright P. & Snel, S.1991). Besides hiring the right people to manage and perform specific jobs, HR managers have to build up commitment and loyalty among the workforce by keeping them up to date about company plans, and laying out the implications for job security and working conditions.

## **2.3 HRM & Goals Achievement**

Human Resource Management has brought to the fore a concern for maximizing the potential of employees. In the past, the HR function served only the interests of management. Today, some HR departments are close to the other end of the spectrum where they are concerned only with employee welfare. The general wisdom is that HRM should help balance the interests of the employees with those of the organization HR system plays a vital role for the success of any organization if its policies are implemented effectively (Welson R. 1990.). Humans are key assists of any organization that run the organization elegantly when they are fully motivated through planned HR policies. Therefore, we can say that human resource department is the heart of any organization and much can be done through effective use of HR policies for the betterment of the whole organization. The successful organization have familiar with the importance of human resource; they are a important factor in to management's strategic decisions, which guide the organization in its future procedures. Enterprises stay alive because of human resource's work and the ideas they generate (Spors 2007). HRM benefits the organization in every aspect. Fully trained, motivated and managed employees can prove their competence that results higher production and organization can achieve its goals. If human resources are acquired, retained, developed and motivated then the goals of any Organization can be achieved and there will be higher level of work efficiency and improve output in the every field of the organization.

## **3. Research Methodology**

### **3.1 Methodology**

First of all previous researches are summarized through content analysis. Then the current Research was conducted by using a questionnaire based on Likert scale. The questionnaire was personally distributed to all of employees working at Lahore head office and was mailed to the employees working in other branches out of Lahore city. The results received were summarized by using Mstat programme, by applying simple formulae of mean and standard deviation.

### **3.2 Subjects**

Since our target population was purely government institution with minimum levels of hierarchy, so the sample can be classified in Executives and non Executives. Sections of the office are four, News Electronic media, Accounts section, Administration section & Technical Section. The data were collected from all of the six departments. Executives completed their questionnaire themselves and were also requested to help in the understanding of questions to the non- Executives. The Executives helped them in filling the questionnaire. But the focus was given on Executives to get proper results in the research. Participation in the research was voluntary and employees were assured of confidentiality in the data analysis. To complete this process, the questionnaires were mailed to respondents working at different sections of Head Office & Regional Offices out of the Lahore city. The responses were collected in the same way through mail. Un-complete questionnaires were again mailed with a request letter to complete the questionnaire and got complete responses to get proper results.

This research activity was a multi-method based. Previous research on this construct was also summarized through content analysis. The construct of the impact of the effects of HR system on organizational performance was measured through a questionnaire based research in a selected government institution that is Directorate General Public Relations, Government of the Punjab, Lahore.

For past perspective (i.e. to summarize previous research) Qualitative (content analysis), and for current perspective Quantitative (questionnaire Based) research was done.

### **3.3 Content Analysis of Qualitative Research:**

The effects of HR system on organizational performance are a famous topic, which has also been previously researched, so we can conduct content analysis of the effects of HR system on organizational performance. The construct of the effects of HR system is purely defined in terms of the selected organization, so we cannot find extensive researches about effects of HR system. Hence content analysis will be limited to the available researches. Previous quantitative findings about the effects of HR system will be summarized to get government Institution score by using the research technique of content analysis.

### **3.4 Procedures**

The total population of the organization is 350 employees; seventy of them are below matriculation. Therefore they are ignored during research. Hundred people out of the remaining total population are considered our sample. Then the population is segregated into two groups, Executives and non-Executives which will be used during information collection based on questionnaire. The researcher then used the descriptive method to obtain information using the questionnaire as the source of the information.

### **3.5 Data Treatment**

Data was collected from the questionnaire based on liker Scale i.e. The effects of HR system on organizational performance being perceived by the respondents from the attached questionnaire. Data analyzed by using MSTAT to apply specific formulae and find mean, standard deviation and variance etc.

### **3.6 Population**

Overall 100 questionnaires were distributed and researcher was able to retrieve 86 questionnaires, and success rate was 86%. Some of the people were not willing to answer, some were unable to understand. In this regard, help was taken from the Executives to make understandability to the non-Executives. This success shows that the responses received from the respondents were complete, valid and understandable for the respondents and they were able to answer it accurately.

### **3.7 Sample**

The questionnaire-based research covered Executives and Non Executives of employees serving in different branches in the selected organization. The perceived sample was consisted of around 100 employees of target population.

### **3.8 Instrumentation**

Questionnaire consisted of three pages comprised of 27 questions based on Likert Scale. These questions comprise different dependant and independent variables and their effects on HR techniques.

### **3.9 Research Tools and Instruments**

The data were classified in accordance with research variables and arranged as well as organized respective calculations in line with the sequence presented in the research questions. Data ere analyzed by using Microsoft Excel. The following statistical formulas were applied to make the interpretation of data even more comprehensive:

### **3.10 Percentile**

This method is employed to present the relation of the part to a whole. In the study in hand, it was used for data presentation on the profile, and on the problems that were faced. The formula for percentage calculations is as under:

$$p = \frac{f}{n} * 100$$

Where

P = Computed percentage

f = Frequency of the scores

n = Number of respondents

### **3.11 Arithmetic Mean**

This is a measure of central tendency, which was used by the researcher to determine the respondents' perceptions of work-related stress.

$$\bar{x} = \frac{\sum x}{n}$$

Where:

$\bar{x}$  = Arithmetic mean

$\sum$  = Symbol of summation

$x$  = Scale value

$n$  = No. of observations

### 3.12 Standard Deviation

Standard Deviation was used as a measure of variance. This modulus operandi was used by the researcher to examine the variation in the results that could possibly be due to differences in the population. The formula used for this measure is as under:

$$\sigma = \sqrt{\frac{\sum (\bar{x} - x)^2}{N}}$$

Where:

$\sum$  = Symbol of summation

$\sigma$  = Symbol of Standard Deviation

$\bar{x}$  = Mean value

$X$  = Scale value

$N$  = Total number of observations

## 4 Data Presentation, analysis & Interpretation

The research was made to find effects of HR System on Organizational Performance which is the strategic and coherent approach to the management of an Organization's most valued assets - the people working there who individually and collectively contribute to the achievement of the objectives of the business. The terms "human resource management" and "human resources" (HR) have largely replaced the term "personnel management" as a description of the processes involved in managing people in Organizations. In simple sense, HRM means employing people, developing their resources, utilizing, maintaining and compensating their services in tune with the job and Organizational requirement. Synonyms such as personnel management are often used in a more restricted sense to describe activities that are necessary in the recruiting of a workforce, providing its members with payroll and benefits, and administrating their work-life needs.

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

The objective of planning for HR system is to help an Organization to meet strategic goals by attracting, and maintaining employees and also to manage them effectively. The key word here perhaps is "fit", i.e. a HRM approach seeks to ensure a fit between the management of an Organization's employees, and the overall strategic direction of the company.

However, many HR functions these days struggle to get beyond the roles of administration and employee champion, and are seen rather as reactive as strategically proactive partners for the top management. In addition, HR Organizations also have the difficulty in proving how their activities and processes add value to the company. Only in the recent years HR scholars and HR professionals are focusing to develop models that can measure if HR adds value.

Different questions related to Human relations and business, HRM & Organizational Performance, Role of HR System, Benefits of HRM, Organization without HRM, HRM Heart of Organisation, Training &

Development, Recruitment & Selection, Effective Selection & Organizational Performance, Training & Employee's Professional Carrier, Investment on Training, Schedule for Training, HR Department & Strategic Decision Making, Orientation & Satisfaction of Employees, Orientation Reduces Employee Turnover, Reward Mechanism, Salary Increment & Promotion, HR Departments & Employees performance, Effective HR System, Grievance Handling Procedure, Purpose of Discipline, Effective Disciplinary Process, Employees Safety, Job Analysis, Performance Appraisal, Organizational Development, Downsizing were analysed and presented the information.

**Departmental Distribution**

**Frequency Table**

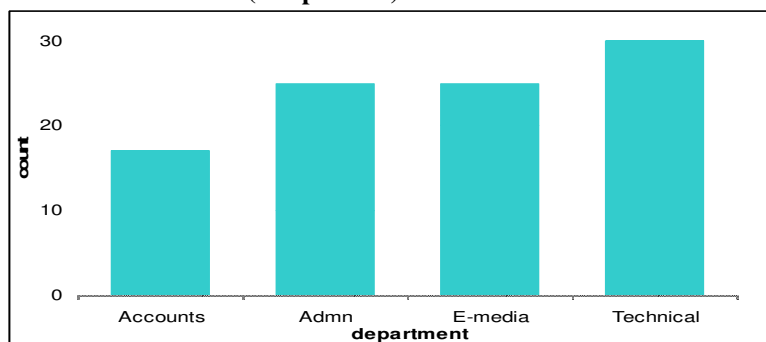
**Department (Table 4.1A)**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Accounts	17	19.8	19.8	19.8
Admin	21	24.4	24.4	44.2
E. Media	21	24.4	24.4	68.6
Technical	27	31.4	31.4	100.0
Total	86	100.0	100.0	

**Descriptive Statistics (Table 4.1 B)**

	N	Minimum	Maximum	Mean	Std. Deviation
Department	86	1	4	2.67	1.121
Valid N (listwise)	86				

**(Graph 4.1C)**



These tables and graph show that the research respondents were 86 in total. From 86, 17 respondents belong to the Accounts department, 21 respondents from Admin department, 21 from E-media department and 27 belong from Technical department. Therefore all the departments are given a valid percentage. Therefore the results are totally represents an average of the views of people belonging to the every department. The results have a mean average of 2.67 with a standard deviation of 1.121.

