THINK INDIA (Quarterly Journal)

ISSN:0971-1260

Vol-22-Issue-4-October-December-2019

A Study on HR Practices in Select Cement Units in Ariyalur District - A Comparative Analysis

Madhan. G
MBA, Department of Management Studies
Bharath Institute of Science and Technology,
Selaiyur, Chennai, Tamil Nadu 600 073
Bharath Institute of Higher Education and Research

ABSTRACT

On account of increasing complexities and cut throat competition, running organizations effectively has become a challenge for employers. To gain competitive advantage, organizations need to implement unique strategies. Managing human resources is very challenging as compared to managing technology or capital and for its effective management; organization requires effective Human Resource Management (HRM) system which should be backed up by sound HRM practices. Human Resource Management has tremendous relevance to productivity of industry. Human input is the single largest that goes in the cement industry. The level of efficiency of production of this input is reflected in the quality of product provided by the industry to its customer. With the economic boom in India, the cement industry is experiencing a surge in demand. India has become the second largest producer of Cement in the world after China accounting for about 8% of the total global production. This study is carried out to know the human resource policies and practices in Madras Cement Limited (MCL) situated at Sendurai and Chettinad Cement Corporation Limited (CCCL) at Keelapaluvur, both in Ariyalur district. The perceptions of the employees with respect to HRM practices are presented. Suitable suggestions and measures are also stated for betterment of these practices.

Key words: Human Resource Management Practices, Cement Industry, Dimensions.

1. INTRODUCTION

Managing human resources is highly challenging as compared to managing technology or capital and for its effective management, organization requires effective HRM system. HRM system should be backed up by sound HRM policies and practices. Organization performance is influenced by set of effective HRM practices. It gives fruitful results like enhancing employee commitment, retention and reduced employee turnover. Human resources are the source of achieving competitive advantage because of its capability to transform the other resources (money, machine, methods and material) into output (product/service).HRM practices refer to organizationalactivitiesdirected at managing the pool of human resources to ensure that the resources areemployed towards the

Copyright ⓒ 2019Authors

ISSN:0971-1260

Vol-22-Issue-4-October-December-2019

fulfillment of organizational goals. Hence the study is undertaken to determine the perception of the employees on human resource management practices in vogue in the study units.

2. REVIEW OF LITERATURE

Pawan S. Buhdwar and George Boyne (2004) conducted a study on, "Human ResourceManagement in the Indian Public and Private Sectors: An Empirical comparison".
Cherrie Juhna Zhu et al (2005)attempted a research study on "A Problematic Transition to a Strategic Role: HRM in Industrial Enterprises in China".

W. Cathirne Anitha (2007)conducted a research study on Human Resource Management in Neyveli Lignite Corporation Limited.

Satheeshkumar L. (2008)in his article entitled "Payment System" has stated that concentration on quality is increasingly a characteristic of strategic planning.

STATEMENT OF THE PROBLEM

The Cement Industry is quite unique in many aspects. Nature of the work, working conditions and the environment to which the employees are exposed in a Cement Industry are entirely different. The employees are prone to accidents and health hazards. They should be safeguarded by providing welfare, safety, training and performance management measures to improve efficiency and productivity. This study makes an attempt to determine the level of intensity with which the employees perceive the practices, the strongly influencing dimension and the best predictor of the overall opinion on HRM practices in the two study units.

3. SCOPE OF THE STUDY

The Research study explored ten dimensions of HRMPractices in vogue in the study units namely Madras Cements Limited (RAMCO) located at Sendurai and Chettinad Cement Corporation Limited (CCCL) located at Keelapaluvur in Ariyalur district. The Dimensions of the study included human resource planning and policy, talent acquisition, learning and development, employee engagement, compensation and benefit management, health, safety and well-being measures, performance management system, succession planning and career development, employee retention and exit process.The Respondents are the employees of the study units which comprised of three categories namely executives, staff and workmen.

4. OBJECTIVES OF THE STUDY

- To understand the socio-economic background of the respondents taken up for the study.
- To determine the level of intensities with which the respondents view the human resources management dimensions considered in the study

 Copyright ⓒ 2019Authors

ISSN:0971-1260

Vol-22-Issue-4-October-December-2019

- To explore the direction of relationship between the overall opinion on human resource management practices and their dimensions.

