

HUMAN RESOURCE STRATEGIES AT HERITAGE LTD.

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ABSTRACT

The human sources in the banking sector are not only important, but expensive and delicate. Adoption of improved technologies by upgrading their work methods, work norms, technical and managerial skills and employees' motivation to face up to the fast emerging challenges, has become the need of the hour. The present study has been an attempt to make a comparative analysis of human resource management practices relating to employees' recruitment, selection, promotion, compensation packages, training and development practices in the public and private sector commercial banks in India and the way these are linked with the employees' job satisfaction. To study the HRM policies, practices and trends with respect to recruitment, selection and promotion, compensation, training and development in the commercial banks, secondary data have been gathered. The trends in business per employee, profit per employee, staff strength, branches, deposits per employee, advances per employee, cost per employee, establishment expenses per employee etc have also been studied for the selected commercial banks with a time span ranging from 2002-03 to 2023-24 and different statistical tools such as time series, ratios, mean, standard deviation, variance analysis and Compound Average Growth Rate (CAGR) have been applied to analyse the secondary data. A study of HRM strategies and practices of the four sample banks have also been done through 'content analysis'. The 29 different HRM areas have been identified in the sample banks with respect to recruitment and selection, promotion, compensation, training and development policies and practices and compared through 'content analysis'. The study brings out that though the public sector banks have gained market share over the last decade, but these have not been focusing on recruitment planning, career planning, training and development, performance-linked incentives, succession planning and grooming of leaders, and a contingent of contented workforce as expected.

INTRODUCTION

HUMAN RESOURCE MANAGEMENT

Human Resource Management or Personnel management is the activity of managing personnel, usually employees.

In any organization, managing personnel is the process of making sure the employees (not the customers) are as productive as they can be. This can include hiring, firing, or transferring people to/from jobs they can do most productively.

This subject is a major at many universities, or a minor in the business school. It is also known as personnel administration, which is functionally an equivalent term.

1.1 Meaning of Human Resource Management:

A business unit needs employees to look after different activities. This is called manpower or human resource. Such human resource needs to be developed fully so that it will make positive contribution for the progress and prosperity of a business unit. For this systematic development and management of human resources is necessary. Human Resource Management (HRM) deals with:

- (a) Training
- (b) Self-development
- (c) Promotions

(d) Performance appraisal of manpower recruited in an organization.

HRM is an organized learning experience aimed at matching the organizational need for career growth and development. It is a process involving series of learning activities designed to acquire desired level of competence among employees. HRM is a continuous process and it needs money. Such investment creates a team of efficient, skilled and trained manpower which brings success and stability to a business unit. HRM programmes offer long term benefits to an organization.

1.2 Characteristics of Human Resource Management:

NEED FOR THE STUDY

1. This project aims at gaining an overall knowledge of HR policies, organizational-structure and compensation management of Integrated Thermoplastics Ltd and comparing it with other top companies.
2. This provides as the basis for total learning about how a good HR Policy helps a company to grow by utilizing the human resource which is one of the most important assets of any company.

SCOPE OF THE STUDY

1. In any organization human resource is the most important asset. In today's current scenario, Integrated Thermoplastics Ltd is a very large Service based Organisation.
2. As most of the company's overall performance depends on its employee's performance which depends largely on the HR POLICIES of the organization.
3. So the project has wide scope to help the company to perform well in today's global competition.
4. The core of the project lies in analyzing and assessing the organization and to design an HR POLICY manual for the organization.

OBJECTIVES OF THE STUDY

1. To study the HR Policies of the company.
2. To study the amendments made in the HR Policies of Integrated Thermoplastics Ltd since the time of incorporation.
3. To incorporate the amendments in the base policy and prepare a final policy.
4. To design a HR Policy manual for the company with special emphasis on the "Managerial Service Conditions".

RESEARCH METHODOLOGY

1. METHOD OF DATA COLLECTION

The researcher has chosen the questionnaire methods of data collection due to limited time in hand. While designing data-collection procedure, adequate safeguards against bias and unreliability must be ensured. Researcher has examined the collected data for completeness, comprehensibility, consistently and reliability.

