A REVIEW OF HUMAN RESOURCE PRACTICES IN INDIAN COMPANIES

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Abstract

It is widely accepted fact now a days that Human resources are the most crucial element for any firm. It is therefore important that companies should adopt certain policies and practices that keep the human resource motivated to excel. The present paper has attempted to review the literature to find the practices being recommended by scholars for successful achievement of the firm. We have also tried to check the practices followed by some companies which are known for their HRM practices. The paper will finally conclude by enlisting certain best HRM practices followed by firms in India.

Keyword: HRM, Practices, Management, Employee Motivation

1.   Introduction:

All the organization have one thing common i.e. the human resource who actually make things happen for the firm. Therefore Human resource management department for the firms play a crucial role in achieving the important objectives of the companies [1]. This department sole responsibility is to look into concern related to the employees in a company and focus mainly on the strategies relating to human resource[2].There are multiple functions that HR division look into like that of directing worker benefits plan, enrollment of employees, Giving the training to the employees, evaluating the performance of the employee, regulating the compensation etc.[3] HR also stresses over definitive change and mechanical relations, that is, the counterbalancing of various leveled practices with necessities rising up out of total managing and from authoritative laws [4].HR's general goal is to ensure that the affiliation can gain ground through people [5].
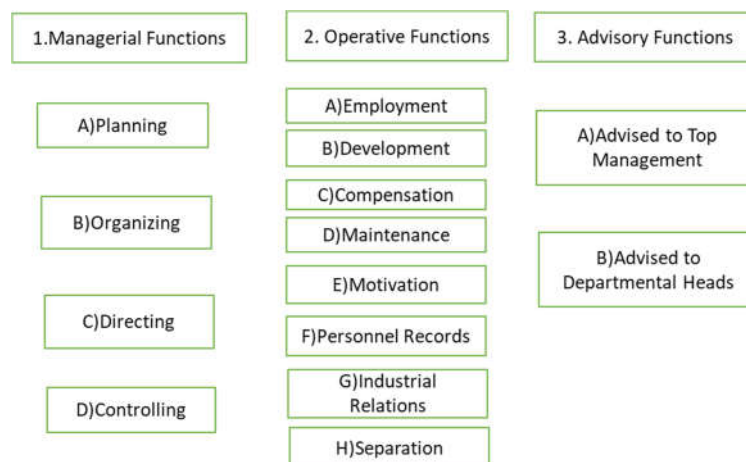

Figure: 1 Functions of HRM

2.   Literature Review on the Practices of Human Resources in India

Research in the field of practices of HRM is not new. Researchers have identified the practices during time frame and in different type of organizations. They summarized those practices under different names. Huselid, 1995 calls it : "high performance" practices whereas Aldrich and Langton(1997) calls it "formal" practices Golhar and Deshpande, 1997; calls it as "sophisticated" practices or as Gnan and Songini, (2003) calls it as "professional" practices . On the other hand, Pfeffer(1994; 1998), said it be "Best HRM Practices" .

Chandler and McEvoy in year of 2000 came up with a more appropriate question. He said that the point is that can any set of practice be such that it is suitable for all the firms. Universal nature of practice best working for all the firms was his idea. Researches on best practices recommend that all around the globe certain HRM practices are related with enhanced authoritative execution. Scholars opines that in case when employees are compensated for their extra effort, who later become motivated employees working in a climate of commonality and trust, create higher efficiency gains and lower unit costs (Boxall, 1996; Lowe and Oliver, 1991; Pfeffer, 1994). A few endeavors have been produced using time to time by various social scientists to recognize the kind of HRM practices in various parts. At first Pfeffer in the year of 1994 shortlisted sixteen best practices of human resource which further after deliberation has been reduced to seven practices as indicated in Figure 2.
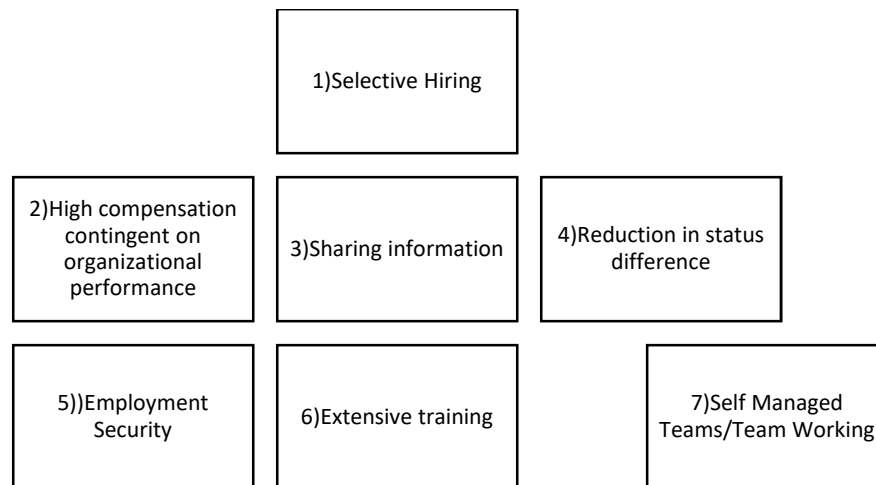
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                        ┌─────────────────────┐
                        │  1)Selective Hiring │
                        │                     │
                        └─────────────────────┘