### Experience Wise Distribution

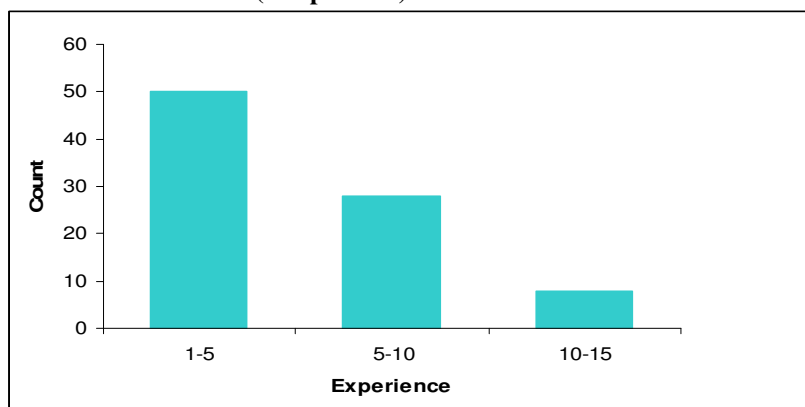
**Experience (Table 4.2A)**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1-5	51	59.3	59.3	59.3
5-10	27	31.4	31.4	90.7
10-15	8	9.3	9.3	100.0
Total	86	100.0	100.0	

**Descriptive Statistics (Table 4.2B)**

	N	Minimum	Maximum	Mean	Std. Deviation
Experience	86	1	3	1.50	.664
Valid N (listwise)	86				

**(Graph 4.2C)**



These figures represent the average experience of the people who were the respondent. Definitely the work experience of 1-5 years experience person is greater. This is very good in the sense that they are young and energetic and wants to make a place in the market. They want to stay in the organization. Therefore they can very good give us the details how they will be retained. What are the policies of the organization, which are good for the employees and vice versa? The results show average mean of 1.5 and a standard deviation of .664

### Age Wise Distribution

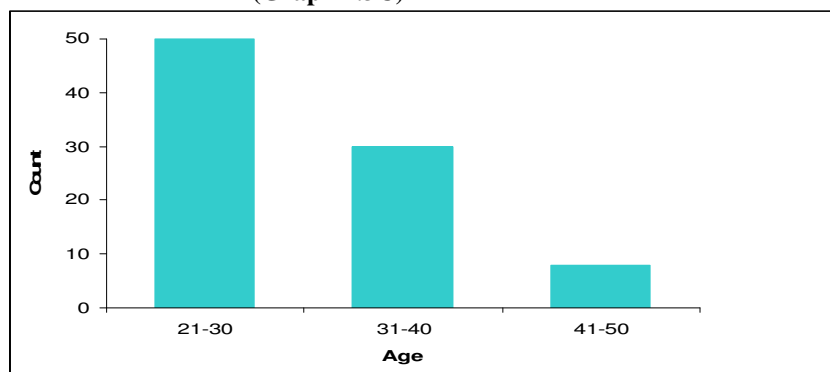
**Age (Table 4.3A)**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 21-30	48	55.8	55.8	55.8
31-40	30	34.9	34.9	90.7
41-50	8	9.3	9.3	100.0
Total	86	100.0	100.0	

**Descriptive Statistics (Table 4.3B)**

	N	Minimum	Maximum	Mean	Std. Deviation
Age	86	1	3	1.53	.663
Valid N (listwise)	86				

(Graph 4.3C)



This table represents the frequency distribution of age of respondents. People from the age of in between 21-30 are more than 50 %, Therefore young and energetic people are greater in the organization. They can shape the profit of the organization, but if they are retained. Therefore the researcher is trying to find from them what is the thing that will inspire them to stay with the organization. The results show an average mean of 1.53 and a standard deviation of .663.

**Gender Wise Distribution:**

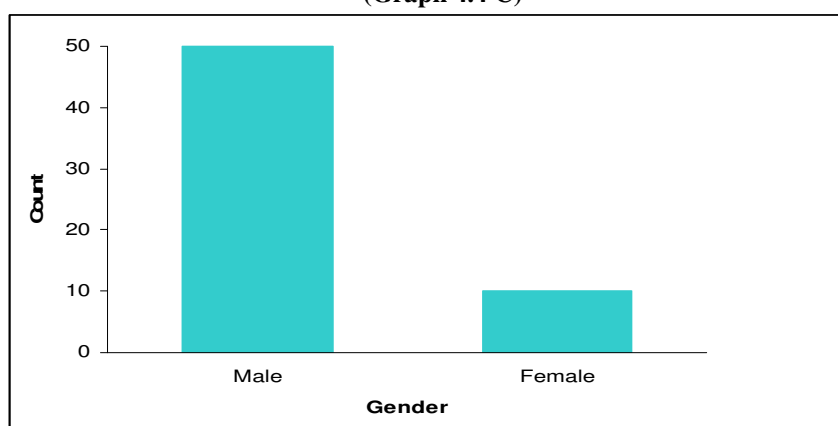
**Gender (Table 4.4A)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	73	84.9	84.9	84.9
	Female	13	15.1	15.1	100.0
	Total	86	100.0	100.0	

**Descriptive Statistics (Table 4.4B)**

	N	Minimum	Maximum	Mean	Std. Deviation
Gender	86	1	2	1.15	.360
Valid N (listwise)	86				

(Graph 4.4 C)



These figures represent the frequency distribution of gender. Definitely the male respondents are greater in quantity, and as the researcher also belongs from male segment, Therefore the biasness towards gender will be present in the results, which show an average mean of 1.15 and standard deviation of .36.

**Business & Human Relations:**

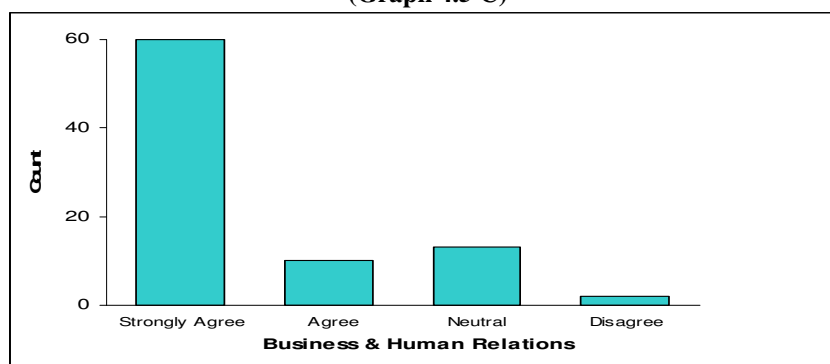
**Human Relations (Table 4.5A)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	62	72.1	72.1	72.1
	Agree	9	10.5	10.5	82.6
	Neutral	13	15.1	15.1	97.7
	Disagree	2	2.3	2.3	100.0
	Total	86	100.0	100.0	

**Descriptive Statistics (Table 4.5B)**

	N	Minimum	Maximum	Mean	Std. Deviation
Business & HRM	86	1	4	1.48	.836
Valid N (listwise)	86				

**(Graph 4.5 C)**



This table represents the responses of the respondents about the Business & Human relations. If we see the results then we will come to know that 62 %, means more than 50% strongly agree that there should be a well defined relationship between the Business and Human relations. Therefore my organization has a strong relationship between Business and Human relations. The results show an average mean of 1.48 and a standard deviation of .836.

**HRM & Organizational Performance (Table 4.6A)**

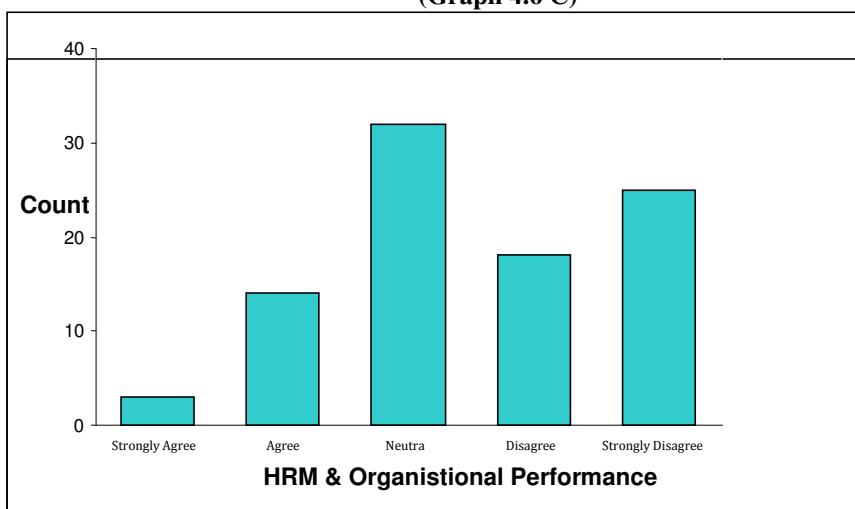
<b>Organizational Performance</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	2	2.3	2.3	2.3
	Agree	12	14.0	14.0	16.3
	Neutral	32	37.2	37.2	53.5
	Disagree	17	19.8	19.8	73.3
	Strongly Disagree	23	26.7	26.7	100.0
	Total	86	100.0	100.0	

**Descriptive Statistics (Table 4.6 B)**

	N	Minimum	Maximum	Mean	Std. Deviation
HRM & Org. Performance	86	1	5	3.55	1.102
Valid N (listwise)	86				



(Graph 4.6 C)



These figures represent the responses about HRM & Organizational growth of the employees. Everyone thinks that HRM plays a vital role in Organizational performance. But if we see the results of the research, we will come to know that only two respondents strongly agree with this argument. While others not, thus HRM is not important for Organizational growth. Therefore what is the important? Let us know about the other results. The results show an average mean of 3.55 and a standard deviation of 1.102.

**Role of HR System:**

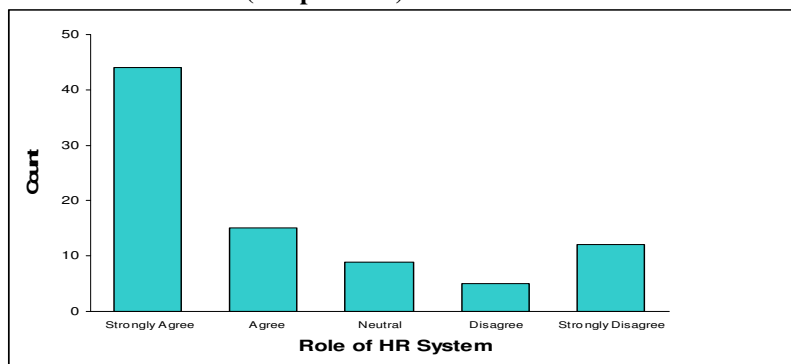
**HR Role (Table 4.7A)**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	45	52.3	52.3	52.3
Agree	15	17.4	17.4	69.8
Neutral	9	10.5	10.5	80.2
Disagree	5	5.8	5.8	86.0
Strongly Disagree	12	14.0	14.0	100.0
Total	86	100.0	100.0	

**Descriptive Statistics (Table 4.7B)**

	N	Minimum	Maximum	Mean	Std. Deviation
HRM Role	86	1	5	2.12	1.459
Valid N (listwise)	86				

(Graph 4.7 C)

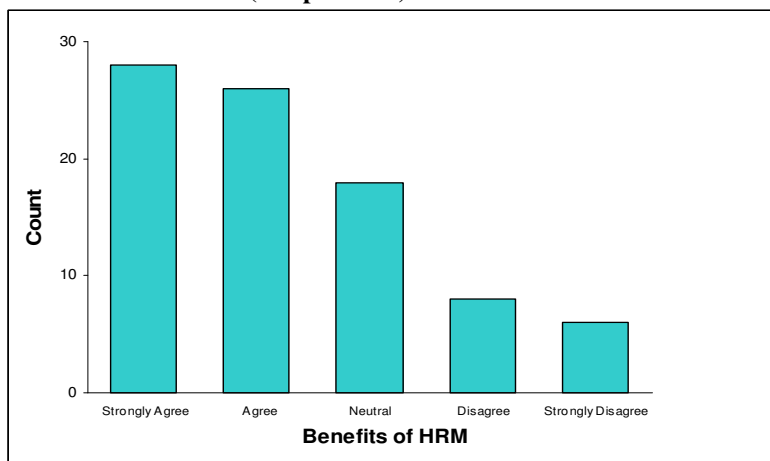


The figures show about the responses about role of HR system in Organsitional performance Majority of the respondents give their opinion that their should be a well defined HRM system for the management of the employees of any organization. People do work well for the better productivity and success if their HR system is effective. The results show an average mean of 2.12 and a standard deviation of 1.459.