Researcher has also gathered secondary data which have already been collected and analyzed by someone else. He got various information from journals, historical documents, magazines and reports prepared by the other researchers. For the present piece of research the investigator has used the following methods:

- Questionnaire
- Interview

- Observation

LIMITATIONS OF THE STUDY

1. The information collected and opinions are of customers as to what they feel. Thus the accuracy and information collected depends upon the perception of each respondent and circumstances involved.
2. VERY TIME CONSUMING in the fast competitive market everybody is busy in performing his/her job. It is really hard for the managers to spare time. So it is time consuming.
3. TIME CONSTRAINTS understanding the work culture of any organization in few weeks is very hard task. For doing project few weeks are not enough. Managers were very busy so managing time with them was quite difficult.
4. As the researcher was an outsider so co-ordination with the employees took sometime and it was formal.

REVIEW OF LITERATURE

Introduction:

The basic objective of this chapter is to get inside into the previous findings so that it will help to know the gap in earlier studies and to justify the research problem selected by the researcher for the study purpose. The literature is reviewed on human resource management (HRM), human resource development (HRD) and human resource practices (HRP) and on electronic human resource management

(E-HRM)/development/practices. The prominent areas covered in the present literature of reviewed are studies related to concept, model, system, functions, organizational culture and climate, training and development, performance appraisal, recruitment and selection, manpower planning, promotion, welfare and fringe, rewards and recognition and other issues on HR and E-HRM practices. Indian and international studies are studied by classifying them into 3 periods, such as (i) Pre 1991 period (ii) 1991-2000 period and (iii) 2001-2013 period.

INDUSTRY PROFILE

Retailing in India is one of the pillars of its economy and accounts for 14 to 15 percent of its GDP. The Indian retail market is estimated to be US\$ 450 billion and one of the top five retail markets in the world by economic value. India is one of the fastest growing retail markets in the world, with 1.2 billion people.

As of 2013, India's retailing industry was essentially owner manned small shops. In 2010, larger format convenience stores and supermarkets accounted for about 4 percent of the industry, and these were present only in large urban centers. India's retail and logistics industry employs about 40 million Indians (3.3% of Indian population).

Until 2011, Indian central government denied foreign direct investment (FDI) in multi-brand retail, forbidding foreign groups from any ownership in supermarkets, convenience stores or any retail outlets. Even single-brand retail was limited to 51% ownership and a bureaucratic process.

In November 2011, India's central government announced retail reforms for both multi-brand stores and single-brand stores. These market reforms paved the way for retail innovation and competition with multi-brand retailers such as Walmart, Carrefour and Tesco, as well as single brand majors such as IKEA, Nike, and Apple. The announcement sparked intense activism, both in opposition and in support of the reforms. In December 2011, under pressure from the opposition, Indian government placed the retail reforms on hold till it reaches a consensus.

In January 2012, India approved reforms for single-brand stores welcoming anyone in the world to innovate in Indian retail market with 100% ownership, but imposed the requirement that the single brand retailer source 30 percent of its goods from India. Indian government continues the hold on retail reforms for multi-brand stores.

In June 2012, IKEA announced it had applied for permission to invest \$1.9 billion in India and set up 25 retail stores. An analyst from Group stated that the 30 percent requirement was likely to significantly delay if not prevent most single brand majors from Europe, USA and Japan from opening stores and creating associated jobs in India.

On 14 September 2012, the government of India announced the opening of FDI in multi-brand retail, subject to approvals by individual states

COMPANY PROFILE

The Heritage Group, founded in the year 1992 by Sri Nara Chandra Babu Naidu, is one of the fastest growing Private Sector Enterprises in India, with five-business divisions viz., Dairy, Retail, Agri, Bakery and Renewable Energy under its flagship Company Heritage Foods Limited (Formerly known as **Heritage Foods (India) Limited**). The annual turnover of Heritage Foods crossed Rs.1606 crores in 2012-13.

