



Exploring the insights of HR Policies and Practices in Indian Context

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Abstract: HR practices are the strategic operations of any human resource department which is the foundation and guidance for managing the company's employees. HR policies and practices aim to utilise the manpower in the most efficiency and effective way possible and HR Policies provide a framework for the managers to make various decisions. Managerial decisions are very crucial to the organisation and this is the point at which HR policies and practices come into play. The objective of this paper is to analyze and examine the various Human Resource policies and practices followed in organisation. Implementing effective HR policies will help the organisation to adhere to corporate governance and regulation of employees. It also ensures smooth and effective functioning of any business. HR practices constantly ensure that the workforce is developing and dynamic in order to meet the organisational objectives along with satisfying the individual objective of employees. Maximising employee contributions is the objective of HRM in order to attain the highest levels of production and effectiveness. It concentrates on accomplishing organisational, social, and individual objectives. Depending on each organisation's goals and objectives, HR policies and procedures vary. HR practices also encompass strategic planning, organising and managing the HR department. The promotion of employees' interests within the organisation is a major goal of human resource management, which ensures fair treatment of all employees. This conceptual paper analyses the key elements of HR policies with purpose, procedures and guidelines. The paper also discusses about the significance about Recruitment and Selection, Pay and Compensation, Training and Development, Employee benefits and incentives, Grievance Redressal are the routine practices of the Human Resource department in any organisation.

Key Words: Human Resource policies, manpower, dynamic.

1. INTRODUCTION:

Human Resource Management (HRM) refers to the management of people in organizations. It is the systematic approach to achieve organizational objectives through the optimal use of skilled employees. Human Resource Management involves planning, accessing, evaluating and developing human talent in the organization. It provides fair treatment of employees and focuses on promoting the interests of employees in the organization. The objective is to ensure that the organization has the required human resources to achieve its goals. The goal of HRM is to maximize employees' contributions to achieve optimal productivity and effectiveness. It focuses on achieving individual objectives, social objectives and organizational objectives. In every organization, the HR policies are stated after a thorough analysis and examination to the main order in the institution. HR practices and policies also aim to increase the effectiveness and efficiency of the employees in the organization. It acts as a tool and guidance which helps in managing the workforce. HR policies and practices also keep a close check on the changing environment which may affect the quality of work done by the workforce. It is very important that the policies and practices are upgraded and modernized by adapting to the changing business environment, from time to time. HR policies are also characterized as the set of principles and rules of conduct that govern an organization's relationship with its employees. HR policies serve as the foundation for good HRM practices.

Employee contribution is important for any organization, as employees are the backbone of the organization. HR policies are framed in a way that favors the employees and supports them. Employee satisfaction is important because when employees are happy with their job and work environment, they contribute more to the organization. A safe working environment is essential for any company as it increases productivity and makes the employee more satisfied at work. HR should also help in enriching employee experience as the policies that are framed by the HR management should give confidence to the employees which eventually provides a safe working environment. The HR management should also ensure that there is transparency between the employees and the superiors and they are freely able to share their views. The HR can also launch an open door policy system where the higher superiors are willing to hear the problems and thoughts of the employees. The process of regular skip meetings between the employees and the next level supervisors allows free flow of thoughts from the employees, to improve the job satisfaction. The HR should



ensure the presence of roles and responsibilities of the employees, with clearly defined desk procedures for each task. This will ensure the employee is not questioned by the supervisors on the tasks performed and for tasks not performed, which were never captured in the desk procedures. HR processes should include creation of the right organizational structure that the company should maintain. Depending on the business requirements and industry best practices the organizational structure could be Hierarchical org structure, Functional org structure, Horizontal or flat org structure, Divisional org structure etc. The structure needs to be stated properly and designed after a proper bench marking. Properly defining the organizational structure will provide clarity in job relations, reporting relationships and establish precise authority and responsibility between the superior and the subordinate.

Recruitment and selection of the employees is a crucial activity of the Human Resource department. It makes sure that the manpower requirements of the organization are duly met. "Right Person for the Right Job at the Right Time and Place" will be the driving force of recruitment and selection. Every organization has its own policies and procedures for this process. A very significant policy and procedure of HR would be benchmarking of Pay and Compensation. Pay and compensation should be fair from both the parties, the organization and the employees. The employees must be compensated correctly for the time and efforts they put into work. It should also give the employees a reasonable standard of living and must provide scope for recreational facilities. On the part of the organization, the compensation which they provide to the employees should be affordable and must not bear unnecessary cost to the firm. A good Performance Appraisal system is very essential in any organization. The HR department keeps a close check on the performance of the employees and evaluates them. There would be standards and targets set, which an employee has to achieve. Performance appraisal acts as a tool to identify efficient and inefficient workers. Efficient workers will be rewarded and additional training can be given to the inefficient workers or sometimes, laid off. The HR department is responsible for conducting Training and Development programs for its employees. The aim is to improve their job performance and job morale. Training and Development programs are vital as it ensures that the employees are updated to the changing business environment. It effectively boosts the employee's motivation and reduces wasteful tasks, as they learn to do their job better. Presence of an anti-harassment cell under the guidance of HR gives the employee a lot more confidence in going above his duties. The presence of the cell gives an assurance to the employee of a safe working environment and an opportunity to report if there are issues in the work safe. This is one of the most essential elements a female employee looks forward to in an organization. The HR can adopt a feedback mechanism from time to time, where the employees can express thoughts, opinions and ideas on various criteria. Through this system the organization can identify various areas of improvement and development. On the employees side, they feel that they are being heard and considered and as a result, their job morale increases.