Benefits Benefits of HRM: (Table 4.8A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	29	33.7	33.7	33.7
	Agree	27	31.4	31.4	65.1
	Neutral	17	19.8	19.8	84.9
	Disagree	7	8.1	8.1	93.0
	Strongly Disagree	6	7.0	7.0	100.0
	Total	86	100.0	100.0	

Descriptive Statistics(Table 4.8B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Benefits of HRM	86	1	5	2.23	1.205
Valid N (listwise)	86				

(Graph 4.8 C)



This table shows that a proper system of HR for the employees is very necessary for the business prospect, if the employees of any business are properly managed through HR policies they will make their best efforts for the development of the business and the business will definitely grow better as the results of the respondents tell us about this regard, that is more than 50% respondents agree about it. The results show an average mean of 2.23 and a standard deviation of 1.205.

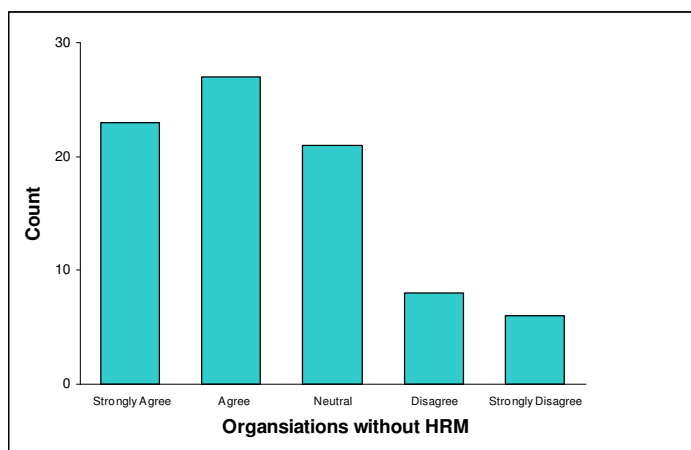
**Organizations without HRM:**

Organizations without HRM(Table 4.9A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	23	26.7	26.7	26.7
	Agree	26	30.2	30.2	57.0
	Neutral	21	24.4	24.4	81.4
	Disagree	9	10.5	10.5	91.9
	Strongly Disagree	7	8.1	8.1	100.0
Total		86	100.0	100.0	

**Descriptive Statistics(Table 4.9 B)**

	N	Minimum	Maximum	Mean	Std. Deviation
Organization without HRM	86	1	5	2.43	1.223
Valid N (listwise)	86				

**(Graph 4.9 C)**



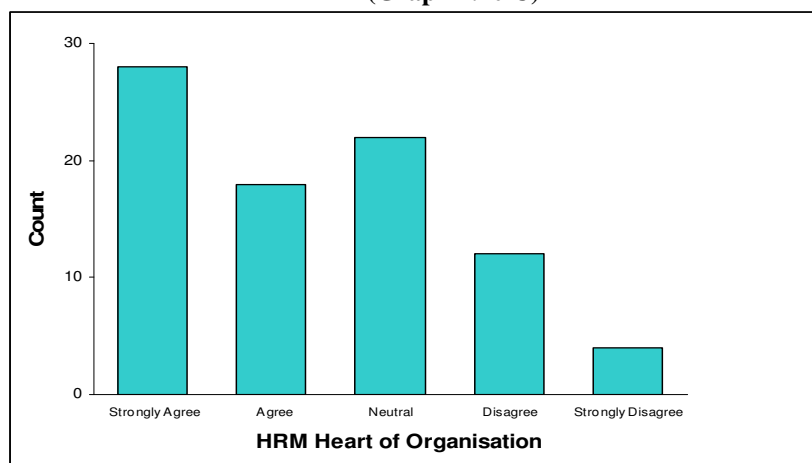
Growth of the Organization is very difficult without the use of HR policy and most of the respondents are agreed with the statement. Every one works for the better future if he is well managed through a well defined system of HR, so every employee will stick to the Organization. Therefore, the organizations of today focus on the management of the employees and if the rigid personal policies of the past are followed then there should be many hurdles and problems for the improvement in Organizations. The results show an average mean of 2.43 and a standard deviation of 1.223.

**HRM, Heart of Organization:**

		Frequency	Percent	Valid Percent	Cmlt. Percent
Valid	Strongly Agree	28	32.6	33.3	33.3
	Agree	19	22.1	22.6	56.0
	Neutral	21	24.4	25.0	81.0
	Disagree	12	14.0	14.3	95.2
	St. Disagree	4	4.7	4.8	100.0
	Total	86	100.0	100.0	

	N	Minimum	Maximum	Mean	Std. Deviation
HRM Heart of Org.	86	1	5	2.35	1.217
Valid N (listwise)	86				

**(Graph 4.10 C)**



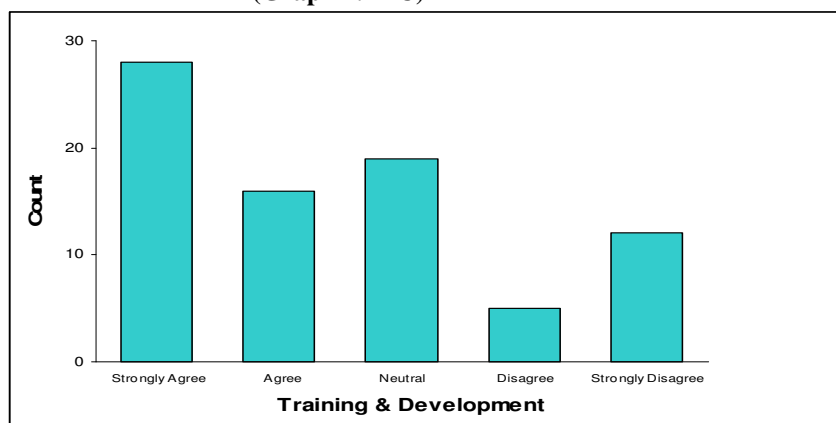
These diagrams represent the responses of employees that almost all the employees of the organisations are trained, managed and polished through the effective system of HRM and such motivated employees work for the well being of their Organization and country. Some employees were focusing on this point and some were opposing this point. The results show an average mean of 2.35 and a standard deviation of 1.217.

**Training & Development:**

<b>Training &amp; Development: (Table 4.11A)</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	27	31.4	35.1	35.1
	Agree	15	17.4	19.5	54.5
	Neutral	18	20.9	23.4	77.9
	Disagree	5	5.8	6.5	84.4
	Strongly Disagree	12	14.0	15.6	100.0
	Total	77	89.5	100.0	
Missing	System	9	10.5		
Total		86	100.0		

<b>Descriptive Statistics (Table 4.11 B)</b>					
	N	Minimum	Maximum	Mean	Std. Deviation
Training & Development	77	1	5	2.48	1.429
Valid N (listwise)	77				

**(Graph 4.11 C)**



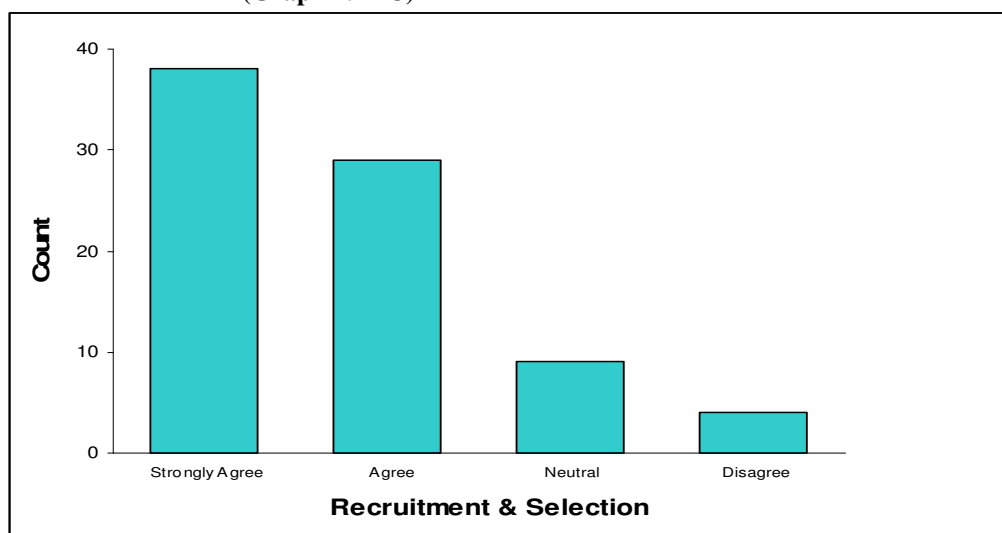
These depictions show that technological developments and Organizational change have gradually led some employees to the realization that success realize on the skills and abilities of their employees. And this means considerable and continuous investment in training and development programs. But some remain neutral and some give no response in this regard which shows that some thing like fifty 50 percent response was present in this regard. The result shows an average mean of 2.48 and a standard deviation of 1.429.