Presently Heritage's milk products have market presence in Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, Maharashtra, Odisha and Delhi and its retail stores across Bangalore, Chennai and Hyderabad. Integrated agri operations are in Chittoor and Medak Districts and these are backbone to retail operations and the state of art Bakery division at Uppal, Hyderabad, and Andhra Pradesh. In the year 1994, HFIL went to Public Issue to raise resources, which was oversubscribed 54 times and its shares are listed under B1 Category on BSE (Stock Code: 519552) and NSE (Stock Code: HERITGFOOD)

About the founder:

Sri Chandra Babu Naidu is one of the greatest Dynamic, Pragmatic, Progressive and Visionary Leaders of the 21st Century. With an objective of bringing prosperity in to the rural families through co-operative efforts, he along with his relatives, friends and associates promoted Heritage Foods in the year 1992 taking opportunity from the Industrial Policy, 1991 of the Government of India and he has been successful in his endeavour.

At present, Heritage has market presence in all the states of South India. More than three thousand villages and five lakh farmers are being benefited in these states. On the other side, Heritage is serving more than 6 lakh customers needs, employing more than 700 employees and generating indirectly employment opportunity to more than 5000 people. Beginning with a humble annual turnover of just Rs.4.38 crores in 1993-94, the sales turnover has reached close to Rs.300 crores during the financial year 2005-2006.

Sri Naidu held various coveted and honorable positions including Chief Minister of Andhra Pradesh, Minister for Finance & Revenue, Minister for Archives & Cinematography, Member of the A.P. Legislative Assembly, Director of A.P. Small Industries Development Corporation, and Chairman of Karshaka Parishad.

DATA ANALYSIS AND INTERPRETATION

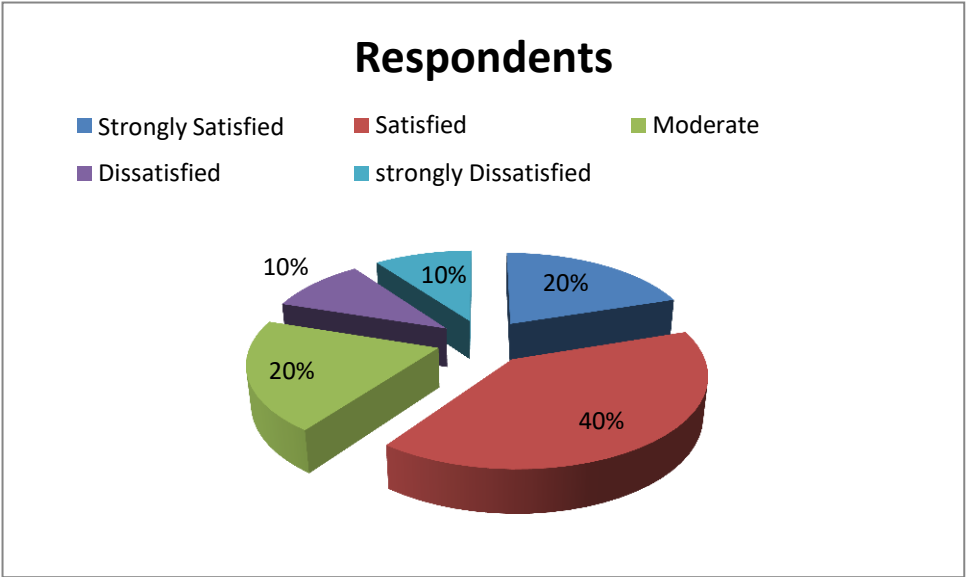
1. Are you satisfied with the external recruitment sources performed in your organization.

