

Modern Human Resource Practices and Industrial Relations

Uma Shankar Singh
Lecturer, ISHIK University, Kurdistan

Osman Sahin

Abstract

The present study here is based on the discussion of conceptual relationship of human resource practices and industrial relations for the NINL, India. The problem formulated based on literature review is IR system not only from the point of view of bargaining, conflict resolution, basic rights and so on, but also from the point of view of contributing to enterprise performance on which the welfare of employees also depends. Further the research objectives set are, to study the attitude of management and employee towards each other and to know how the organization implemented the HR& IR function. Analysis performed using statistical tools frequency and percentage using SPSS software. From this survey it is observed that most of the employees are satisfied with the following things: Performance Appraisal Policy, Allowances provided during night shift, Medical facility provided during night shift, Promotion Policy of NINL, Transfer Policy. But there is some dissatisfaction among the employees. From the questionnaire, I have observed that it is necessary to take steps to improve the following things: The quality of canteen facility, Better career opportunity should be provided to the employees children as to show them organization care for them, Some more incentives should be provided to the employees according to their job load, New developed training should be provided to the employees, The immediate boss should co-operate the subordinate.

Key Words: HRM, IR, policy, welfare, hrm practices, Human Resource Management.

Introduction

Man, machine & money are the most important assets of any organization. To maintain in competitive society, organisations are involving and experimenting innovative aspect to handle the assets properly. The speed intensity and dynamics of improvement depends on the change in the business environment, both logically & globally. Human resources are the most important factors of an organization. An organization's success increasingly depends on the knowledge, skills and abilities of employees. The term human resources can be thought of as the total knowledge, skills creative abilities talents and aptitudes of an organization's workforce as well as the value, attitudes and beliefs of the individual involved. The scope of the study is to find out the extent to which the concept of implementation of different HR& IR practices in NINL. And also to improve the HR& IR functions in better way of development of organization. NINL is an integrated steel plant that means by stoppage of one component of the production process, immediately affect the other components. NINL is now in its advantageous stage. In NINL the management of workforce is so unique, in the way that, it functions with limited manpower as compared to other steel plants through its outsourcing process, which gives more profit, by reducing the cost. It is an automated steel plant and uses high technology in its production process, so it requires the most efficient persons to survive with the technology. NINL should highly train and develop the skill level of each and every man power according to the technology for its efficiency.

Industrial relations in countries, sub-regions and regions, have been influenced by a variety of circumstances and actors such as political philosophies, economic imperatives, and the role of the State in determining the direction of economic and social development, the influence of unions and the business community, as well as the legacies of colonial governments. Over several decades IR in many industrialized market economies of the West, and also in Australia and New Zealand in the Asia-Pacific as well as in the South Asian countries, paid less attention to competitiveness than did the younger 'discipline' human resource management. IR fulfilled the function of providing employees with a collective voice, and unions with the means to establish standardized terms and conditions of employment not only within an enterprise but also across an industry, and sometimes across an economy. This was achieved through the freedom of association, collective bargaining and the right to strike. Similar results were achieved in the South Asian sub-region where political democracy, and sometimes socialist ideology, provided enormous bargaining power and influence on legislative outcomes to even unions with relatively few members. A different IR regime emerged in some of the South-East and East Asian economies (as we will see), driven by competition in export markets and different political systems bearing little resemblance to the values underpinning Western-style democracies. Policy makers and unions also need to address the issue of IR in the context of competitiveness. If they do not, it will further compel employers to resort to HRM as the more relevant means for achieving corporate objectives.

Literature Review

The seminal work in this area was produced by Huselid (1995), who examined the relationship between HR practices and corporate turnover, profitability and market value. Huselid (1995) surveyed senior HR executives in publicly traded corporations in the US regarding the percentage of employees who were covered by a set of HR practices generally considered representative of a high-performance work system (HPWS). After controlling for a number of variables, he found that his HR index was significantly related to the gross rate of return on assets (a measure of profitability) and Tobin's Q (the ratio of the market value of a firm to its book value). This study provided the foundation for much of the research that followed. Delery and Doty (1996) examined the relationship between HR practices and profitability in a sample of banks in the US. In testing universalistic, contingency and conjugal approaches to HRM, they found that, in general, HR practices were positively related to profitability. Guthrie (2001) examined the impact of HR practices on turnover and HRM productivity among a sample of firms in New Zealand. He noted that HR practices had an impact on turnover, and that the relationship between retention and productivity was positive when firms implemented high-involvement HR practices, but negative when they did not. Two major studies at the plant level have been conducted examining the relationship between HR practices and firm performance.