2. LITERATURE REVIEW:

Gomez-Mejia, Luis and Theresa M (1988) - examines issues related to the meaning and structure of pay strategy, as well as the relationship between employee and organizational strategy, in the emerging compensation strategy literature. The authors conclude with a critical examination of compensation strategy concepts and recommendations for furthering the state of the art in this field.

Bratton and Gold (2007) - endeavored to make the field of Human Resource Management more transparent and relevant by analyzing Human Resource Management theory and practice as part of the management process. The book shows that if researchers and HR practitioners wish to demonstrate HRM's contribution to organizational performance, more case study research is needed that considers the societal impact on HR practices as they are translated across the globe and translated locally to functioning social relationships.

Baral, Bhargava (2011) - conducted a study on HR policies on work-life balance: Evidence from organizations in India and the results are able to provide some guidance to HR professionals in India to improve their current work-life balance policies and practices review and redesign accordingly. Before implementing work-life balance programs, certain precautions and proactive measures should be taken to reap the benefits of the same.

Kulkarni (2013) conducted a study on Training and Development and quality of work life and observed that Training allows individuals to enhance their abilities within the firm, which naturally serves to raise the organization's market value, employee earning power, and job security. Training shapes an employee's mentality and helps them cooperate more effectively inside the business. Training and development programmes increase the quality of life at work by fostering an employee-friendly environment.

Kadiresan, *et. al.*, (2015) - suggests that HRM practices not only improve employee productivity and performance, but that well-designed HRM practices may also gain employee commitment and positively affect their attitudes and behavior. There is also empirical support for a significant relationship effect between HRM practices and organizational commitment and turnover intention and concluded that effective HRM practices must be implemented for both employees and organizations in order to improve productivity and performance.



Taheri, Miah and Kamaruzzaman (2020) - study found that the working environment has a significant impact on job satisfaction and that without better facilities, organizations cannot function properly, whereas the working environment is the most concerning issue for employees. As a result, this study concluded that a focus on the working environment is required for improved job satisfaction.

2.1. Objectives

- To analyze the various policies and practices of Human Resource planning in organizations.
- To explore the significance of the HR policies and practices

3. METHODOLOGY:

The present research is a conceptual research, which studies the outline of policies and practices followed by the organizations. The study was conducted on various Human Resource Policies and practices in the Indian context. The data was collected through various secondary sources. Results were inferred by observing the HR activities of various organizations across the industries and interacting with the employees of the organization. The common HR activities adopted by different organizations were studied and it was observed that various organizations have diversified policies and procedures, which can also be narrowed down to a general context. A thorough literature review was also conducted and found that different authors have diverse perceptions on effective HR policies & practices. Authors have focussed on certain specific variables, which also helped to gain insights about common HR policies and practices.

4. DISCUSSION AND SUGGESTIONS:

Human resource (HR) policies are protocols that are framed for the organization and the employees. The outlines comprise employee expectations, organizational obligations, disciplinary procedures and behavior standards that every person in the organization needs to abide by. HR policies establish proper guidelines that have to be applied to all the levels of the organization. A well-defined HR policies are an essential aspect of any organization because they provide clarity and structure. These are often written guidelines that HR includes in an employee handbook for employees to reference as needed. Each policy helps companies with a structure in which teams can work in a positive and productive way. The most commonly observed HR policies and practices are briefly discussed below.

Recruitment and selection is considered as one of the major activities of the HR department. It focuses on acquiring the right person for the right job. Recruitment means the process of searching for prospective employees and stimulating them to apply for jobs in the organization. The essential objective is to create a pool of the prospective job candidates. Whereas, selection is the process of choosing from among the pool of prospective job candidates developed at the recruitment stage. There is a need for HR policies to support the recent requirements the employees look for in an organization on the working hours and working pattern. New hires look for flexibility in the working hours and options to work from home if there is a need to support the family needs. Additionally new hires look at policies on Sabbatical leave, to take a break from work to support personal needs, obviously without pay, but also not losing their jobs. Personal needs could be to take care of a newborn, medical reasons (family) and further education. Many organizations have gone the extra mile to create policies to hire people from diverse groups including people with second innings (after the break), LGBTQ+, Handicaps, etc.. Training is a process by which the aptitudes, skills and abilities of employees to perform a specific job are increased and enable them to do the job better. Development on the other hand means the learning opportunities that are designed for the employees in order to enable their overall career growth. Training can be on the job or off the job. Training and Development benefits both the employee as well as the organization as it increases productivity, leading to higher profits and increases the job morale thereby reducing absenteeism and employee turnover.