Table no.1

Particulars	Respondents
Strongly Satisfied	20
Satisfied	40

Moderate	20
Dissatisfied	10
strongly Dissatisfied	10

Chart no.1



Interpretation

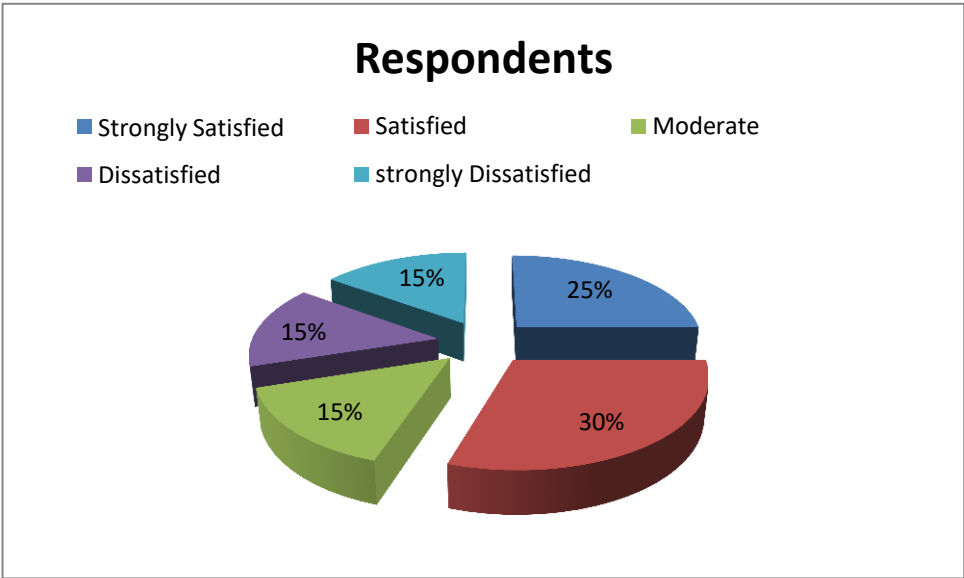
From the above analysis 40% of the employees satisfied with the external recruitment sources performed in the organization, 20% strongly satisfied, 20% moderate and the remaining 10% each feels dissatisfied and strongly dissatisfied.

2. Are you satisfied with the monetary reward given on bringing a candidate on board?

Table no.2

Particulars	Respondents
Strongly Satisfied	25
Satisfied	30
Moderate	15
Dissatisfied	15
strongly Dissatisfied	15

Chart no.2



Interpretation

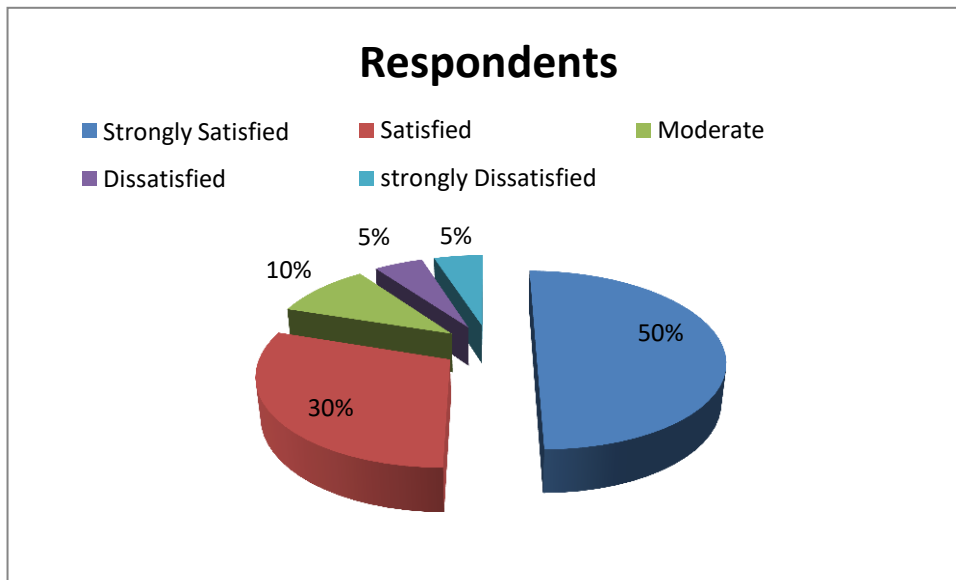
Above analysis states 30% of the employees satisfied with the monetary reward given onbringing a candidate on board, 25% strongly satisfied and the remaining 15% each feels moderate, dissatisfied, and strongly dissatisfied.