**Recruitment & Selection:**

Recruitment & Selection: (Table 4.12 A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	39	45.3	47.0	47.0
	Agree	29	33.7	34.9	81.9
	Neutral	10	11.6	12.0	94.0
	Disagree	5	5.8	6.0	100.0
	Total	83	96.5	100.0	
Missing	System	3	3.5		
Total		86	100.0		

Descriptive Statistics (Table 4.12 B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Recruitment & Selection	83	1	4	1.77	.888
Valid N (listwise)	83				

(Graph 4.12 C)



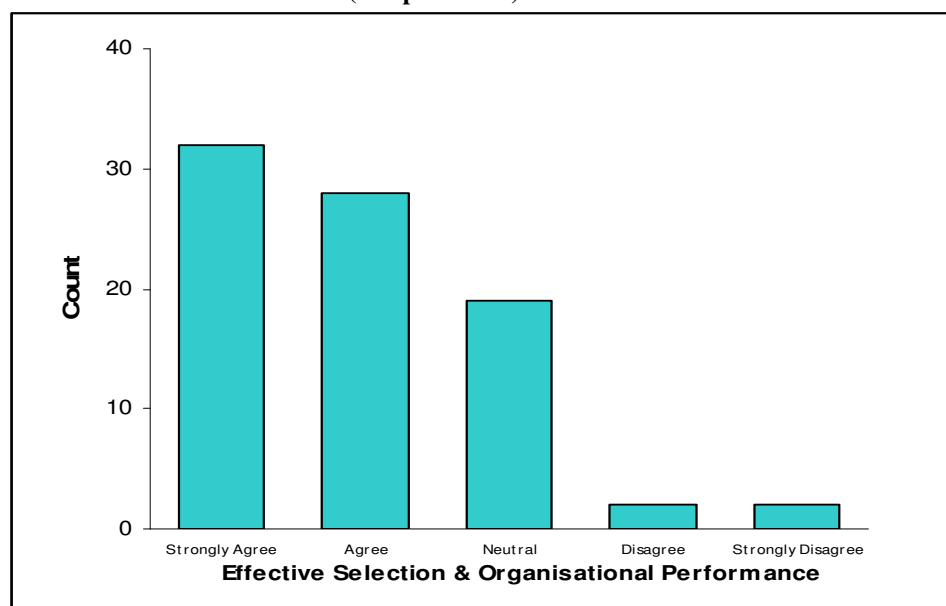
Effective process of recruitment and selection of the employees can be a successful tool for the betterment of any organization. The right people on the right work places can generate better results as compare to irrelevant persons doing that jobs. Therefore it is a best point for the well being of the employees and growth of the business. The results show an average mean of 1.77 and a standard deviation of .888.

**Effective Selection & Organizational Performance:**

Effective Selection (Table 4.13 A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	32	37.2	38.6	38.6
	Agree	30	34.9	36.1	74.7
	Neutral	17	19.8	20.5	95.2
	Disagree	2	2.3	2.4	97.6
	Strongly Disagree	2	2.3	2.4	100.0
	Total	83	96.5	100.0	
Missing	System	3	3.5		
Total		86	100.0		

Descriptive Statistics (Table 4.13 B)					
	N	Minimum	Maximum	Mean	Std. Deviation
<b>Effective Selection</b>	83	1	5	1.94	.954
Valid N (listwise)	83				

(Graph 4.13 C)



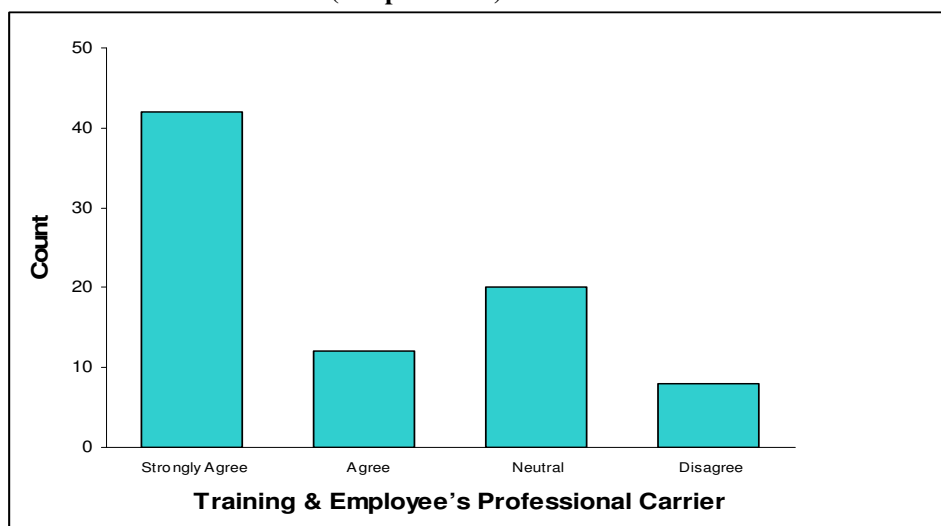
The effective methods of selection not only provide more information about the candidates but information that is relevant, useful and comparable between candidates. And this whole process can bring fruitful results for the organisational performance. Majority of the employees agree with this point of view which is shown from the table that more than 70% of the employees are in the favor of the effective process of selection. The results show an average mean of 1.94 and a standard deviation of .954.

**Training & Employee’s Professional Carrier:**

Training & Employee(Table 4.14A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	42	48.8	51.9	51.9
	Agree	12	14.0	14.8	66.7
	Neutral	21	24.4	25.9	92.6
	Strongly Disagree	6	7.0	7.4	100.0
	Total	81	94.2	100.0	
Missing	System	5	5.8		
Total		86	100.0		

Descriptive Statistics(Table 4.14 B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Training & Professional Carrier	81	1	5	1.96	1.209
Valid N (listwise)	81				

**(Graph 4.14 C)**



New employees are in some respect, like other raw materials –they have to be processed to become able to perform the task of their job adequately and to fit into their work group and into the Organization as a whole. Majority of the employees like it but 21 respondents were neutral and 5 respondents remain silent in this regard which shows that it is important but for some respondents it is not. The results show an average mean of 1.96 and a standard deviation of 1.209.

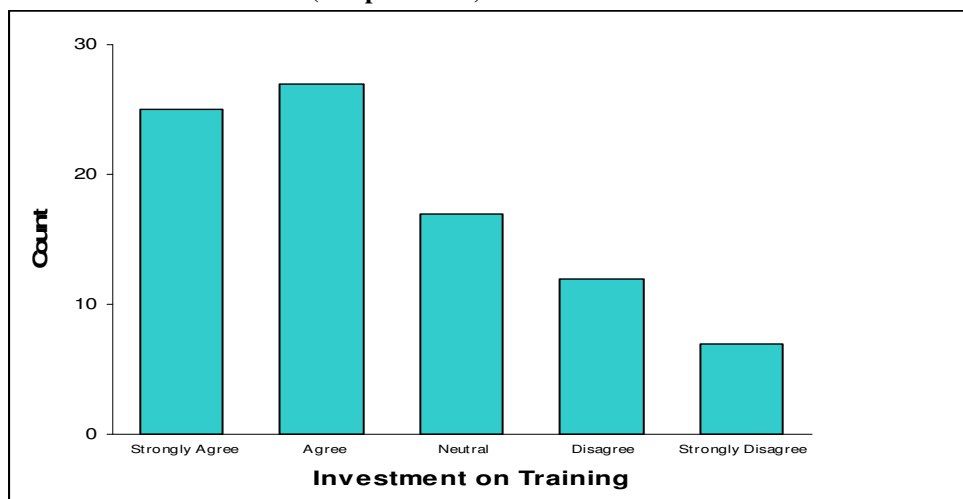


**Investment on Training:**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	25	29.1	29.1	29.1
	Agree	26	30.2	30.2	59.3
	Neutral	17	19.8	19.8	79.1
	Disagree	11	12.8	12.8	91.9
	Strongly Disagree	7	8.1	8.1	100.0
	Total	86	100.0	100.0	

	N	Minimum	Maximum	Mean	Std. Deviation
Investment on Training	86	1	5	2.41	1.259
Valid N (listwise)	86				

**(Graph 4.15 C)**



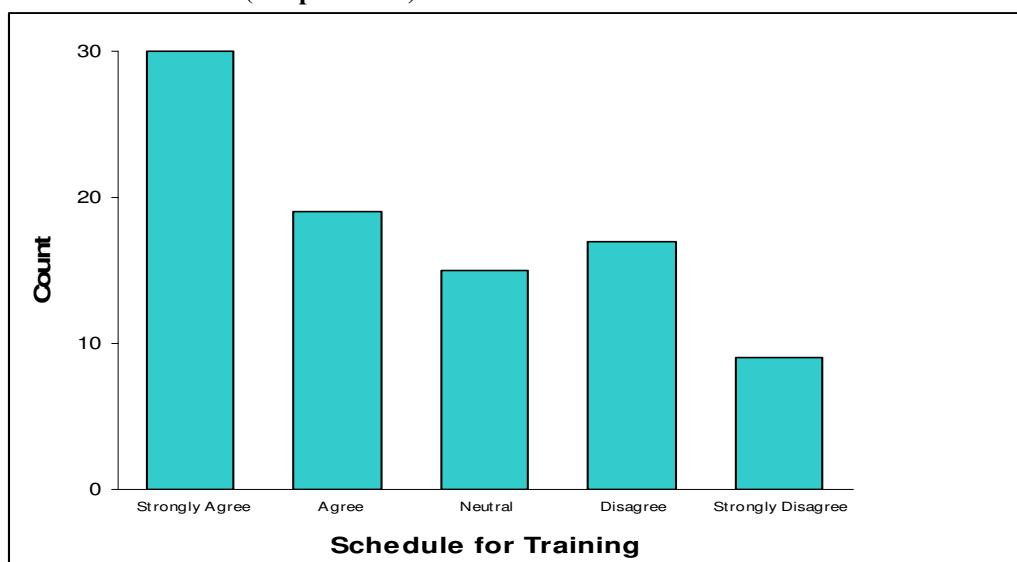
A careful use of training method can be very cost effective instrument; however it has often been found that organisations usually used inappropriate methods which can be both costly and time wasting and bring very little improvement in the performance of employees. Therefore most of the respondents are willing in this regard and give their vote that organizational culture should support the employee. If the employee is satisfied with the organizational culture he will stay longer with the organization. The results show an average mean of 2.41 and a standard deviation of 1.259.