Performance Appraisal means effectively evaluating an employee's performance against the predetermined standards. This gives a scope for the superior to provide feedback to his or her subordinates. Efficient employees can be promoted, rewarded, recognized and can be provided incentives based on the organization's HR policies. Whereas additional training can be given to inefficient employees so it helps them to meet the standards set. There are different performance appraisal systems which are available out of which the organization can adopt the most suitable one.

Working environment typically means the elements that comprise the setting in which employees work and impact workers. It is the responsibility of the management to provide a good working environment to the employees of the organization and create healthy and positive surroundings as it aids the workers to efficiently carry out their roles without any hindrance. There must be order of men, material and machinery, as well as other amenities which are linked to performance of the work. Good work positively contributes to an employee's job performance, job morale and job satisfaction. A properly defined organizational structure provides clarity in the working relationships and aims to utilize the resources of the organization optimally. It provides effective administration and provides coordination in order to



accomplish the desired goals. Assigning proper duties, establishing reporting relationships and determining the span of management is very crucial when the HR policies are framed. Centralization and Decentralization of authority and delegation of responsibility contributes to a good working environment and facilitates effective performance of the job. The overall pay and compensation must be just and equitable as it ensures a congenial atmosphere and good relations between the workers and management. The employees must be compensated fairly for the work done by them. This may depend on various factors such as job role, nature of the job, supply and demand of the labor force in the market, HR planning cost etc. Various other benefits and incentives are provided to the employees in addition to basic pay and compensation which may be financial or non-financial such as profit sharing, bonus, allowances, stock exchange plan, retirement benefits, status, employee recognition programs, job security, job enrichment, career advancement opportunities etc. Various leave policies such as casual leave, sick leave, earned leave, and other leave benefits are also included in an organization's HR policies. The feedback discussion should be documented and the frequency of discussion between the employee and the supervisor should be on a regular frequency, at a minimum once in a quarter. The feedback should also have a follow-up mechanism from HR to ensure the employee gets an opportunity to work on the opportunities and be able to improve their performance.

Table 1 Showing about the variables and findings from Literature

| AUTHOR (S) | YEAR | VARIABLES | FINDINGS |
|-------------------------------|------|---|---|
| Gomez-Mejia, Luis and Theresa | 1988 | Compensation Strategy: An Overview and Future Steps | Critically examined compensation strategies and gave recommendations. |
| Bratton, Gold | 2007 | Human Resource Management: Theory and Practice | Overall organizational performances and social relationships among employees & managers in the organization. |
| Baral, Bhargava | 2011 | HR interventions for work-life balance: evidences from organizations in India | Provide guidelines to HR professionals to improve work life balances, review and redesign accordingly, precautions and proactive measures |
| Kulkarni | 2013 | Training and Development and Quality of Work life. | Training effectively enhances an individual's ability, thereby contributing to overall performance of an organization and foster quality of work life of the employees |
| Kadiresan, <i>et. al.</i> , | 2015 | Performance Appraisal and Training and Development of Human Resource Management Practices (HRM) on Organizational Commitment and Turnover Intention | Suggested that HRM practices not only improve employee productivity and performance, but also gain employee commitment and positive attitude and behavior towards their work. |
| Taheri, Miah and Kamaruzzaman | 2020 | Impact of Working Environment on Job Satisfaction | Working environment has a significant impact on job satisfaction and without better facilities, organizations cannot function properly. |



5. CONCLUSION:

HR policies and practices act as guiding principles to effectively utilize the workforce of the organization. This conceptual study was conducted by thorough review of literature where certain variables indicate key activities of HRM. The more well defined and effective the HR policies are laid and practices followed, the more satisfied are the employees of the organization. Optimum job performance is ensured when a healthy working environment is established, thereby increasing job morale and motivation of the employees. It is observed that during the HR planning, the policies must be formulated in such a way that it benefits both the organization and the employees. It must include the general components like the process of Recruitment and selection, method of training and development, establishing effective performance appraisal system, general code of conduct and ethics, the various compensation policies and benefits that can be availed must be determined properly. They are formulated after a thorough analysis, based on feasibility and suitability of the firm. Though HR policies and practices vary from organization to organization, the ultimate objective is to meet the individual as well as organizational goals and objectives. Future researchers can do research on many variables identified in sound HR policies and practices in order to explore and gain insights on them.

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