3. Are you satisfied with the background checks conduct for employees.

Table no.3

Particulars	Respondents
Strongly Satisfied	50
Satisfied	30
Moderate	10
Dissatisfied	5
strongly Dissatisfied	5

Chart no.3



Interpretation

From the survey 50% of the employees strongly satisfied with the background checks conduct for employees, 30% satisfied, 10% feels moderate and the remaining 5% each feels dissatisfied and strongly dissatisfied.

FINDINGS

1. 40% of the employees satisfied with the external recruitment sources performed in the organization, 20% strongly satisfied, 20% moderate and the remaining 10% each feels dissatisfied and strongly dissatisfied.
2. 30% of the employees satisfied with the monetary reward given on bringing a candidate on board, 25% strongly satisfied and the remaining 15% each feels moderate, dissatisfied, and strongly dissatisfied.
3. 50% of the employees strongly satisfied with the background checks conduct for employees, 30% satisfied, 10% feels moderate and the remaining 5% each feels dissatisfied and strongly dissatisfied.
4. 50% of the employees satisfied with the monetary limits given to you for the expenses, 15% each feels strongly satisfied and moderate, and the remaining 10% each feels dissatisfied and strongly dissatisfied.
5. From the above table and graph we can interpret that for the statement of “for employee performance, does your organization conducts training programs” employees response is 95% of the employees says yes and 5% says no.
6. 50% employees feels satisfied with the Class room method adopted by your organization to train the employees, 30% strongly satisfied, 10% feels moderate and the remaining 5% each feels dissatisfied and strongly dissatisfied.
7. 40% of the employees agree with effectiveness of training program in Organization is evaluated by observing the post training performance of employees, 30% strongly agree, 20% neutral and the remaining 5% feels disagree and strongly agree.
8. 50% employees feels satisfied with Balanced Scorecard method, 20% each feels strongly satisfied and moderate, 10% feels dissatisfied and there are no respondents for strongly dissatisfied.
9. 40% feels satisfied with the feedback given to you by organization, 30% employees strongly satisfied, 20% feels moderate and the remaining 5% each feels dissatisfied and strongly dissatisfied.

SUGGESTIONS

1. The company should focus its attention more on campus interviews to attract young potential employees who have the zeal to achieve goal for themselves and the company
2. The company can take up short-term projects with new technologies and fixed deadlines to bring out competitiveness and cutting edge approach by the employees.
3. Efforts for making training and development formats user friendly should be kept continued
4. The company should adopt some other ways for nominating the trainees like training need identification survey, self-nomination, personal analysis, organizational analysis, etc
5. Training should be a continuous process i.e. it should be imparted at regular intervals
6. Employees participation, suggestions, ideas need to be encouraged by supervisor which will motivate the employees and will result in higher level of job satisfaction
7. Performance appraisal system needs to be relooked by adopting the proper system to measure the performance of employees and it will make the employee feel satisfied for being recognized
8. Recreation facilities like sports, picnic and others need to be relooked which will reduce the stress of employee
9. Employee should be provided with proper training

CONCLUSION

The study addressed the issue of strategic planning of human resources, which is one of the core activities and practices performed by the human resources management in all types of institutions. Through it estimated future needs of the organization from human resources to serve the requirements of achieving their goals and in order that the human resources planning the development of a future strategy based mainly on a study the volume of work specified in the organization's strategy and compare it with the power and the possibilities of future human resources in which to determine whether they need additional work force and what is unique and skills required to accomplish the work required in the future or that it has a surplus for the need of human resources, whether or not there is a shortage or surplus so that enough existing resources to accomplish what is planned from the workload of the overall strategy

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