**Schedule for Training:**

Schedule(Table 4.16 A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	30	34.9	34.9	34.9
	Agree	18	20.9	20.9	55.8
	Neutral	14	16.3	16.3	72.1
	Disagree	15	17.4	17.4	89.5
	Strongly Disagree	9	10.5	10.5	100.0
	Total	86	100.0	100.0	

Descriptive Statistics(Table 4.16 B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Training Schedule	86	1	5	2.48	1.395
Valid N (listwise)	86				

(Graph 4.16 C)



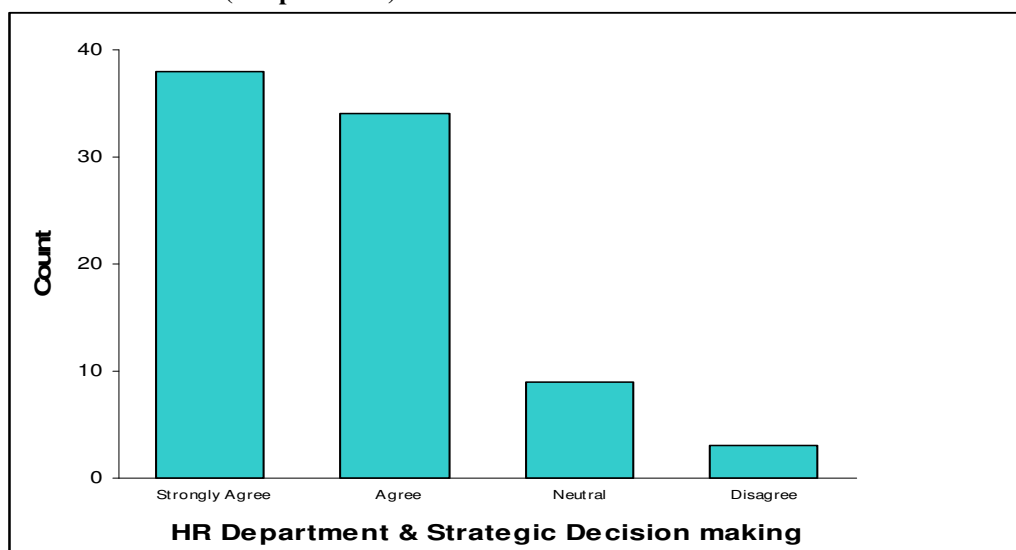
This table shows that almost all the organisations have proper schedule for employees training programs. They believe that employees are trained by these programs and work more efficiently and produce better results for the organisation. The results show an average mean of 2.48 and a standard deviation of 1.395.

**HR Department & Strategic Decision making:**

Strategic Decision making: (Table 4.17 A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	37	43.0	45.7	45.7
	Agree	31	36.0	38.3	84.0
	Neutral	10	11.6	12.3	96.3
	Disagree	3	3.5	3.7	100.0
	Total	81	94.2	100.0	
Missing	System	5	5.8		
Total		86	100.0		

Descriptive Statistics (Table 4.17 B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Strategic Decision Making	81	1	4	1.74	.818
Valid N (listwise)	81				

(Graph 4.17 C)



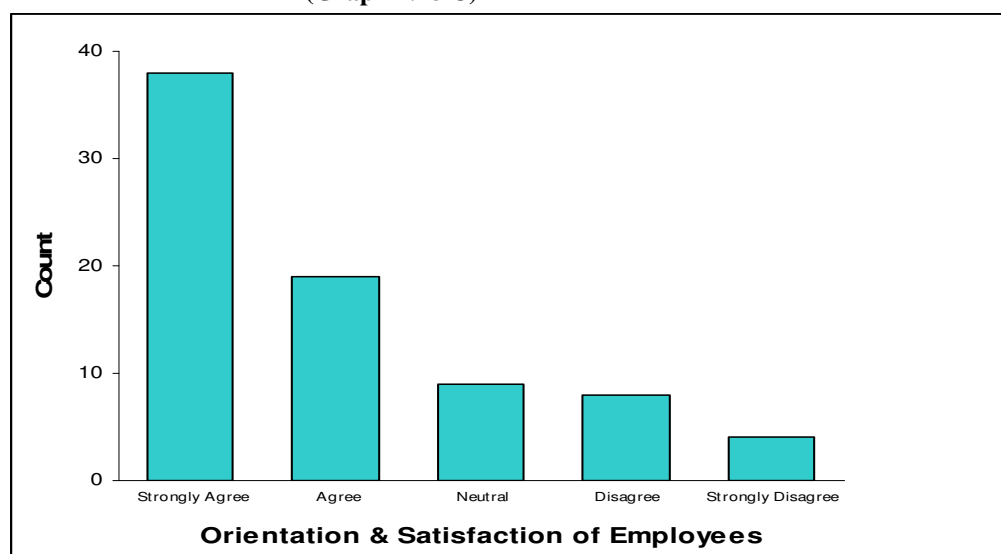
The rationale of strategic decision making rests on the perceived advantage of having an agreed and understood basis for developing approaches to manage people in the long term in an organisation. It also contains the belief that declarations of intent in human resource management should be integrated with the needs of both the Organization and the people in it. Many people agreed with this statement during the survey. The results show an average mean of 1.74 and a standard deviation of .818.

**Orientation & Satisfaction of Employees:**

Satisfaction of Employees(Table 4.18A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	38	44.2	46.9	46.9
	Agree	19	22.1	23.5	70.4
	Neutral	10	11.6	12.3	82.7
	Disagree	9	10.5	11.1	93.8
	Strongly Disagree	5	5.8	6.2	100.0
	Total	81	94.2	100.0	
Missing	System	5	5.8		
Total		86	100.0		

Descriptive Statistics(Table 4.18 B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Orientation	81	1	5	2.06	1.268
Valid N (listwise)	81				

**(Graph 4.18 C)**



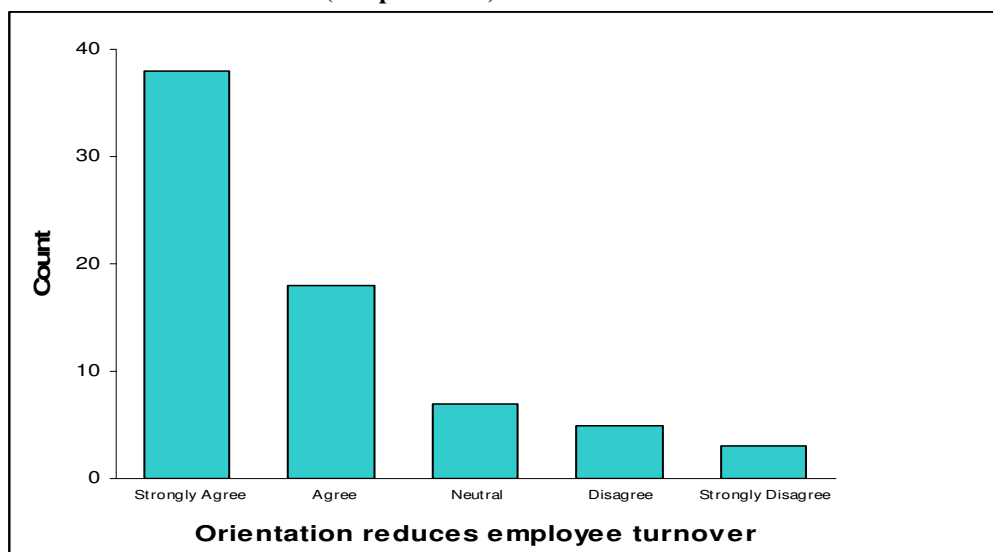
Valuable and useful process of orientation reduces the start up costs for the new employees, reduces the amount of anxiety and hazing new employee’s experiences and also reduce employees turnover rates. All these things provide high level of satisfaction for new employees. The results of the respondents show an average mean of 2.06 with a standard deviation of 1.268.

**Orientation Reduces Employee Turnover:**

<b>Employee Turnover: (Table 4.19 A)</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	39	45.3	48.8	48.8
	Agree	25	29.1	31.2	80.0
	Neutral	8	9.3	10.0	90.0
	Disagree	5	5.8	6.2	96.2
	Strongly Disagree	3	3.5	3.8	100.0
	Total		80	93.0	100.0
Missing	System	6	7.0		
Total		86	100.0		

<b>Descriptive Statistics (Table 4.19 B)</b>					
	N	Minimum	Maximum	Mean	Std. Deviation
Employee Turnover	80	1	5	1.85	1.080
Valid N (listwise)	80				

**(Graph 4.19 C)**

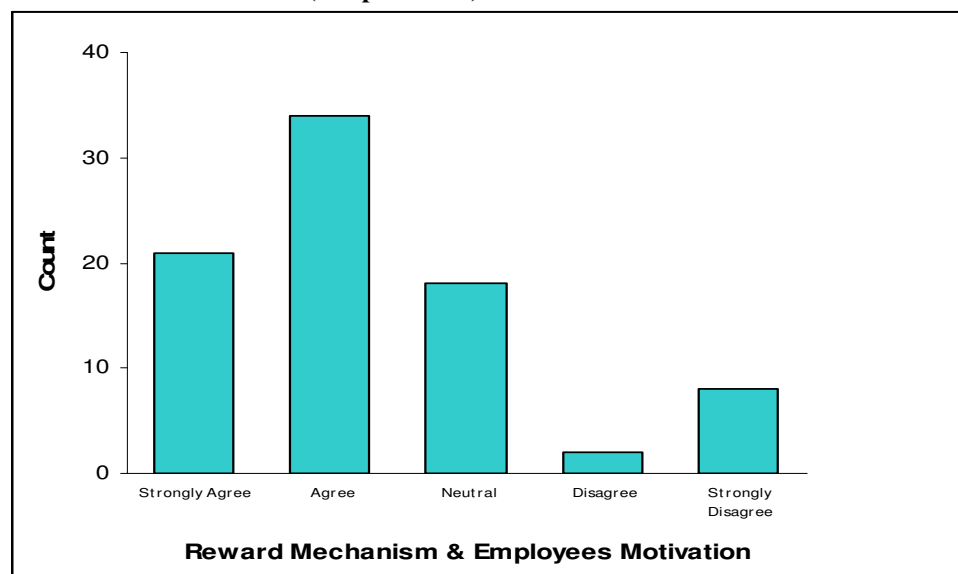


Organizations having a success and proper orientation process have low turnover rate of the employees. As compare to the other organisations who have not proper orientation process, people leave such organisations frequently. The results show an average mean of 1.85 with a standard deviation of 1.080.

### Reward Mechanism & Employees Motivation

Reward Mechanism (Table 4.20 A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	21	24.4	25.3	25.3
	Agree	34	39.5	41.0	66.3
	Neutral	17	19.8	20.5	86.7
	Disagree	2	2.3	2.4	89.2
	Strongly Disagree	9	10.5	10.8	100.0
	Total	83	96.5	100.0	
Missing	System	3	3.5		
Total		86	100.0		
Descriptive Statistics (Table 4.20 B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Reward & Motivation	83	1	5	2.33	1.201
Valid N (listwise)	83				

(Graph 4.20 C)



Reward Mechanism plays a very vital role for the encouragement & motivation of the employees of an organization. Better reward mechanism encourages employees for hard work and competition and it results better productivity and improvement in employee's performance. Large amount of people is agreed with this opinion. The results show an average mean of 2.33 with a standard deviation of 1.201.

