THE IMPACT OF HR PRACTICES ON EMPLOYEE’S GROWTH IN THE SECTOR OF INFORMATION TECHNOLOGY

REENA SINGH
Research Scholar
Ch. Charan Singh University, Meerut

Dr. TRIOCHAN SHARMA
Associate Professor,
Department of Commerce
Ch. Charan Singh University, Meerut

ABSTRACT:

The era of Human Resource Management is transforming rapidly. The aim of research to know the impact of HRM practices in Indian Information Technology companies. In a current scenario, human resource management is a key factor towards solving organizational problems and achieving business outcomes. The market environment after the recession has lead to drastic changes in the Information Technology field. From time to time there is a requirement & need for the researchers to review the status of the HR practices. Appropriate HR practices will defiantly help the organization towards improvement rather than incremental ones. This research is focus to identify and analyze the HR practices in the field of Information Technology

Key words:

1. INTRODUCTION:

Human resource management is made of three words:

*Human:* refers to the skilled workforce in an organization.

*Resource:* refers to limited availability or scarce.

*Management:* refers to meet the organization goals and objectives with the help of resources.
Human Resource Management includes Manpower Planning, Recruitment, Selection, Training & Development, Analyzing the performance of employees, Providing compensation and motivating employees, Maintaining proper relations with employees and their trade unions and ensuring employees safety, welfare and health schemes. The term *human resources* was first introduced in the 1960s.

Before understanding Human resources management, it is necessary to understand human resources, the people who work for a company or organization or skilled workforce. Human resources are the combination of talent and skills, some of them are inborn and other skills, they have acquired through learning and education.

### 1.1 Approaches of Human Resource Management

1. **Strategic approach**- The strategic HRM approach refers to people management programs and long-term solutions of organizations, and focuses on organizational development, achieving employee organizational growth, and other aspects that ensure employees add value to the organization.

2. **Management approach**- This approach helps management to manage the employees and their performance. Managers at all levels are responsible for managing their employees or subordinates.

3. **Commodity approach**- workers are assumed as commodity. They are viewed as commodity like machine. People can be hired and bought easily through money. It is money that matters most. There is a saying, “money is sweeter than honey”.

4. **Proactive approach**- management must anticipate the challenges or problems before they arise. There is a saying,”Prevention is better than cure”. The proactive approach is helpful to save companies considerable time and money in the short and long run.

5. **Reactive approach** – this approach occurs when problems come before decision makers suddenly so this approach is helpful in current situations

### 1.2 Functions of Human Resource Management

There are mainly two types of functions:

- Managerial Functions
- Operative Functions
1.2.1 Managerial Functions: The Human Resource Manager is a part of the organizational management. So he has to perform the basic managerial functions of planning, organizing, directing and controlling in relation to his department.

- **Planning**
  
  One of the primary functions which is related to identify the numbers & types of employees needed to fulfill organizational goals. HRM planning helps management to collect, analyze and identify current & future needs within the organization.

- **Organizing**
  
  Organizing is another important step in organization. With the help of this function, Tasks and duties are allocated to every member of the organization as per their skills and knowledge. Activities are integrated towards common goals.

- **Directing**
  
  Directing is to direct the employees at different levels and making them eligible to contribute maximum towards organizational goals. Improving maximum potentialities of an employee by constant motivation, teaching aids, and command.

- **Controlling**
  
  With the help of Controlling the performance of an employee is checked, verified and compared based on estimated targets and goals. If actual performance is found deviated from the estimated then control measures are taken.

1.2.2 Operative Function: The operative functions are those functions, tasks or duties which are specifically performed by human resource or personnel department. These are the functions which are related to employment, development, compensation, wages and salary administration of human resources of the organization.

- **Recruitment/selection**
  
  Recruitment is a process which brings pool of prospective candidates who can help organization achieve their goals and allows managements to select the right candidates for right jobs from the pool of applicants.
• **Job Analysis**
  
  Job analysis helps management to identify the nature of the job like profile, position, environment and etc. As per the requirement, job specification like qualification, skill, work experience are identified for particular job.

• **Performance Appraisal**
  
  Performance analysis relates of Checking and analyzing employee performance at work and to find out the discrepancy in performance that employee performs.

• **Training & Development**
  
  This function helps employees to acquire new skills and knowledge to perform their duties and tasks effectively. Training and development also prepares employees for higher level job and succession planning.

• **Salary & wages Administration**
  
  Human Resource Department also determines pay for different job types and includes compensations, incentives, bonus, benefits etc. related with a job function.

• **Employee Welfare**
  
  This function is related to take care of services for the benefits and facilities provided to an employee for their welfare.