MacDuffie (1995) found that the HR practice 'bundles' he measured were related to quality and productivity on auto assembly lines. Meanwhile, Youndt et al (1996) discovered that human capital enhancing HR practices were related to operational performance among a sample of manufacturing plants. While much of the research on the relationship between HR practices and performance has somewhat consistently revealed a significant relationship, some recent debates have emerged regarding the value of different approaches to studying this phenomenon. Debates have arisen regarding the proper sources for gaining the most valid reports of HR practice measures, the proper level of analysis and proximity of performance measures, and the timing of measurement. Regarding the use of single respondent designs, Gerhart et al (2000b) provided evidence calling into question the reliability of measures of HR practices stemming from single respondents. They found single-rater reliabilities to be frighteningly low. These results were largely replicated by Wright et al (2001). Together, these two articles (consisting of four studies) suggested that the reliability of single raters may be close to zero. Huselid and Becker (2000), in response to Gerhart et al's (2000b) article, suggested that in many cases single respondents (ie senior HR executives) were the best placed, and perhaps the only ones qualified, to provide HR practice information across a number of jobs. This led to the debate regarding the most valid source of HR practice information. As noted above, Huselid and Becker (2000) defended their use of senior HR executives as the most valid source of HR practice data. However, they also argued that the construct to be measured should be the HR practices actually implemented in the firm rather than HR policies that were not necessarily carried out. This led Gerhart et al (2000a) to suggest that, if one seeks to assess the actual practices, then using employees as the source of HR practice data would be a more logical approach.

Dyer and Reeves (1995) reviewed much of the existing research on the relationship between HR practices and performance and proposed that measures of performance could be broken down into four categories. First, employee outcomes deal with the consequences of the practices on employees such as their attitudes and behaviour, particularly behaviour such as absenteeism and turnover. Organisational outcomes focus on more operational measures of performance such as productivity, quality and shrinkage, many or all of which would be precursors to profitability. Financial/ accounting outcomes refer to the actual financial performance measures and include expenses, revenues and profitability. A lesser amount of research has used the establishment level. Almost entirely ignored was research on the link between HR and performance at the business unit level of analysis. Secondly, with regard to the types of performance outcomes, they found that very few studies had examined HR outcomes (three effect sizes examined turnover), many had used accounting and financial market measures, and the largest number of effect sizes was observed for organisational outcomes (productivity, quality, service etc.) One is hard-pressed to separate the choice of outcomes from the choice of level of analysis. For instance, Becker and Huselid (1995) argue that the corporate level of analysis is valid because this enables the examination of shareholder wealth (a financial market outcome). Gerhart et al (2000a) study was the inclusion of large diversified corporations. On the other hand, Wright et al (2001) questioned the usefulness and validity of research at the corporate level of analysis. They noted that, given the potential for huge variations in HR practices across business units and sites, the potential for gaining accurate and valid measures of HR practices was quite low. In addition, Rogers and Wright (1998) suggested that conceptually, studying the link between HR and business strategy suggests focusing at the business unit level of analysis.

Research Problem and Objectives

There are some of the main influences on IR in Asian sub-regions, and the government roles and industrialization policies that contributed to different approaches to IR. It also addresses the problem of the

absence in economies in transition of an IR system appropriate to a market economy. It is suggested that there is some evidence of a possible convergence of IR systems as a result of influences from Western industrialized country IR and management systems. It looks at HRM as a strategy, the movement from personnel management to HRM, and how HRM is becoming an important tool in achieving management objectives, even though there is still a wide disparity between rhetoric and practice. Further addresses the issue whether, and if so in what sense, IR and HRM are in conflict and in what ways they are different. The final section addresses some of the current issues IR has to face, especially but not only from the perspective of employers, as well as the continuing relevance of IR. The push for competitive advantage render it necessary for IR, without abandoning its earlier function of providing mechanisms to secure a fair distribution of the gains of economic performance, to also develop a strategic perspective which promotes the goal of competitiveness. This implies an IR system not only from the point of view of bargaining, conflict resolution, basic rights and so on, but also from the point of view of contributing to enterprise performance on which the welfare of employees also depends. So the study is targeting two objectives, one as to study the attitude of management and employee towards each other and to know how the organization implemented the HR& IR function.