### Salary Increments & Promotions

Increments & Promotions (Table 4.21 A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	43	50.0	50.0	50.0
	Agree	14	16.3	16.3	66.3
	Neutral	8	9.3	9.3	75.6
	Disagree	12	14.0	14.0	89.5
	Strongly Disagree	9	10.5	10.5	100.0
	Total	86	100.0	100.0	

### Descriptive Statistics (Table 4.21 B)

	N	Minimum	Maximum	Mean	Std. Deviation
Increments & Promotions	86	1	5	2.19	1.443
Valid N (listwise)	86				

(Graph 4.21 C)



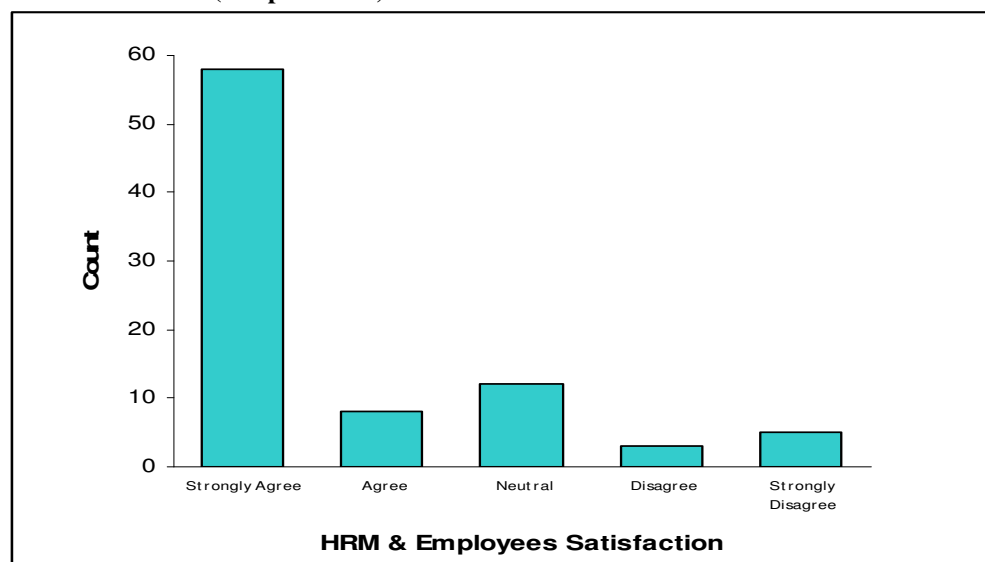
The process of basic salary increments & promotions is different in different Organization. Government & Private sectors have entirely different methods and systems for salary increments and promotions of the employees. During the survey most of the respondents are agreed from this phenomena. The results show an average mean of 2.19 with a standard deviation of 1.443.

### HRM & Employees Satisfaction

Employees Satisfaction (Table 4.22 A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	58	67.4	67.4	67.4
	Agree	8	9.3	9.3	76.7
	Neutral	12	14.0	14.0	90.7
	Disagree	3	3.5	3.5	94.2
	Strongly Disagree	5	5.8	5.8	100.0
	Total	86	100.0	100.0	

Descriptive Statistics (Table 4.22 B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Employees Satisfaction	86	1	5	1.71	1.187
Valid N (listwise)	86				

(Graph 4.22 C)



Large number of Survey respondents reflected that performance of the employees of any Organization is directly related to effective HR department's policies implemented by HR personnel's. Employees work in managed and gentle manners to run their activities for the good of Organization. The results show an average mean of 1.71 and a standard deviation of 1.187.

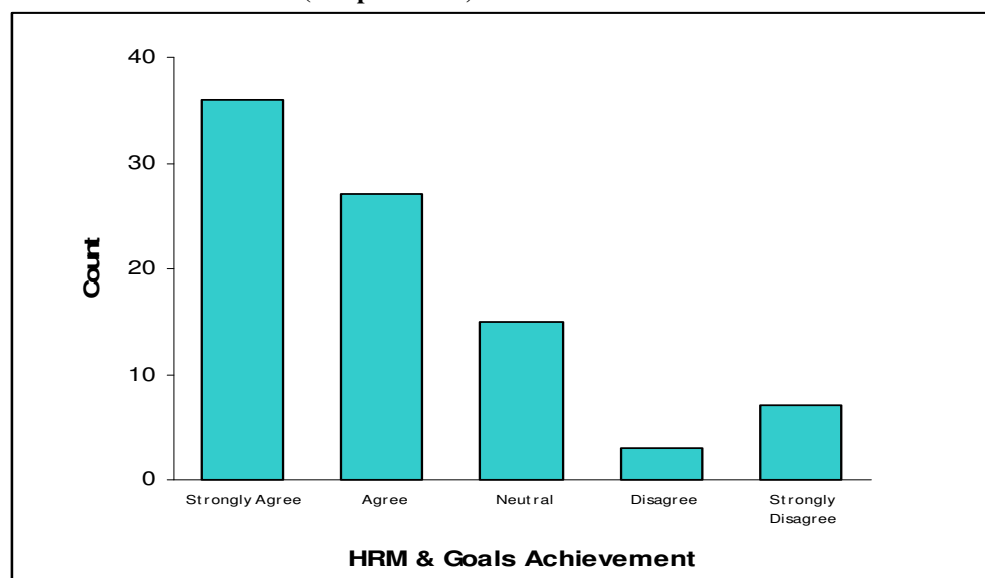


### HRM & Goals Achievement

Goals Achievement(Table 4.23 A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	35	40.7	40.7	40.7
	Agree	25	29.1	29.1	69.8
	Neutral	13	15.1	15.1	84.9
	Disagree	3	3.5	3.5	88.4
	Strongly Disagree	10	11.6	11.6	100.0
	Total	86	100.0	100.0	

Descriptive Statistics(Table 4.23 B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Goal Achievements	86	1	5	2.16	1.318
Valid N (listwise)	86				

(Graph 4.23 C)

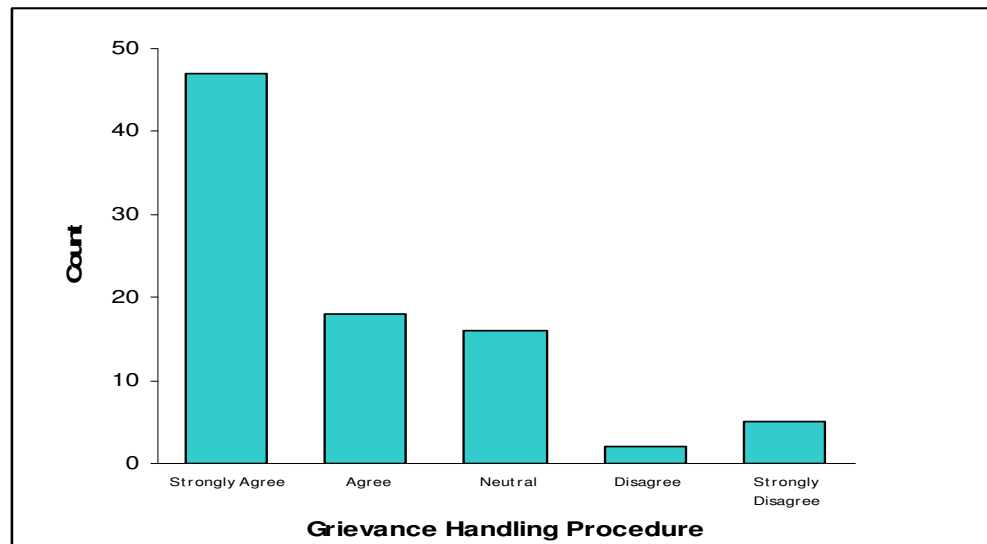


Effectual and efficient use of HR policies is a useful instrument for an Organization to achieve its future goals and objectives. It increases the pace of escalation of the organization. Employees work elegantly as they are managed and incorporated with their HR department. The results show an average mean of 2.16 with a standard deviation of 1.318.

Grievance Handling Procedure(Table 4.24 A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	46	53.5	53.5	53.5
	Agree	17	19.8	19.8	73.3
	Neutral	15	17.4	17.4	90.7
	Disagree	2	2.3	2.3	93.0
	Strongly Disagree	6	7.0	7.0	100.0
	Total	86	100.0	100.0	

Descriptive Statistics(Table 4.24 B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Grievance handling	86	1	5	1.90	1.198
Valid N (listwise)	86				

(Graph 4.24 C)



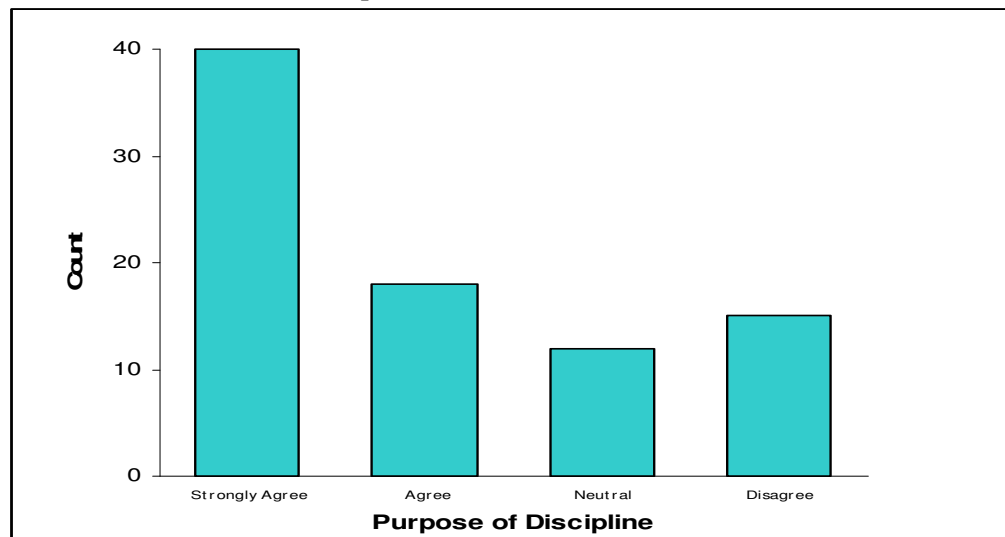
A very large member of respondents expressed that a proper grievance handling procedure is a key element to reduce dissatisfaction among the employees of any Organization. People of that organisation will be more satisfied and motivated if their grievances are managed and handled efficiently. The results have an average mean of 1.9 with a standard deviation of 1.198.