5. RESEARCH METHODOLOGY

- **Research Design:** The research design adopted for this study is descriptive and analytical methods. The perception ofthe respondents on the selected human resource management practices MCL and is considered in the study.
- **Sampling Design and Size:** Stratified Random Sampling Technique was adopted with a sample size of 272 respondents - 154 respondents in MCL consisting of 47Executives, 44 Staff and 63 workmen and 118 respondents in CCCL consisting of 36Executives, 34 Staff and 48 workmen using the software sample size calculator. The category of employees formed the basis for stratification.
- **Method of Data Collection:** The primary data needed for the analysis were collected through a structured questionnaire using Likert's five point scale. All the other relevant information for the study was collected from journals, books, magazines and relevant web sites.
- **Analysis of Data and Tools Used for Analysis:** SPSS Package was used to analyze the data collected. The tools used for analysis include Frequencies, Percentages, Mean, Standard Deviation, Karl Pearson's Coefficient of Correlation to determine the relationship between the independent variables and Multiple Regression Analysis to determine the best predictor among the dimensions considered in the study.

6. DISCUSSION AND FINDINGS

The **demographic frequencies of the respondents** taken up for the study from the two units are shown in the following Table no.1.

DEMOGRAPHIC FREQUENCY OF THE RESPONDENTS

VARIABLES	DESCRIPTION	MCL		CCCL	
		FREQUENCY	%	FREQUENCY	%
Age	Below 20 years	8	5	5	4
	21-30 years	57	37	44	37
	31-40 years	42	28	33	28
	41-50 years	34	22	26	22
	Above 50 years	13	8	10	8
	Total	154	100	118	100
Marital status	Married	102	66	78	66
	Unmarried	52	34	40	34
	Total	154	100	118	100
Qualification	Upto XII thStd.	25	16	19	16
	UG	46	30	36	31

 Copyright ⓒ 2019Authors

ISSN:0971-1260

Vol-22-Issue-4-October-December-2019

	PG	36	23	28	24
	Professional	14	9	10	8
	ITI/Diploma	30	20	23	19
	Others	3	2	2	2
	Total	154	100	118	100
Income	Below Rs.20000	66	43	50	42
	Rs.20000-Rs.30000	47	30	36	31
	Rs.30000-Rs.40000	21	14	17	14
	Above Rs.40000	20	13	15	13
	Total	154	100	118	100
Experience	Below 5 years	43	28	33	28
	5-10 years	46	30	33	28
	10-15 years	20	13	17	14
	15-20 years	22	14	19	16
	20-25 years	18	12	14	12
	Above 25 years	5	3	2	2
	Total	154	100	118	100
Designation	Executives	47	30	36	31
	Staff	44	29	34	28
	Workmen	63	41	48	41
	Total	154	100	118	100

TABLE NO 1

Out of the total of 154 respondents taken up for the study from **MCL**, as many as of 37 per cent of them belonged to the age group of 21-30 years, a maximum of 66 per cent of the respondents were married, maximum of 30 per cent wereUnder Graduates,as much as of 43 per cent fell in the income group of below Rs.20000 followed by 30 percent between Rs.20000-Rs.30000 bracket, respondents between 5-10 years of experience were found to be dominant (30%), greater proportion of the respondents wereworkmen (41%) followed by executives 30 per cent.

Out of the total of 118 respondents taken up for the study from **CCCL**, a majority of 57 per cent of them were falling in the age group of 21-30 years, a maximum of 66 per cent of the respondents were married, maximum of 31 per cent wereUnder Graduates,a majority of 42 per cent were getting income "below Rs.20000" followed by 31 percent between"Rs.20000-Rs.30000", respondents below 5 years and between 5-10 years of experience were found to be dominant (28% each), greater proportion of the respondents wereworkmen (41%) followed by executives 31 per cent.

DESCRIPTIVE STATISTICS ON DIMENSIONS OF HRM PRACTICES IN THE STUDY UNITS

Table No.2 reveals the perception of the respondents of the study units in respect of different dimensions of human resource management practices.