Methodology of study

Methodology refers to the method, techniques, and tools, adopted for the collection as well as processing and interpretation of data. Data was collected both primary and secondary sources.

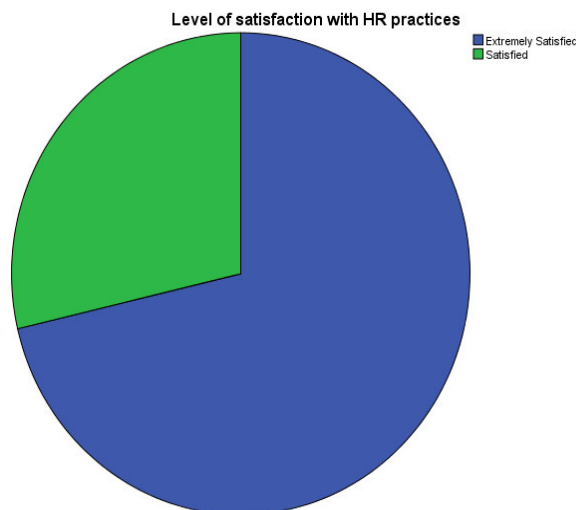
Primary data was collected with the help of questionnaires among executive and non-executives in NINL. Secondary data collected the information and data from records, journals and manuals etc. of the company. After collecting data from both the sources, these were processed and analysed thoroughly. And the opinions of respondents were ascertained by means of percentage scale to arrive at a conclusion. Data was collected primarily by using a structured instrument questionnaire. In order to carry out the quantitative research questionnaire method was adopted. Questionnaire offer a cheaper and more convenient way to obtain information from larger number of people. Quota sampling was employed for the survey purpose. This type of sampling involves constructing a representative sample of employee in NINLs that would give representative results of the entire employee. There were four sites to be surveyed in the works area. The respondent surveyed included officers, Sr. officers, Workers and Supervisors. Sample size taken for the study is 150 in 4 different departments.

No of departments surveyed	4
No of employees surveyed	150

Data Analysis

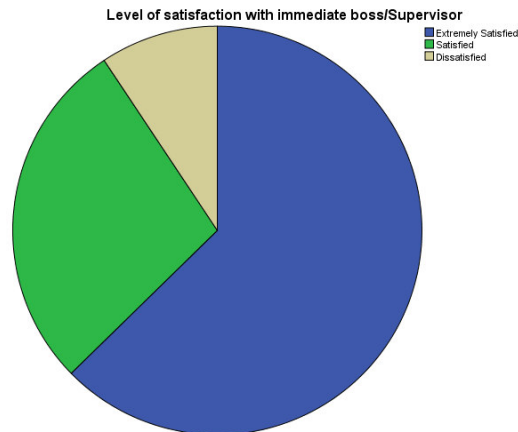
Level of satisfaction with HR practices

	Frequency	Percent	Valid Percent	Cumulative Percent
Extremely Satisfied	107	71.3	71.3	71.3
Satisfied	43	28.7	28.7	100.0
Total	150	100.0	100.0	



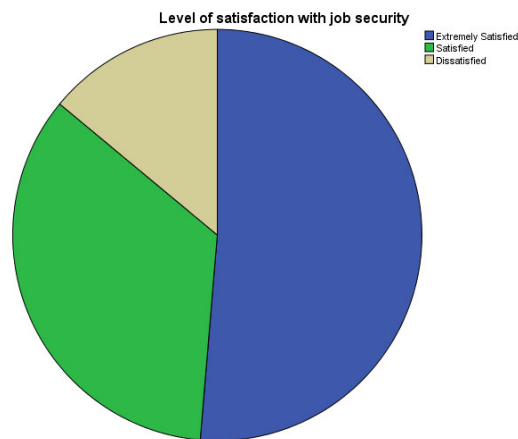
Level of satisfaction with immediate boss/Supervisor

