HARD HUMAN RESOURCE PRACTICES AND ITS INFLUENCE ON GROUP COHESIVENESS OF THE EMPLOYEES IN AUTO MOBILE MANUFACTURING UNITS IN THIRUVANANTHAPURAM

Mr. S. Clement*, Dr. S. Kathiresan and Dr. Jothi Jayakrishnan*****

* Research Scholar, Department of Business Administration, Annamalai University.

** Assistant Professor, Department of Business Administration, Annamalai University.

*** Professor, Department of Business Administration, Annamalai University.
Email : jjaisubi2003@rediffmail.com.

ABSTRACT

This study aims to analyse the effect of hard HRM practices on group cohesiveness of the employees working in automobile manufacturing units at Thiruvananthapuram. Here, hard HRM practices namely human resource planning, staffing, training and developments, compensation, performance management and down sizing system have been taken as a independent variable. Group cohesiveness has been taken as dependent variable. For the above variables questionnaire has been developed by the researcher based on previous literature review. Questionnaire has been considered as a research tool for collecting primary data from the sample respondents. Descriptive research design has been used for this study. The sample of 335 employees have been surveyed with help of questionnaire. The collected data analysed with appropriate statistical tools like descriptive statistics, correlation and regression. The result of the study revealed that the automobile industry has frequently using hard HRM practices inorder to achieve the organization goal. Further, the study also found that hard HRM practices have been related with group cohesiveness of the employees. Staffing and compensation have been highly influence in group cohesion of the employees. So, it is revealed that hard HRM practices have the potential to improve and sustained organizational performance.

Keywords : Hard HRM, Group Cohesiveness and Employees Attitude.

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Introduction

Successful organization is value, develop and nurture their human capital to achieve their goals and objectives. Human resource management practices have the potential to improve and sustain organizational performance. These practices include emphasis on employee selection based on fit within the company's culture, emphasis on behavior, attitude and necessary technical skills required by the job, compensation contingent on performance and employee empowerment to foster team work, among others (Ashfaque Alam and Ujjal Mukherjee, 2014).

Organization applied human resource strategy to increase the organizational effectiveness. It leads to consolidation of the organization. In other words, the successful attempts in the process of strategic management accrue, with managing human resources in a strategic way (Uyargil, 2001). Hard HRM stresses, the quantitative, calculative and business-strategic aspects of managing the headcount resource in as rational a way as for any other factor of production. Hard HRM focuses on the importance of strategic fit, where human resource policies and practices are closely linked to the strategic objectives of the organization and are coherent among themselves with the ultimate aim being increased competitive advantage.

The hard human resource management approach has some kindship with scientific management as people are reduced to passive objects that are not cherished as a whole people but assessed on whether they possess the skills or attributes the

organization requires (Legge, 1995).

REVIEW OF LITERATURE

Sonawane (2015) there is a globe information changing technologies the industry. Hassan Danial Aslam (2013) stated that importance of HR planning, its strategic objectives and factors influencing it are all covered in this literature study. Also, the study covers HR planning frameworks and models and tells the processes to retain and motivate the workforce of the organization. Lockhart and Majal (2012) emphasized a performance management process, annual training plan and implementation are the skills important for staff development. Jonathan Rice (2011) stated that three key elements of the HR planning process are forecasting labour demand, analysing present labour supply, and balancing projected labour demand and supply. Kalaiselvan and Naachimuthu (2011) were identified four quadrants namely (Lower training cost and higher business benefits, Higher training cost and higher business benefits. Lower training cost and lower business benefits and higher training cost and higher business benefits. Bates and Davis (2010) highlighted the use of role playing, cases, simulation, mediated exercises, and computer based learning to provide exposure to a current and relevant body of knowledge and real world situations. Patel and Cardon (2010) stated that compensation is vital for contemporary organisation as it contributes to attract and retain high skilled workers with superior salaries. Aguinis and Pierce (2008) stated that performance appraisal is one of the sub-steps of performance management in ensuring excellent performance management. Mukherjee (2007) noted that training is helping an employee acquire specific and immediately usable skills, knowledge, concepts, attitudes and behavior to enable him or her perform efficiently and effectively on his present job. Noe, et al., (2006) suggests that training helps in changing the behaviour, knowledge, skill and attitude of individual which leads to motivation in a direction to increase organizational goal achievement and development means the advancement in ones experience, skills and attitudes to become or remain successful leaders in organizations.