 Copyright ⓒ 2019Authors

ISSN:0971-1260

Vol-22-Issue-4-October-December-2019

DESCRIPTIVE STATISTICS ON DIMENSIONS OF HRM PRACTICES

SL. NO.	DIMENSIONS	MCL		CCCL	
		MEAN	RANK	MEAN	RANK
1	Human Resource Planning & Policy(X1)	20.60	2	18.04	8
2	Talent Acquisition(X2)	20.29	4	18.00	9
3	Learning and Development(X3)	19.99	8	20.06	3
4	Employee Engagement(X4)	20.03	7	20.61	2
5	Compensation andBenefit Management(X5)	20.15	5	19.75	5
6	Health, Safety and Well-being Measures(X6)	20.89	1	19.85	4
7	PerformanceManagement System(X7)	19.62	10	17.96	10
8	Succession Planning and Career development(X8)	20.06	6	19.62	6
9	Employee Retention(X9)	19.86	9	20.88	1
10	Exit Process(X10)	20.45	3	19.48	7

TABLE NO 2

Regarding the dimensions in **MCL**, the mean score in descending order consisted of **health, safety and well-being measures (X6) was the highest (Mean=20.89)** followed by human resource planning and policy(X1) (Mean=20.60), exit process(X10) (Mean=20.45) and talent acquisition (X2) (Mean=20.29). The mean score for the dimension health, safety and well-being is the highest which means the health, safety and wellbeing measures provided by MCL werecommendable.
With respect to the dimensions in **CCCL**, the mean score in descending order consisted of **employee retention (X9) was the highest (Mean=20.88)** followed by employee engagement(X4)(Mean=20.61), learning and development(X3) (Mean=20.06) and health, safety and well-being measures (X6) (Mean=19.85). The mean score for the dimension employee retention was the highest and CCCL upholds that retaining of talents with critical skill sets is vital for achievement of business growth and building of organizational competencies.

CORRELATION BETWEEN INDEPENDENT VARIABLES AND OVERALL OPINION ON HRM PRACTICES IN THE STUDY UNITS

To explore the direction of relationship between independent variables and overall opinion on human resource management practices, Karl Pearson's correlation measure was applied and shown in Table No.3.

CORRELATION BETWEEN INDEPENDENT VARIABLES AND OVERALL OPINION ON HRM PRACTICES IN MCL AND CCCL

Factors	MCL		CCCL	
	HRM PRACTICES	S @1% LEVEL	HRM PRACTICES	S@1% LEVEL

Copyright ⓒ 2019Authors

ISSN:0971-1260

Vol-22-Issue-4-October-December-2019

Human Resource Planning and Policy(X1)	0.484	S	0.312	S
Talent Acquisition(X2)	0.311	S	0.459	S
Learning & Development(X3)	0.366	S	0.272	S
Employee Engagement(X4)	0.495	S	0.110	S
Compensation & Benefit Management(X5)	0.366	S	0.352	S
Health Safety & Well-being Measures(X6)	0.462	S	0.165	S
Performance Management System(X7)	0.445	S	0.297	S
Succession Planning & Career Development(X8)	0.596	S	0.353	S
Employee Retention(X9)	0.434	S	0.197	S
Exit Process(X10)	0.301	S	0.342	S

TABLE NO 3

S = Correlation is significant at the 0.01 level (2-tailed)

The table no.3 clearly exhibits that there is a significant positive relationship between the independent variables (all the ten dimensions considered in the study) and overall opinionon human resource management practices in both the study units. The result does not show any negative relationship.

- With respect to MCL, the perception on **career and succession planning(X8) has a strong and significant positive relationship** than all the other independent variables considered in the study.
- With respect to CCCL, the perception on **talent acquisition(X1) has a strong and significant positive relationship** than all the other independent variables considered in the study.

VITAL DIMENSIONS

To put it in a nut shell, the vital dimensions as revealed by the application of analysis of data is depicted in Table No.5.