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely Satisfied	94	62.7	62.7
	Satisfied	42	28.0	90.7
	Dissatisfied	14	9.3	100.0
	Total	150	100.0	100.0



Level of satisfaction with job security

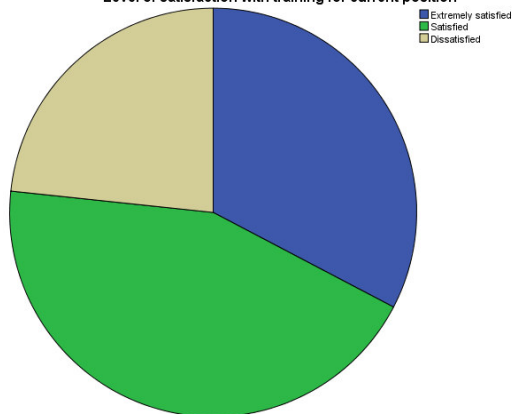
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely Satisfied	77	51.3	51.3
	Satisfied	52	34.7	86.0
	Dissatisfied	21	14.0	100.0
	Total	150	100.0	100.0



Level of satisfaction with training for current position

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely satisfied	49	32.7	32.7
	Satisfied	66	44.0	76.7
	Dissatisfied	35	23.3	100.0
	Total	150	100.0	100.0

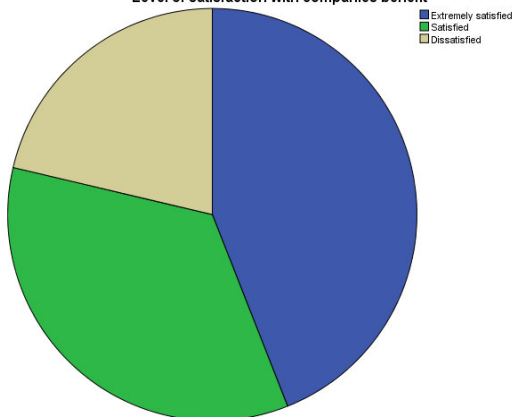
Level of satisfaction with training for current position



Level of satisfaction with companies benefit

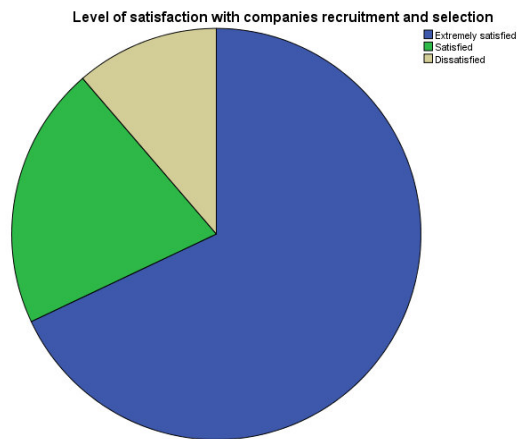
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely satisfied	66	44.0	44.0
	Satisfied	52	34.7	78.7
	Dissatisfied	32	21.3	100.0
	Total	150	100.0	100.0

Level of satisfaction with companies benefit



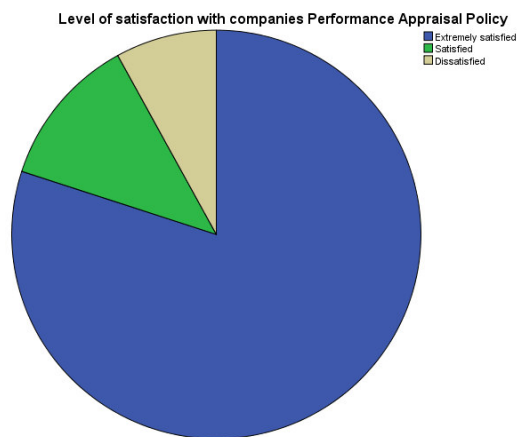
Level of satisfaction with companies recruitment and selection

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely satisfied	102	68.0	68.0
	Satisfied	31	20.7	88.7
	Dissatisfied	17	11.3	100.0
	Total	150	100.0	100.0



Level of satisfaction with companies Performance Appraisal Policy

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely satisfied	120	80.0	80.0
	Satisfied	18	12.0	92.0
	Dissatisfied	12	8.0	100.0
	Total	150	100.0	100.0