**Purpose of Discipline**

Discipline (Table 4.25 A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	40	46.5	46.5	46.5
	Agree	18	20.9	20.9	67.4
	Neutral	12	14.0	14.0	81.4
	Disagree	16	18.6	18.6	100.0
	Total	86	100.0	100.0	

Descriptive Statistics (Table 4.25 B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Purpose of Discipline	86	1	4	2.05	1.167
Valid N (listwise)	86				

(Graph 4.25 C)



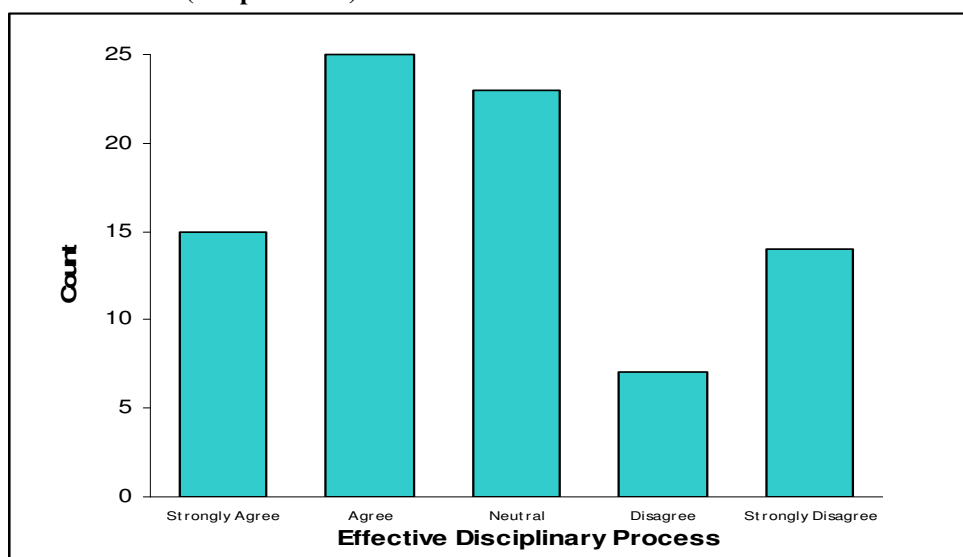
The people, who don't follow established standards of job performance, they can't bring desirable results for their Organization. Similarly, when the management is dissatisfied with the employee, disciplinary action is initiated to correct the situation. No one strongly disagree with this comment. Therefore the results have an average mean of 2.05 with the standard deviation of 1.167.

**Effective Disciplinary Process**

Disciplinary Process (Table 4.26 A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	15	17.4	18.1	18.1
	Agree	25	29.1	30.1	48.2
	Neutral	23	26.7	27.7	75.9
	Disagree	6	7.0	7.2	83.1
	Strongly Disagree	14	16.3	16.9	100.0
	Total	83	96.5	100.0	
Missing	System	3	3.5		
Total		86	100.0		

Descriptive Statistics (Table 4.26 B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Effective Disciplinary Process	83	1	5	2.75	1.314
Valid N (listwise)	83				

(Graph 4.26 C)



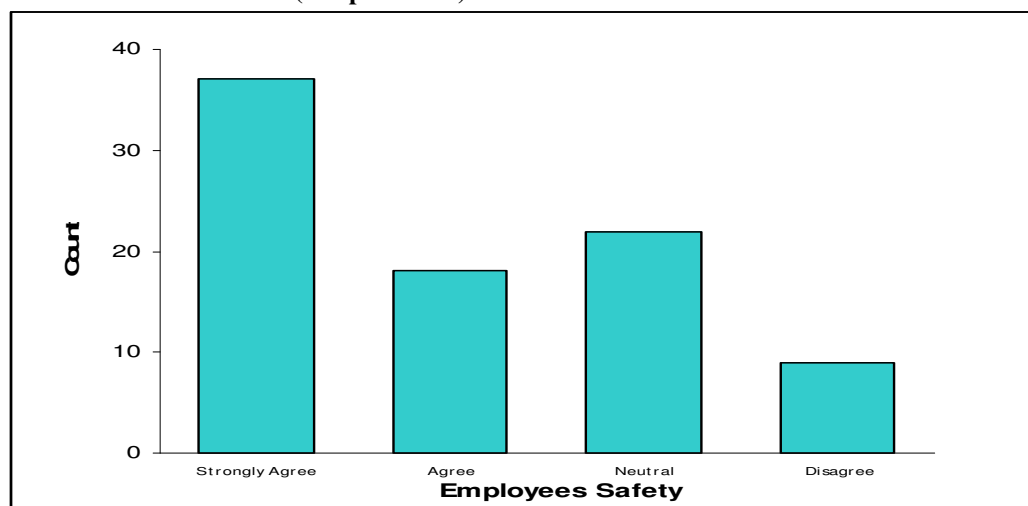
If the people of any Organization are trained and handled by a course of corrective action, they will be able to produce better results as compare to the people who are less managed having a weaker disciplinary process. Most of the people are agreed from this statement but many respondents were neutral in this regard. Therefore the results have an average mean of 2.75 with a standard deviation of 1.314.

### Employees Safety

Safety (Table 4.27 A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	36	41.9	42.9	42.9
	Agree	18	20.9	21.4	64.3
	Neutral	21	24.4	25.0	89.3
	Disagree	9	10.5	10.7	100.0
	Total	84	97.7	100.0	
Missing	System	2	2.3		
Total		86	100.0		

Descriptive Statistics (Table 4.27 B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Employees Safety	84	1	4	2.04	1.058
Valid N (listwise)	84				

(Graph 4.27 C)



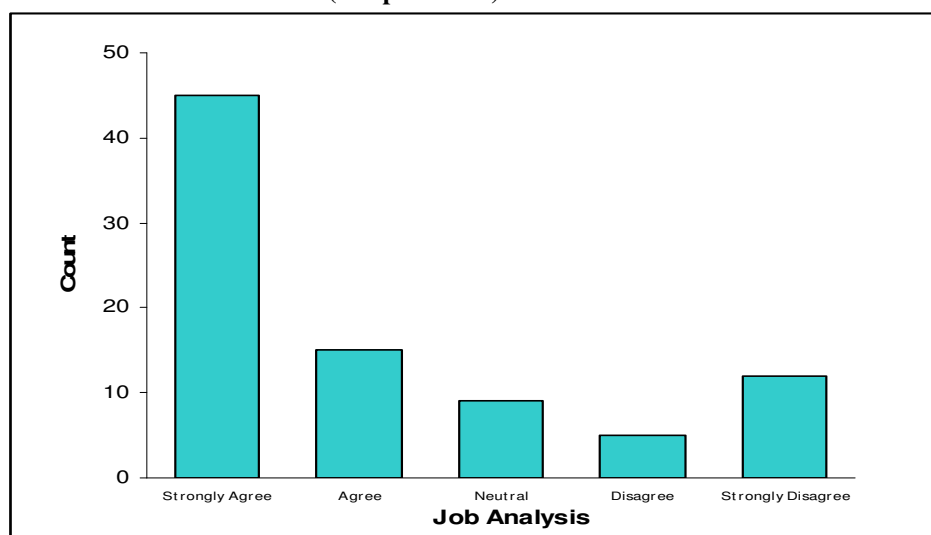
Rational of the employee's safety is to ensure so far as possible every working man and women in the Organization is safe in all the working conditions and it is the duty of their managers that safety measures are successfully put into action for the welfare of the employees. Therefore the results have an average mean of 2.04 with a standard deviation of 1.058.

### Job Analysis

Job Analysis(Table 4.28A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	45	52.3	52.3	52.3
	Agree	15	17.4	17.4	69.8
	Neutral	9	10.5	10.5	80.2
	Disagree	5	5.8	5.8	86.0
	Strongly Disagree	12	14.0	14.0	100.0
	Total	86	100.0	100.0	

Descriptive Statistics(Table 4.28B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Job Analysis	86	1	5	2.12	1.459
Valid N (listwise)	86				

(Graph 4.28 C)



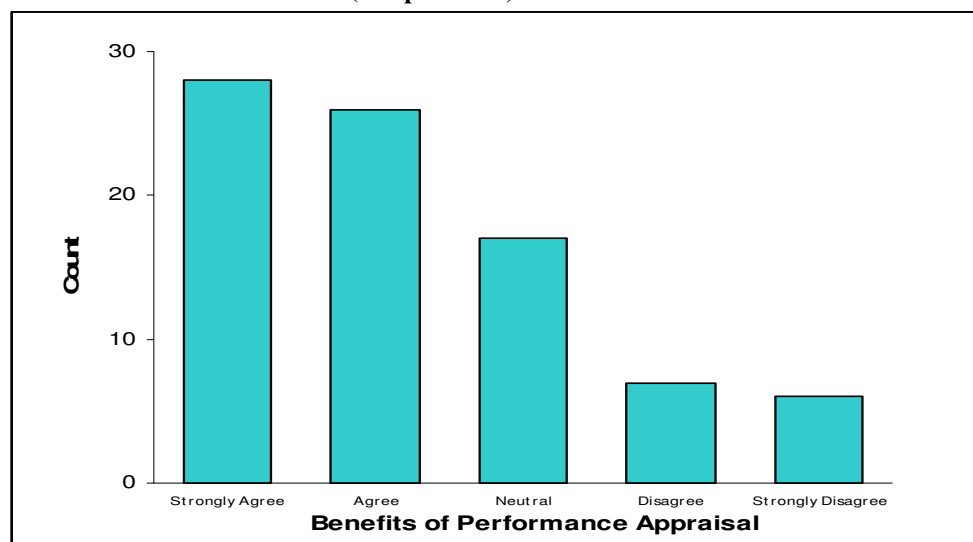
This table represents the responses about the information that is being provided by the job analysis method related to different jobs. This method has influenced jobs, employers are continuously on the lookout for employees with requisite knowledge, skills and ability to perform adequately. Most of the people in the research are strongly agree in this regard. The results show an average mean of 3.55 and a standard deviation of 1.102.

