HR Practices on Organizational Culture of Manufacturing firms in Hosur, India

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Abstract: This paper examined the relationship between HR practices and Organization Culture with reference to manufacturing firms in Hosur. Organisation culture has developed in the Indian environment along with global work values. HR practices are crucial concerning organization culture. This study examined the relationship between HR practices such as recruitment and selection, training and development and compensation and administration towards organization culture. The data were collected from 163 employees of different manufacturing firms, using the quantitative approach based on the questionnaire data collection method. The result indicated that direct path relationship among HR Practices and organization culture were positive and significant.

Keywords: HR Practices, Organization Culture, Manufacturing Firms, Hosur

Introduction

The manufacturing firms is the key driver of any growing economy. A sound transportation system plays a pivotal role in a country's rapid economic and industrial development. The well-developed Indian automotive industry ably fulfils this catalytic role by producing a wide variety of vehicles. The automobile industry comprises automobile and auto component sectors. It includes passenger cars; light, medium and heavy commercial vehicles; multi-utility vehicles such as jeeps, scooters, motorcycles, three-wheelers and tractors; and auto components like engine parts, drive and transmission parts, suspension and braking parts, and electrical, body

and chassis parts. India's automotive industry is now worth $34 billion and expected to grow $145billion in another ten years. The Indian automotive industry is growing at a very high rate with sales of more than one million passenger vehicles per annum. The overall growth rate is 10-15 per cent annually. India is the world's second largest manufacturer of two-wheelers, fifth largest manufacturers of commercial vehicles as well as largest manufacturer of tractors. It is the fourth largest passenger car market in Asia and home to the largest motorcycle manufacturer.

The Automotive Mission Plan for the period of 2006-2016 aims to make India emerge as a global automotive hub. The idea is to make India as the destination choice for design and manufacture of automobiles and auto components, with outputs soaring to reach US$ 145 billion which is basically accounting for more than 10% of the GDP. This would also provide further employment to over 25 million people by 2016 making the automobile the sunrise sector of the economy. According to the Confederation of Indian Industry, the automobile sector currently employs over 80 lakhs people. An extension in production in the automobile industry is forecasted, it is likely to rise to Rs. 600000 Crores by 2024.

Human Resource Management deals with issues related to compensation, performance management, organization development, safety, wellness, benefits, employee motivation, training and others. HRM plays a strategic role in managing people and the workplace culture and environment. HR Policies are formal rules and procedures that dictate how certain matters should be addressed in the workplace including employee rights and duties. HR Policies are tied to employment law. To avoid non-compliance and penalties from the government, employer must adhere to HR Policies.

Role demands include role conflict, role ambiguity, role erosion and role overload. Role conflict occurs when an individual receives competing and conflicting expectations from others. Role ambiguity results from having unclear expectations. Role erosion arises when the functions of one incumbent are performed by someone. Role overload occurs when there are too many expectations than one is able to fulfill. All these role demands are organization.

Organizational culture encompasses values and behaviors that contribute to the unique social and psychological environment of a business. The organizational culture influences the way people interact the context within which knowledge is created the resistance they will have towards certain changes, and ultimately the way they share knowledge. Organizational culture represents the collective values, beliefs and principles of organizational members. It may also be influenced by factors such as history, type of product, market, technology, strategy, type of employees. Culture includes the organizational vision, values, norms, systems, symbols, language, assumptions, environment, location, beliefs, and habits.

Corporate culture is used to control, coordinate, and integrate company subsidiaries. However, differences in national cultures exist contributing to differences in the views on management. Differences between national cultures are deep rooted values of the respective cultures, and these cultural values can shape how people expect companies to be run, and how relationships between leaders and followers should be, resulting in differences between the employer and the employee regarding expectations. Perhaps equally foundational; observing

the vast differences in national copyright (and taxation, etc.) laws suggests deep rooted differences in cultural attitudes and assumptions about property rights and sometimes about the desired root function, place, or purpose of corporations relative to the population.