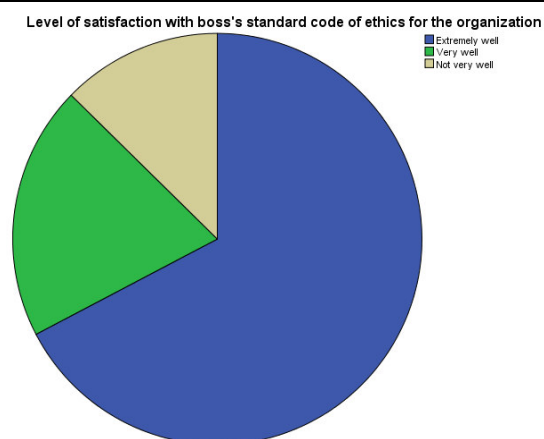
Level of satisfaction with companies training and development policy

	Frequency	Percent	Valid Percent	Cumulative Percent
Extremely satisfied	101	67.3	67.3	67.3
Satisfied	49	32.7	32.7	100.0
Total	150	100.0	100.0	



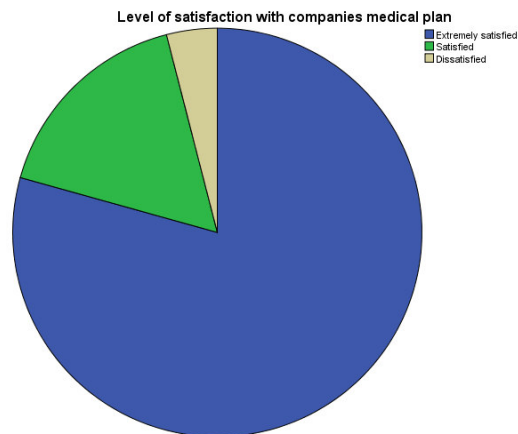
Level of satisfaction with boss's code of ethics for the organization

	Frequency	Percent	Valid Percent	Cumulative Percent
Extremely well	101	67.3	67.3	67.3
Very well	30	20.0	20.0	87.3
Not very well	19	12.7	12.7	100.0
Total	150	100.0	100.0	



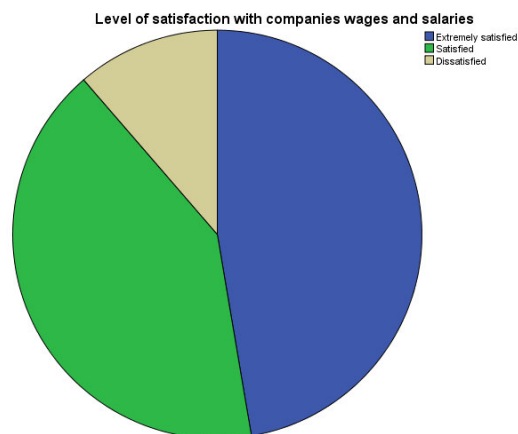
Level of satisfaction with companies medical plan

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely satisfied	119	79.3	79.3
	Satisfied	25	16.7	96.0
	Dissatisfied	6	4.0	100.0
	Total	150	100.0	100.0



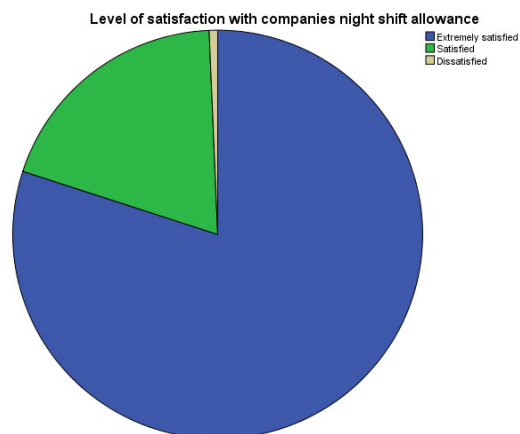
Level of satisfaction with companies wages and salaries

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely satisfied	71	47.3	47.3
	Satisfied	62	41.3	88.7
	Dissatisfied	17	11.3	100.0
	Total	150	100.0	100.0