┌─────────────────┐   ┌─────────────────────┐   ┌─────────────────────┐
│2)High compensation│ │                     │   │4)Reduction in status│
│  contingent on   │  │3)Sharing information│   │     difference      │
│  organizational  │  │                     │   │                     │
│   performance    │  │                     │   │                     │
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┌─────────────────┐   ┌─────────────────────┐   ┌─────────────────────┐
│  5))Employment   │  │6)Extensive training │   │   7)Self Managed    │
│    Security      │  │                     │   │ Teams/Team Working  │
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Figure: 2 Seven Best HR Practices

In one another study, Redman and Matthews (1998) identify an 'HRM bundle' of key practices which support service organizations quality strategies, these being:

Careful recruitment and selection
Extensive remuneration systems
Performance appraisals with links to contingent reward systems
Training and learning
Employee involvement,
Team working and flexible job design

Figure: 3 HR Practices for service Organization

In yet another research, Saxena and Tiwari (2009) developed after doing research in IT based companies in India the 3cTER Framework of HRM practices. They identified certain important HRM practices which proved to be crucial for the firms. These practices are 1) Training and Development, 2) Employer-Employee Relations, 3) Recognition through Rewards, 4) Culture building, 5) Career Development, 6) Compensation and Benefits as important HRM Practices.

In their study on the concept of Talent in the organizations functioning in India and China, Cooke et al. studied the talent management practices as well as the challenges faced. 178 non HR Managers have been questioned to gauge their perspective. They found that it the materialistic values which is widely prevalent in the companies functioning in India and China. It is further recommended that companies of these two countries adopt a more particularistic approach in managing the talent of the Human resources.

3.   Method:

To understand and develop awareness regarding the HR practices in India, we have reviewed the HR practices being followed in ten companies functioning in India. These nine companies have been selected based on the opinion taken from the ten employees of each sector but from different companies. The sectors were IT, Financial Services, Hotel Industry, Process industry, Consumer Durable and Lifestyle companies. The Companies that we finalized were 1) RMSI, (2) Google, (3) Marriott Hotels India, (4) American Express India, (5) SAP Labs India, (6)Godrej Consumer Products, (7) Intuit Technology Services, (8) Forbes Marshall, (9)Lifestyle International. The HR division of these companies have been contacted and have been asked for the practices being followed in their respective companies.

4.   Reviewing HR Practices in Indian Companies:

The opinion of the HR heads of the companies have been filtered and compiled in the below tables. It is believed that though the practices are not the same everywhere but the results use to be the same. The objective behind the adoption of HRM practices always to keep the employees motivated so that the best outcome can be attained for all the stakeholders whether the employees, the company itself or the Society at large.

Table 1. HR Practices

1)RMSI	Flexible timing for work
	Employee empowerment and employee accountability
	Employees' participation in organization's strategic decisions
	Continuous mentoring for personal development
	Skills/competency development initiatives
	Corporate social responsibility program

	Multi-cultural exposure through onsite work opportunities
	Healthcare and other benefits
	Initiatives for women
	Cultural Activities
2)Google	A flexible work environment
	work-life balance
	Creative and colorful ambience
	Access to the best and brightest IT specialists to help
	Fun at work
	Initiatives for women
	Food
	Facilities For families
3)Marriott Hotels India	Competitive pay package
	Good work life
	Better growth opportunities
	Friendly work environment
	Training facilities
	Open communication
	Trust among working teams
	Access to a gym, recreation
	Health insurance
	Discount on food and beverages
	International placements
4)American Express India	Promoting talent and growth
	Rewards & Recognitions
	Fun at work
	Gender diversity
	Smart savings
5)SAP Labs India	Initiatives for women
	Work From Home Policy
	Temporary Part Time Work
	Care for Life
	Other activities
6)Godrej Consumer Products	Diversity & Inclusion programme
	Maternity policy
	100 Leaders Programme
	Godrej LOUD
	Godrej Fellows Programme
7)Intuit Technology Services	maternity & paternity leave
	avail daycare discounts at our partner crèches
	Medical insurance of up to Rs 5 lakh for families of employees at no cost to the employee.
	Innovation at Intuit- unstructured time to chase dreams
	Diversity at Intuit
8)Forbes Marshall	Communications are transparent and accessible

	Office environment is friendly
9)Lifestyle International	Employee friendly initiatives
	Flexible working hours policy
	group term life insurance for every employee
	Whistle blower policy
	Diversify their careers and move within the Landmark Group, not just in India, but also in the Middle East.

5.　　Conclusion:

The present review showed that hoe the scholars have looked into the different aspects related to practices of HRM. Different scholars have also attempted to study the practices being followed in the companies and came up with some best practices of HRM. Some common practices that has been found in the companies are flexible work environment, Healthcare and other benefits, Initiatives for women, Cultural Activities, Food , Health insurance , International placements etc. Some other practices like policy for whistle blower, Career enhancement program are also being becoming motivational factors as being narrated by the HR heads. This work has collected a sample of sample of some selective companies and only the viewpoints of HR heads of companies have been taken into account. It is suggested that in further study sector wise, company wise study should be undertaken where in the employees should also be involved.

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