VITAL DIMENSIONS

CRITERIA	MCL	CCCL
High Mean Score	Health, Safety & Well being measures	Employee Retention
Low Mean Score	Performance Management System	Performance Management System
Strong positive correlation –	Succession Planning & Career	Talent Acquisition

Copyright ⓒ 2019Authors

ISSN:0971-1260

Vol-22-Issue-4-October-December-2019

Dominant Determinant	Development	
Best predictor -Influencing	Succession Planning & Career Development	Talent Acquisition

TABLE NO 4

INFERENCES OF THE STUDY

Out of the total of 272 respondents taken for the study, in both the study units a maximum portion of the respondents were in the age group of 21-30 years and a majority of 66 per cent of the respondents were married..A high percentage (30% in MCL & 31% in CCCL) were Under Graduates andrespondents with below Rs.20000 income level (43% in MCL & 42% in CCCL) were dominant.Respondents with 5-10 years of experience (30%) were the maximum in MCL, below 5 years of experience and 5-10 years of experience (28% each) were dominant in CCCL. Greater percentages (41%) of the respondents were workmen in both the study units.The mean score for the dimension health, safety and well-being is the highest in MCL(Mean=20.89) and employee retention was the highest in CCCL (Mean=20.88).With respect to MCL, the opinion on career and succession planning(X8) possessed a strong and significant positive relationship than all the other independent variables considered in the study. The perception on talent acquisition(X1) had a strong and significant positive relationship in comparison with the other independent variables considered in the study in CCCL.It was found that "succession planning and career development" was the best predictor, since it exerted maximum contribution ($t=4.257$, $p<0.01$) to human resource management practices in MCL and "talent acquisition" was the best predictor, since it exerted maximum contribution ($t=2.964$, $p<0.01$) to human resource management practices in CCCL.

7. SUGGESTIONS OF THE STUDY

For MCL,

Career Development Practices should be rationalized in the organization because in present scenario the employees werehighly educated and were career conscious. Employees' career aspirations should be identified by the immediate superior. Existing opportunities should be clearly communicated to the employees. The succession planning should be done on regular basis.Roles and responsibilities of each employee should be clearly defined as it is expected by staff. Besides, they anticipate high support from supervisors. Staff should be consistently encouraged to develop their skills and performance. The practices for the development of employees of the organization can be redesigned and this should be linked with performance management process and tracked through development plans.

FOR CCCL

A well-designed and pre-planned recruitment policy based on the goals, needs and environment of the organization will help to avoid hasty or ill-conceived decisions. Line managers should be involved in the selection process.Succession Planning and career development was to be considered as vital since it included theability to develop a strong pool of internal candidates, knowledge

 Copyright ⓒ 2019Authors

ISSN:0971-1260

Vol-22-Issue-4-October-December-2019

transfer, higher retention, and the ability to fill management positions without significant gap. Methods of evaluating the performance of workers must be objective and judicious in nature**.** The evaluation system should have direct linkage with individual performance towards achieving corporate business goals and priorities. Each employee should have well defined reporting relationships.

8. CONCLUSION

The two companies (MCL& CCCL) taken up for study devised and implemented a number of innovative human resource practices in order to attract the best talent, providing them a good environment and ambience to work with and which also enabled the company to retain talents. A good human resource management environment ensures harmony between the superiors and subordinates and therefore human resource policies and procedures must be evaluated from the perspective of motivation generating maximum contribution from diverse workforce.

9. REFERENCES

[1] L. Bhatia, "HRM Strategies for Competitive Advantage", Personnel Today, June 1993, p.4.
[2] Alok Kumar Pramanik, "Concept and Use of Human Resource Development", Southern Economist, 1998, p5.
[3] Chew Janet & Chan Christopher C.A (2008), "Human resource practices, organizational commitment an intention to stay", International Journal of Manpower, Vol.29, No.6, pp.503-522.
[4] Joseph K. E and Dai.C., (2009) "HRM Practices and Organizational Performance: An Empirical Analysis", International Journal of Business and Management, Vol. 4, No.8, pp.117-127.
[5] M. G. Rao, Management of Human Assets, Discovery Publishing House, New Delhi, 1993, p.19. 6. Pawan S. Budhwar, Harsh K. Luthar Jyotsna Bhatnagar, The dynamics of HRM systems in Indian BPO firms, Journal of Labour Research, Volume 27, and Number3/December 2006.
[6] Saxena Karunesh & Tiwari Pankaj (2009), "A Study of HRM Practices in Selected IT Companies of India", AIMS Journal of Management, Vol.1, No.3, pp.29-44.

 Copyright ⓒ 2019Authors