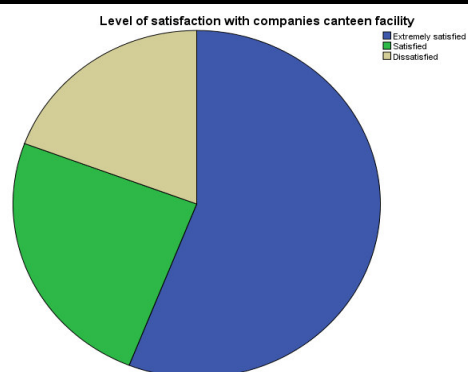
Level of satisfaction with companies night shift allowance

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Extremely satisfied	120	80.0	80.0	80.0
Satisfied	29	19.3	19.3	99.3
Dissatisfied	1	.7	.7	100.0
Total	150	100.0	100.0	



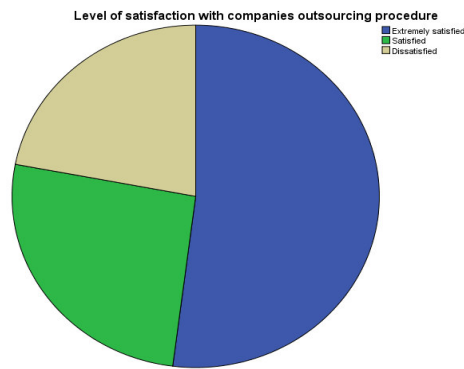
Level of satisfaction with companies canteen facility

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Extremely satisfied	84	56.0	56.0	56.0
Satisfied	37	24.7	24.7	80.7
Dissatisfied	29	19.3	19.3	100.0
Total	150	100.0	100.0	



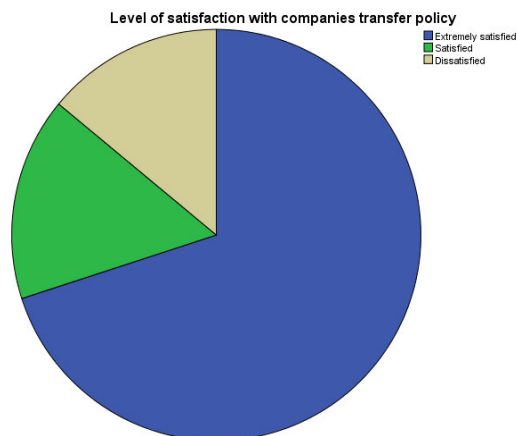
Level of satisfaction with companies outsourcing procedure

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely satisfied	78	52.0	52.0
	Satisfied	39	26.0	78.0
	Dissatisfied	33	22.0	100.0
	Total	150	100.0	100.0



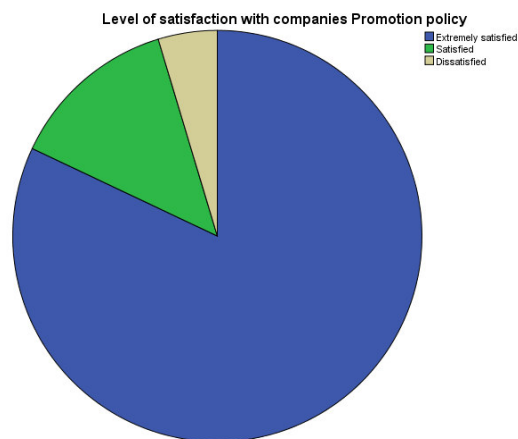
Level of satisfaction with companies transfer policy

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely satisfied	105	70.0	70.0
	Satisfied	24	16.0	86.0
	Dissatisfied	21	14.0	100.0
	Total	150	100.0	100.0



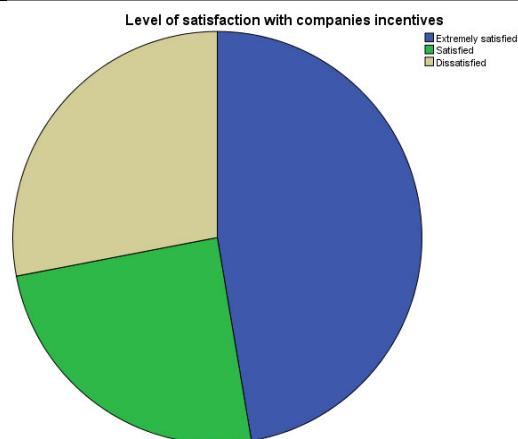
Level of satisfaction with companies Promotion policy