Statement of the problem

We consider organizational culture and HR practices to be the result of those factors in an organization that cause culture for the employees, and in turn have organizational consequences. The organization needs or changes, in reporting relationships may occur.

- Competitive edge derived from innovation and service.

- Consistent, efficient employee performance.

- Team cohesiveness.

- High employee morale

- Strong company alignment towards goal achievement

The study is to be conducted to know the organizational culture towards employees and HR Practices among employees, official factors and suggestions for improving organization effectiveness in order to maintain the relationships of organization among employees.

Objectives of The Study

1. To examine the organization culture and HR practices among the employees.

2. To inspect the relationships between HR practices and organizational culture.

3. To review the any difference in the organizational cultures of the under study.

Scope of the Study

Human resource management is the ability to attract. The satisfied and loyal employees can only provide productivity to the concern. To attain the loyal and satisfied employees is difficult task to the companies. Organizational culture and HR Practices are the root cause for every organization to run their productivity. The study is conducted to identify the social economic conditions of the respondents, various factors or avoiding cultural causes in the company. To manage the practices among employees and ways to reduce the cultural conflicts in the organization based on the opinions expressed by the employees regarding implementations. The study covers the level of HR Practices among the employees in the Manufacturing Firms, Hosur. The relationship between HR Practices and organizational culture among respondents in the organizations.

Review of Literature

Clutterbuck D (2012) workforce may be valuable because employees are then less likely to be absent and consequently affect the bottom line whereas had his view point that overwork causes job organization-related absenteeism, poor retention levels, low creativity, appalling customer

service and unethical employees' behavior. Also, quoted that the companies offering positive policies on Work-Life Balance also benefit from shorter absences by people on maternity leave.

McDonald et al. (2012) However as elaborated by the researcher there are five dimensions that affect organizational work-life culture these are lack of managerial support for work-life balance; perception of negative career consequences; organizational time expectations; the gendered nature of policy utilization and perceptions of unfairness by employees with limited non-work responsibilities whereas changing the habits of employees does not necessarily imply a change in work -life balance particularly if the culture of the work environment does not change.

Bloom et al. (2015) stated that on average larger firms which are typically more globalize have better work-life balance practices and Employers are being encouraged to introduce work-life policies and make them more inclusive in order to enhance their business performance.

Clark (2016) reveal in his studies that Work life balance is defined as an employee's perception that multiple domains of personal time, family care, and work are maintained and integrated with a minimum of role conflict.

Hans Seyle (2016) described a three-stage general pattern of physical responses as a result of chronic organizations. Organization is not merely a physiological response to an organization situation. Organization is an interaction between that individual and source of demand within their environment. The employee must observe the situation that is threatening. Perception of the situation occurs at the level of cognitive assessment. The employee's emotional, cognitive, behavioral, and physiological response to organization has a direct association to the characteristics of the organization, the resources the employee has to safeguard the organization, and the employee's personal characteristics.

Swaminathan & Rajkumar S (2007) a study that focused on the levels of organization among the age group, profession, different varieties of jobs, hours of work and the influence of work environment on the degree of organization faced by employees. Organization in an employee is very individual in nature. His study indicates about an optimum level in which every individual can perform with his full capacity. He has identified three conditions responsible for work organization they are a) Role overload b) Role self-distance and c) Role stagnation.

Satija S. & Khan W. (2008) occupational Organization is as same as Job Organization that need to be controlled at the workplace otherwise it will affect negatively employee's work attitudes and behavior. He conducted a study to investigate the relationship between Emotional Intelligence and Occupational Organization. The findings of his study revealed that Emotional Intelligence as a significant predictor of Occupational Organization.

Khalid A. (2008) direct relationship between organization and job performance in any organization. To improve the performance of an individual in an organization an employee should receive good support from their leaders. Hence, a supportive leader can improve the performance of an employee even at unfavorable situations.