• **Labor Relations**
  
  Labor relation is related to the welfare of workforce who works with in the organization. In this practice a union is made to raise the voice of employees for their demand.

### 1.3 Human Resource Practices

HR practices are defined as any practice that involves enhancing competencies, commitment and culture. HR practices include: Manpower planning, recruitment and selection, orientation, training and development, performance appraisal, career planning, fringe benefits, reward and recognition, safety, health and environment policy, welfare schemes, promotion and transfers policies. HR practices can increase employees’ affective commitment toward their companies. HR practices are also associated employees’ cognition such as turnover intention.
Now days HRM management is being changed due to the changes of environment. So, It is a big challenge for management to cope up with changes. So new emerged HR practices are helpful to respond to the changes.

1.4 Importance of Human Resource Practices

- To provide security to employees
- To help management to set the standards
- With the help of these practices organization compete the market by improving efficiency and skill of employees
- To provide guidance for managers to assist with the management of employees.
- To provide better environment to employees
- To help management to make them loyal towards organization
- These practices also helpful in maintaining organizational culture
- Helpful in selecting the employees

2. LITERATURE REVIEW:

Human Resource practices include: Manpower planning, recruitment and selection, orientation, training and development, performance appraisal, career planning, fringe benefits, reward and recognition, safety, health and environment policy, welfare benefits both within the statutory borders and beyond, suggestions scheme, promotion and transfers and exit policy. The effect of conditions like low wages, reduced leave, long work duration and cold work environment made the job unpleasant as observed by Sharan (1980).

Human Resource practices can be defined as any practice that involves enhancing competencies, commitment and culture. The practice can be seen or understood to take a form of a process, an activity, a norm, a rule, an accepted or expected habit or even a policy.

Good Human Resource practices are those that contribute to one or more of the three C’s: Competencies, Commitment and Culture. They need to be identified and implemented cost-effectively, reviewing and revising them from time to time to enhance their effectiveness and appropriateness (Rao, 1999).

Lester etal,(2002) has identified thirty two areas in the field of HRM relevant to the IT sector. Few of them are:
- Opportunities for Promotion and advancement,
- Trust and respect,
- Open and honest communication,
- Fair treatment,
- Challenges and interesting work,
- Competitive salary.


Alina and Rob (2008) investigate the relationship between Human Resource Management (HRM) practices and workers’ overall job satisfaction and their satisfaction with pay. They found that several HRM practices raise workers’ overall job satisfaction and their satisfaction with pay Fringe benefits and growth dimensions also have a positive correlation with job satisfaction. Higher pay, more freedom and job security along with less dominance and control will create job satisfaction.

According to Opatha (2010), the efficient and effective utilization of human resources (HR) to achieve goals of an organization can be defined as human resource management (HRM).

HRM practices such as management by objectives, training and development practices, employee welfare practices, managing employee relations and welfare policies. (Stephen A. Stumpf, May-June 2010)

The HRM relates to the organizational practices and activities which are concerned that there is a need to manage the employees by improving their performance along with seeking the competitive advantage. The focus has been on the training and the development ensures that with the help of training and development programs the employees are trained. (Berman et al., 2015).

The HRM strategies are set to guide the decisions with the concept to match the Human Resource Management strategies. This works on the culture, organization, people and the HR system where the company focuses on the best assets of the business along with the different methods of the employee satisfaction. (Berman et al., 2015).
The Human resource management is related to maximize the performance of the employee which is set in concern to work force management. This focuses on training and development to improve efficiency and effectiveness. The performance appraisal is set to manage the pay and benefit which is concerned to the organizational change. It focuses to balance the requirements with the job by designing and analyzing the workforce planning, recruitment and selection, training and development. (Mathis et al., 2016).

Man power planning and the strategy concept have been important for the achievement of the goals and the mission. This will direct to the HRM functional areas. (Brewster et al., 2016).

3. **OBJECTIVE OF THE STUDY:**

1. To know the impact of Human Resource Practices in Information Technology sector.
2. To identify the best Human Resource Practices in the field of Information Technology.
3. Understanding the effectiveness of human resource management.
4. Importance of the function of Human Resource management (HRM)

4. **CONCLUSION:**

This study indicates that there are a variety of innovative HR practices for IT companies. HR practices which are helpful to provide the opportunity to employees to make decisions affecting their work and in the rewards of their creative efforts. Human Resource is life and blood of IT companies as competent talent is the source for competitive advantage in these industries. The innovative nature of IT industry due to the innovative methods of work culture like virtual office and virtual migration shows the need for different HR practices to this fastest growing industry.
5. **REFERENCE:**

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