**Benefits of Performance Appraisal:**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	29	33.7	33.7	33.7
	Agree	27	31.4	31.4	65.1
	Neutral	17	19.8	19.8	84.9
	Disagree	7	8.1	8.1	93.0
	Strongly Disagree	6	7.0	7.0	100.0
	Total	86	100.0	100.0	

	N	Minimum	Maximum	Mean	Std. Deviation
Performance Appraisal	86	1	5	2.23	1.205
Valid N (listwise)	86				

**(Graph 4.29C)**



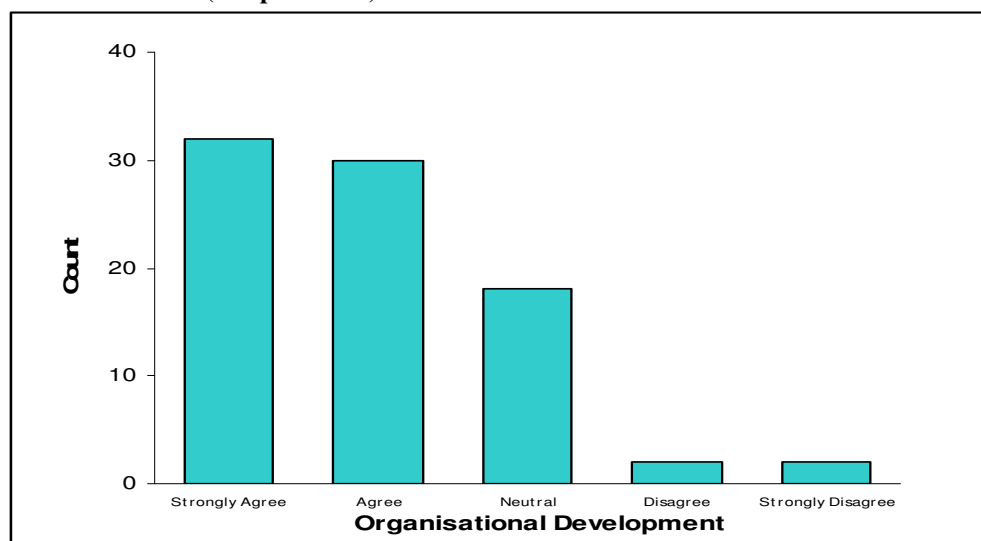
This table shows that information gathered from job analysis is used to prepare for performance appraisal which are used to evaluate employees performance. It tells us about the strengths and weakness of the employees of any organisation and thus helps to take corrective actions for improvement. The results show an average mean of 2.23 and a standard deviation of 1.205.

### Organizational Development

Organizational Development(Table 4.30 A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	32	37.2	38.6	38.6
	Agree	30	34.9	36.1	74.7
	Neutral	17	19.8	20.5	95.2
	Disagree	2	2.3	2.4	97.6
	Strongly Disagree	2	2.3	2.4	100.0
	Total	83	96.5	100.0	
Missing	System	3	3.5		
Total		86	100.0		

Descriptive Statistics(Table 4.30 B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Organizational Development	83	1	5	1.94	.954
Valid N (listwise)	83				

(Graph 4.30 C)



Organizational Development is a method that is aimed at changing the attitudes, values and beliefs of employees so that the employees can identify and implement the technical changes such as reOrganizations, redesigned facilities, and the like that are required, usually with the aid of an out side change agent or consultant. Most of the people in the research are agreed with this phenomenon that this method can bring revolutionary results in the organization. The results show an average mean of 1.94 and a standard deviation of .954.

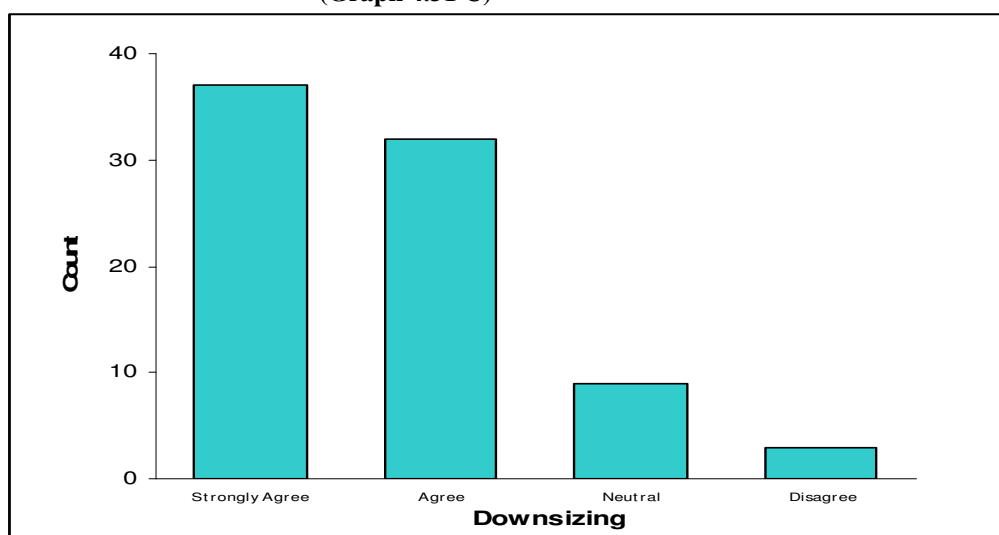


### Downsizing

Downsizing(Table 4.31 A)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	37	43.0	45.7	45.7
	Agree	31	36.0	38.3	84.0
	Neutral	10	11.6	12.3	96.3
	Disagree	3	3.5	3.7	100.0
	Total	81	94.2	100.0	
Missing	System	5	5.8		
Total		86	100.0		

Descriptive Statistics(Table 4.31 B)					
	N	Minimum	Maximum	Mean	Std. Deviation
Downsizing	81	1	4	1.74	.818
Valid N (listwise)	81				

(Graph 4.31 C)



The Organization can rid its self of excess employees through a variety of methods sum of which allow employees to leave voluntarily or through systematic elimination. The restructuring associated with downsizing brings Organizational eliminating a product or service or a departmental function. Majority of the respondents during the research found to be strongly agree with this statement. The results show an average mean of 1.74 and a standard deviation of .818.

### Findings

The findings of the research are as under:

1. Use of effective HR system has emerged as a major function in enterprises and Organizations. It is the focus for a wide-ranging debate concerning the nature of the contemporary employment relationship in many market economies.
2. New expertise is used to certify the conception and distribution of services and goods in modern economies. Whatever means are used, the role of individuals and groups as employees and the ability of management to effectively arrange such a resource is vital to interests of both employee and organization alike.
3. Effective HR system and organizational performance are very closely interconnected with each other. If the polices of HR system are examined and implemented successfully they can give us the fruitful results. Therefore all the organizations should plan for a reasonable, effective and progressive course of action to acquire, retain, develop and motivate their employees through a vigorous HR system.

#### 4.1 Conclusion and Recommendations

The nature of the employment relationship has experienced a series of important changes and adaptations over the past decade. These are both significant in themselves and will provide the basis for further development in future. Through the effective HR system the employees of an Organization can meet the challenges faced by such changes and adaptations. The responses of the employees to the factors in all the variables of research throw light on their ideas how they can be acquire, retain, develop and motivate through the effective HR system. There responses show that they need motivation and encouragement for the implementation of an effective, successful and progressive HR system for an organization to achieve its goals. Overall, effective HR system ultimately results in the slowly and steadily pace in performance of the organization. Growth only be attained if the employees are satisfied with the organization and employer. If there is not a healthy progress put into practice in the field of management then there will be complexity to attain desirable results in the business world. Now after seeing the results of the research researcher would like to propose that Human Resource Management is responsible for how people are treated in Organizations. It is responsible for bringing people into the Organization, helping them perform their work, compensating them for their labors, and solving problems that arise. The organizations should focus on strategies that promote and endorse the effective use of HR policies for the enhancement of pace of Organizational performance.

Some recommendations are given as:

1. The organization should formulate strategies through the help of HR department to asses that which areas of the organization need attention & care of HR policies to be implemented for the Organizational performance and progress to target future objectives.
2. Then organization should develop a HR system that helps to all the departments so as to make that Organization able to meet the challenges of diversity & changing environment of the modern age because it is the need of the hour for the survival and improvement of the organization.
3. Then Organization will have to assess that how much its policies are successfully implemented and brought out desirable results for its goal achievement. If there is need of any improvement then execution should be carry out after refinement for better results.
4. Rationale of implementation of HR system and its policies will bring improvement in all areas of organization for the betterment of productivity, enhancement of efficiency and motivation of its human assets as a result of managing their performance.
5. There should be proper plan to ensure consistency in the implementation of HR policies and generation of desirable objectives for the progress and improvement of organizational performance.
6. The Research was made by taking a very little sample, therefore to get accuracy of results it should be made by taking a big sample rounding to 2000 to 3000 employees.
7. Research was limited to available researches due to time factor, therefore it is suggested that it should be made by taking a wider aspect so that it can help the managers to develop HR system by focusing on true factors.

#### REFERENCES

- Beardwell, I& Holden L. 1994. Human resource management: a contemporary perspective. London: Longman Group UK Ltd.
- Beer, M. Specter, P.R. Mills D.Q & Walton, R.E. 1985. Managing human assets, part I:A general manager's perspective. *Personnel Administrator*, 30, 60-69.
- Belbin, E., & Belbin, R.M. 1972 Problems in adult retraining. London: Heinemann.
- Bethanis, Susan J. :1999 "Creating a Culture People Want to Work In: How to Recruit and Retain Top Talent." Prepared for the Multimedia Summit, San Francisco.
- Booth News, :2003. Long term labor, skills shortages ahead. *Booth News*, January,2003
- Brendler, B. Why isn't every ceo addressing this question? *CRM Today*, (n.d.).
- Burke Incorporated. :2005. Employees can make the difference! Retrieved
- Cadrain, D. :2002 An Acute Condition: Too Few Nurses. *HR Magazine*, Dec 2002
- Cameron KS. 1(994) Strategies for successful Organizational downsizing. *Human Resource Management*, 33: 477-500.
- Cascardo, D. C. :2002 Worker shortage continues to plague healthcare industry.
- Catlette, B. & Hadden, R. :2000. Prepare employees for their next job and they'll stick
- Cowling, A. & Walters, M. 1990. Staffing planning- Where are we today? *Personnel Review* 19(3).
- Cummings, T. G., Worley, C., :1997. Organizational development and change.
- David Shadovitz: editor in chief of human resource executive magazine in his article employee retention strategy.
- Dessler, G. 2001. Human resource management, 7<sup>th</sup> Ed. New Delhi: Prentice-Hall of India Private Ltd.

The IISTE is a pioneer in the Open-Access hosting service and academic event management. The aim of the firm is Accelerating Global Knowledge Sharing.

More information about the firm can be found on the homepage:

<http://www.iiste.org>

### CALL FOR JOURNAL PAPERS

There are more than 30 peer-reviewed academic journals hosted under the hosting platform.

**Prospective authors of journals can find the submission instruction on the following page:** <http://www.iiste.org/journals/> All the journals articles are available online to the readers all over the world without financial, legal, or technical barriers other than those inseparable from gaining access to the internet itself. Paper version of the journals is also available upon request of readers and authors.

### MORE RESOURCES

Book publication information: <http://www.iiste.org/book/>

Academic conference: <http://www.iiste.org/conference/upcoming-conferences-call-for-paper/>

### IISTE Knowledge Sharing Partners

EBSCO, Index Copernicus, Ulrich's Periodicals Directory, JournalTOCS, PKP Open Archives Harvester, Bielefeld Academic Search Engine, Elektronische Zeitschriftenbibliothek EZB, Open J-Gate, OCLC WorldCat, Universe Digital Library, NewJour, Google Scholar