Kavitha (2008) the organizational role organization for the employees in the IT sector. It also highlights that women face more organization than men in the organization to be more specific married women faces more organization than the unmarried women.

Singh A. P & Singh S (2010) an emphasizes on the phenomenon of Job Satisfaction in the organizational. Ac-cording to him, Job Satisfaction is directly related to Organization and Work culture that an Organization provides. He identified three sectors in which organization originate and classified organization into two main types i.e. eu-organization and Di-organization. Further, he pointed the importance of positive organization and positive events for better performance and satisfaction of employees.

Anantharaman & Zabid (2011) conducted a study on HR practices: Perceived Organizational and Market Performance in the Malaysian furniture industry. The study found that managerial and non-managerial employees did not differ in perceived organizational performance; the managers perceived higher market performance unlike the non-managerial staff.

Bharathi (2014) explained the value of HR functions in business and its impact on higher productivity, enhanced quality, better customer service, good industrial relations and lower cost which influence the profitability of an organization. Effective HR practices could play important role in achieving all the above said factors.

Chakraborty (2015) managers should be proactive. Every organization, department, team has different people and these people have to be understood, handled and dealt properly. In case you do not act proactively with such people, it would end up destroying the work culture and vitiate the whole work environment.

Research Gap

Based on the reviews we are identified following gaps; details as follows. Examine the cross-cultural differences in human resource HR Managers belief in effective HR Practices by surveying HR Practices in manufacturing firms. An interpersonal-oriental aspect of HR Practices, interprets the differences using cultural dimensions. We deliberate the overall nature of the science-practice gap in HR Management, and the implications for evidence-based Management.

Research Methods

In this research topics, we have adopted research design is descriptive, scaling technique is scaling, sampling techniques was purposive sampling and sample size is 163. In this research we have completed in the location of Hosur, Tamil Nadu. In addition, we have used following statistical tools Chi-square, mean, standard deviation and correlation analysis.

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Results analysis and Discussions