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely satisfied	123	82.0	82.0
	Satisfied	20	13.3	95.3
	Dissatisfied	7	4.7	100.0
	Total	150	100.0	100.0



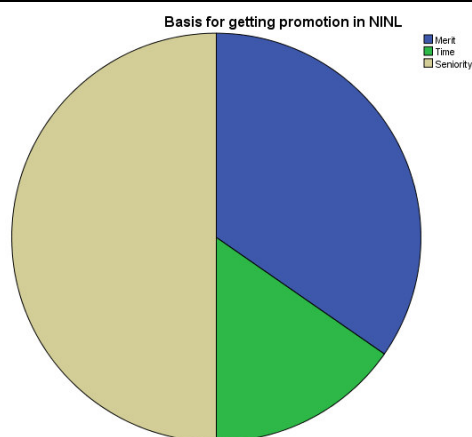
Level of satisfaction with companies incentives

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely satisfied	71	47.3	47.3
	Satisfied	37	24.7	72.0
	Dissatisfied	42	28.0	100.0
	Total	150	100.0	100.0



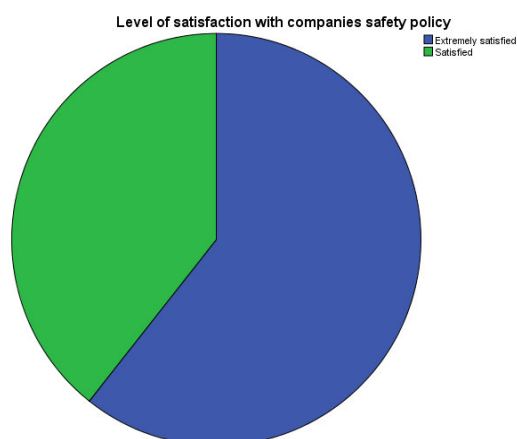
Basis for getting promotion in NINL

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Merit	52	34.7	34.7	34.7
	Time	23	15.3	15.3	50.0
	Seniority	75	50.0	50.0	100.0
	Total	150	100.0	100.0	



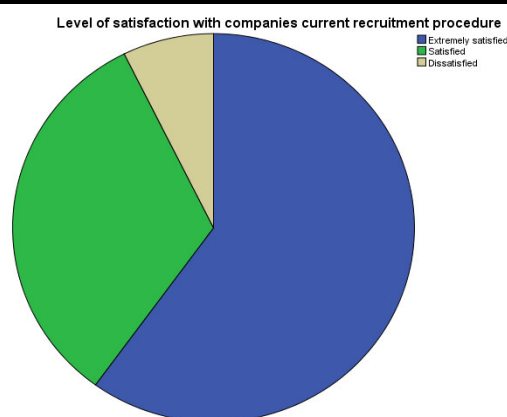
Level of satisfaction with companies safety policy

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely satisfied	91	60.7	60.7	60.7
	Satisfied	59	39.3	39.3	100.0
	Total	150	100.0	100.0	



Level of satisfaction with companies current recruitment procedure

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely satisfied	90	60.0	60.0
	Satisfied	49	32.7	92.7
	Dissatisfied	11	7.3	100.0
	Total	150	100.0	100.0



Conclusion and Suggestions

From this survey it is observed that most of the employees are satisfied with the following things: Performance Appraisal Policy, Allowances provided during night shift, Medical facility provided during night shift, Promotion Policy of NINL, Transfer Policy. But there is some dissatisfaction among the employees. From the questionnaire, I have observed that it is necessary to take steps to improve the following things: The quality of canteen facility, Better career opportunity should be provided to the employees children as to show them organization care for them, Some more incentives should be provided to the employees according to their job load, New developed training should be provided to the employees, The immediate boss should co-operate the subordinate.

The questionnaire survey evaluate that although most of employees are satisfied with the human resource functions still there was some dissatisfaction. But the organization develops and implements many more policies to the fullest satisfaction of employees. And also organization pays much more attention for the evaluation of welfare programme. A lot of collective measures taken by organization for effective implementation of HR function which would satisfy the employees .A good IR climate always facilitate to introduce better HR practice and better HR practice leads the organization to a performing organization.

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