Table 1: Demographic Analyses

Demographic Variables		No. of respondents	Percentage
Age	<=25	80	49.1
	25-30	80	49.1
	31-35	3	1.8
Education	<=SSLC	21	12.9
	HSc/Dip	64	39.3
	UG	78	47.9
Experience	<=2	32	19.6
	2 to 3	78	47.9
	4 to 5	47	28.8
	>5	6	3.7
Income	<=15k	42	25.8
	15-20k	44	27
	20k-25k	59	36.2
	>25k	18	11
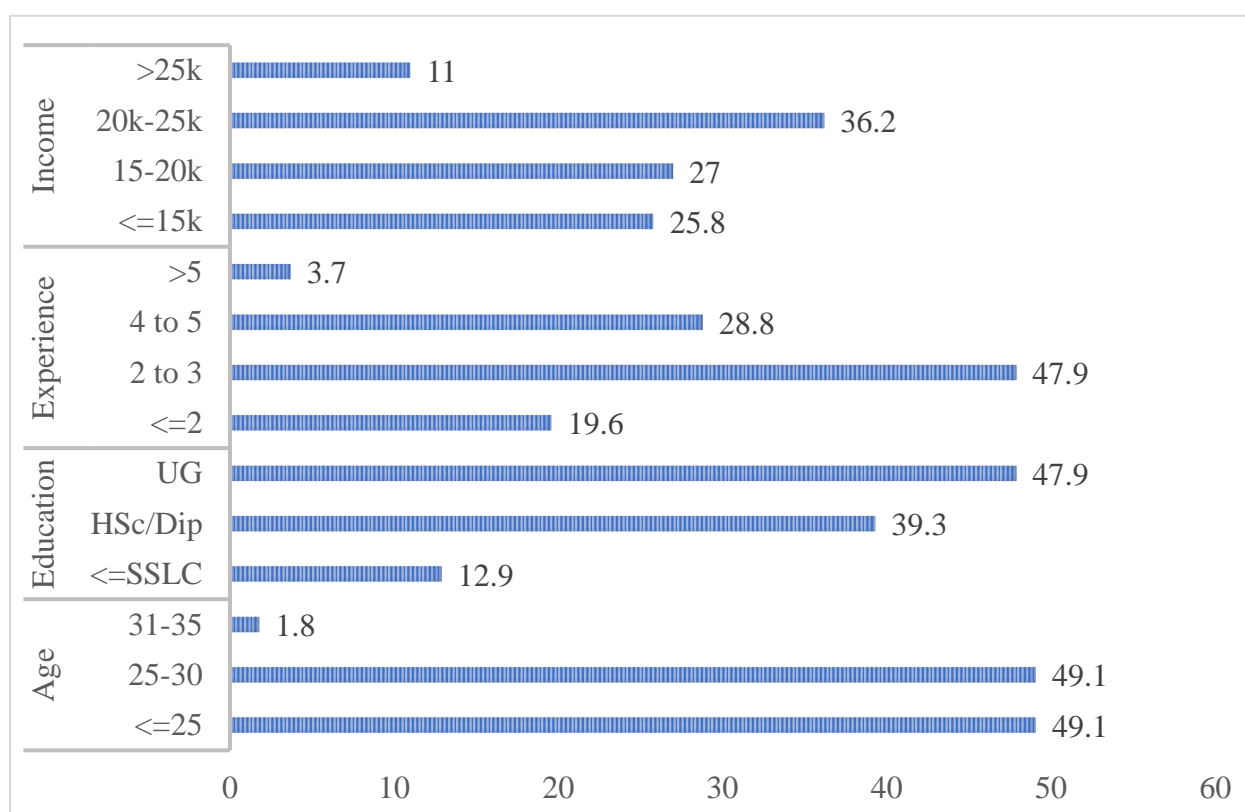
Interpretation:

Table 1 tabulation shows that, 49.1% of the respondents ages are less than 25, 49.1% of the respondents age is in between 25-30, 1.8% of the respondents age is more 30-35. 12.9% of the respondent's education are less than SSC, 39.3% of the respondent's education is SSC/Diploma, 47.9% of the respondent's education is equivalent to bachelor degree. 19.6% of the respondents' experience are less than 2yrs, 47.6% of the respondent's experience is in between 2-3 yrs, 28.8% of the respondent's experience is in between 3-5 yrs, 3.7% of the respondent's experience are more than 5 yrs. 25.8% of the respondents incomes are less than 15k, 27% of the respondents income is in between 15-20k, 36.2% of the respondents income is in between 20-25k, 11% of the respondents income are more than 25k.

H$_0$1: There is no significant difference between Age of the respondents and Recruitment and Selection Practices.

Table 2: Chi-square test - Age of the respondents and Recruitment and Selection Practices.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18.887[a]	8	.015
Likelihood Ratio	15.510	8	.050
Linear-by-Linear Association	3.383	1	.066

Interpretation:

Thus, it reports the significance test like, an association between Age and Recruitment and Selection Practices was observed, $\chi^2(8) = 18.887$, p=0. 015.Significance Value 0.015 < 0.05. So, we accept Null Hypothesis (Ho). There is a no significant difference between both the variables.

H$_0$2: There is no significant difference between Age of the respondents and Training and Development Practices.

Table 3: Chi-square test - Age of the respondents and Training and Development Practices.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14.518[a]	8	.069
Likelihood Ratio	14.404	8	.072
Linear-by-Linear Association	1.254	1	.263

Interpretation:

Thus, it reports the significance test like, an association between Age and Training and Development Practices was observed, $\chi^2(8) = 14.518$, p=0. 069.Significance Value 0.069 > 0.05. So, we reject Null Hypothesis (Ho). There is a significant difference between both the variables.

Table 4: Descriptive statistics of HR Practices and Organizational Culture

Interpretation:

Table 4 in the above descriptive statistics table shows that Mean and Standard Deviation value, for Recruitment and Selection is (Mean = 2.68 and S.D.= 1.00). For Training and Development is (Mean = 2.87 and S.D = 1.05). For Compensation and Administration is (Mean = 2.74 and S.D. = 1.05). For Performance Management is (Mean = 2.74 and S.D. = 1.15). For Organizational Value is (Mean = 2.76 and S.D. = 1.11). For Organizational Belief is (Mean = 2.65 and S.D. = 1.11). For Organizational Practices is (Mean = 2.72 and S.D. = 1.03). For Organizational Performance is (Mean = 2.88 and S.D. = 1.12). For Organizational Performance is (Mean = 2.88 and S.D. = 1.12). For Organizational Improvement is (Mean = 3.19 and S.D. = 1.45). For Organizational Culture is (Mean = 3.13 and S.D. = 1.42).

Table 5: Correlation analysis for Relationship Between HR Practices and Organisational Culture

		R & S	T & D	C & A	PM	Org. value	Org. Belief	Org.Practices	Org. Performance	Org. Improvement
R & S	Pearson Correlation	1	.908**	.953**	.953**	.951**	.934**	.684**	.825**	.555**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000	.000

	N	163	163	163	163	163	163	163	163	163
T & D	Pearson Correlation	.908**	1	.889**	.889**	.878**	.809**	.614**	.847**	.659**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000	.000	.000
	N	163	163	163	163	163	163	163	163	163
C & A	Pearson Correlation	.953**	.889**	1	1.000**	.973**	.864**	.617**	.854**	.548**
	Sig. (2-tailed)	.000	.000		0.000	.000	.000	.000	.000	.000
	N	163	163	163	163	163	163	163	163	163
PM	Pearson Correlation	.953**	.889**	1.000**	1	.973**	.864**	.617**	.854**	.548**
	Sig. (2-tailed)	.000	.000	0.000		.000	.000	.000	.000	.000
	N	163	163	163	163	163	163	163	163	163
Org.value	Pearson Correlation	.951**	.878**	.973**	.973**	1	.866**	.588**	.835**	.535**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.000	.000
	N	163	163	163	163	163	163	163	163	163
Org.Belief	Pearson Correlation	.934**	.809**	.864**	.864**	.866**	1	.622**	.732**	.410**
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.000	.000
	N	163	163	163	163	163	163	163	163	163
Org. Practices	Pearson Correlation	.684**	.614**	.617**	.617**	.588**	.622**	1	.401**	.249**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		.000	.001
	N	163	163	163	163	163	163	163	163	163
Org. Performance	Pearson Correlation	.825**	.847**	.854**	.854**	.835''	.732**	.401**	1	.818**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000		.000
	N	163	163	163	163	163	163	163	163	163
Org. Improvement	Pearson Correlation	.555**	.659**	.548**	.548**	.535**	.410**	.249**	.818**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.001	.000	
	N	163	163	163	163	163	163	163	163	163

Interpretation:

Table 5 Thus, can see that the Pearson correlation coefficient, r, is 1, and that it is statistically significant (p = 0.000). There was a strong, positive correlation between HR Practices and Organizational Culture, which was statistically significant in Recruitment and Selection Practices. Thus, can see that the Pearson correlation coefficient, r, is 0.908, and that it is statistically significant (p = 0.000). There was a strong, positive correlation between HR Practices and Organizational Culture, which was statistically significant in Training and Development Practices. Thus, can see that the Pearson correlation coefficient, r, is 0.953, and that it is statistically significant (p = 0.000). There was a strong, positive correlation between

HR Practices and Organizational Culture, which was statistically significant in Compensation and Administration Practices. Thus, can see that the Pearson correlation coefficient, r, is 0.953, and that it is statistically significant (p = 0.000). There was a strong, positive correlation between HR Practices and Organizational Culture, which was statistically significant in Performance Management.

Thus, can see that the Pearson correlation coefficient, r, is 0.934, and that it is statistically significant (p = 0.000). There was a strong, positive correlation between HR Practices and Organizational Culture, which was statistically significant in Organizational Belief. Thus, can see that the Pearson correlation coefficient, r, is 0.684, and that it is statistically significant (p = 0.000). There was a strong, positive correlation between HR Practices and Organizational Culture, which was statistically significant in Organizational Practices. Thus, can see that the Pearson correlation coefficient, r, is 0.825, and that it is statistically significant (p = 0.000). There was a strong, positive correlation between HR Practices and Organizational Culture, which was statistically significant in Organizational Performance. Thus, can see that the Pearson correlation coefficient, r, is 0.555, and that it is statistically significant (p = 0.000). There was a strong, positive correlation between HR Practices and Organizational Culture, which was statistically significant in Organizational Improvement.

It is concluded from the above study that the majority of the respondents working are Male in the Organization. 49.1% of the respondents age is in between 25-30. 47.9% of the respondent's education is equivalent to Bachelor's Degree. 47.6% of the respondents' experience is in between 2-3 yrs. 36.2% of the respondent's incomes are in between 20-25k. An association between Age and Recruitment and Selection Practices was observed, $\chi^2(8) = 18.887$, p=0.015. So, we accept Null Hypothesis (Ho). An association between Age and Training and Development Practices was observed, $\chi^2(8) = 22.197$, p=0.005. So, we accept Null Hypothesis (Ho). An association between Age and Organizational Practices was observed, $\chi^2(8) = 22.197$, p=0.005. So, we accept Null Hypothesis (Ho). An association between Age and Organizational Practices was observed, $\chi^2(8) = 22.197$, p=0.005. So, we accept Null Hypothesis (Ho). There was a strong, positive correlation between HR Practices and Organizational Culture, which was statistically significant in Training and Development Practices. Positive correlation between HR Practices and Organizational Culture, which was statistically significant in Compensation and Administration Practices. HR Practices and Organizational Culture, which was statistically significant in Organizational Practices.

Suggestions and Conclusion

The Organizational culture should be such that it promotes both Productivity and happiness has given certain suggestions for employees, especially beginners, to adjust with the organizational culture. The same tips would be well appreciated and can be applicable to the employees from Indian industrial sector too. These suggestions are mentioned hereunder. Introduce oneself with co-staff, superiors to the extent possible voluntarily, without being asked for. This initiative facilities better working relations and effective adaptation to the work responsibilities. Employees dress pattern should be such that it is acceptable to others and is in conformity with the accepted way of life. Ask smart and pertinent questions with care only to

right persons and avoid questioning too often. Identify a mentor who can really guide in work and behavior and establish rapport with employers.

Follow those employees who have leadership qualities and those who have credibility in the organizations. Avoid talking critically about others and about the projects\work of the organization and also personal questions which may embraces people. Follow the pattern of communications preferred by the supervisor thereby one can establish strong professional leadership.

One should be flexible in talking up new assignments even if it is not a part of job descriptions and ask for help/training, if required, so as to take up the assigned work. Be punctual Be first to arrive and last to depart from the workplace. Keep note of accomplishments and key issues that merit recognition in sequential order during the first subsequent performance review. There is a significant difference between the socio-economic support in an organization. The results developed through inferential analysis to measure differences among the variables of HRM Practices and organizational culture. It is evident that organization showed relatively better perception of Planning, Recruitment Process, Selection, Performance evaluation and Career Management aspects of HRM Practices. There is no significant difference in Training and Development and rewards as per the response of the respondents. Planning, Recruitment, Selection, Training and Development, Performance evaluation, Career Management and rewards are significant correlated with all the dimensions of organizational cultures.

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