Research Problem

A business might possess extremely capable human resources, but they might not work on the position that suits them. Organizations invest much effort on human capital and its development. They know that internal qualities of the employees are able to impress a distinctive feature on the company and that the knowledge of their human resources represents the primary wealth of the organization. Therefore, develop and implement tools and methods to manage, transfer and capitalize and to define standards for their evaluation and validation. Superior organizational performance is unlikely, in the absence of a competent, co-ordinate, and motivated workforce. Human resource practices can be an effective methodology for developing such a workforce. It can be convincingly argued that management should be the central focus of every business system, yet, it is conspicuously absent in many Indian organizations.

Traditionally, a firm's competitive advantage is developed through perceived uniqueness and derived from financial or economic capability, strategic or marketing capability, and technological capability. Now organizational capability is a critical for source of competitive advantage. An alternative to traditional job based organizational systems is to use information on organizational competencies, of which employees are the focus to develop organizational capabilities that provide competitive advantage.

Wright and McMahan (1992) and Barney's (1991) resource-based theory contended that human resources can provide a source of sustained competitive advantage, when four basic requirements are met. There are human resource must add value to the firm's production processes which is level of individual performance must matter, the skills the firm seeks must be rare, since human performance is normally distributed and all human resources meet both of these criteria, the combined human capital investments a firm's employees represent cannot be easily imitated, although human resources are not subject to the degree of imitability as equipment or facilities, investments in firm specific human capital can further decrease the probability of such imitation by qualitatively differentiating a firm's employees from those of its competitors and a firm's human resources must not be subject to placement by technological advances or other substitutes if they are to vide a source of sustainable

competitive advantage. Increased technology, expansion of intervention and significant-changes in the behaviours of individual have influence the team cohesiveness. Understanding group cohesion is important to the development of successful organizations. Therefore, group cohesion is crucial for the success of the organization. The purpose of the research is to contribute to the body of knowledge about human resource practices on team cohesion

Objectives of the Study

To know the employees perception about various factors of hard human resource practices in the automobile manufacturing industry and also to explore the influences of hard human resource practices on group cohesiveness of the employees.

Hypotheses of the study

Hard human resource practices have influencing the group cohesiveness of the employees.

Research Methodology

In order to examine the research objectives and to test the hypothesis, descriptive research design and interpretation as a research philosophy have been applied for this research paper. For this purpose 440 employees have been surveyed relating to hard HRM practices and its effects on group cohesiveness. Here hard HRM practices namely human resource planning, staffing, training and development, compensation, performance appraisal and down sizing system have been treated as independent variables. Further group cohesion have been treated as dependent variable. The respondents are asked to rate their opinion towards hard HRM practices and group cohesion variables. Questionnaire has been developed by the researcher based on the previous research. The sample respondents are those who are working in automobile manufacturing units, Thiruvananthapuram. Further survey has been conducted among the employees in the auto mobile manufacturing unit. Based on the survey report descriptive statistics, correlation and regression has been applied. The result is displayed below.

Results and Discussion

Manufacturing industries are practicing the hard human resource practices namely human resource planning, staffing, training and development, compensation, downsizing and performance appraisal. These hard human resource practices are analysed from the employees point of view. The result is interpreted as below.

Table 1 - Employees opinion about Human Resources Planning

Human Resource Planning	Mean	Std. Dev.
Planning is formalized	3.65	1.090
Planning considers business development	4.49	1.124
Establish career ladders	3.94	1.054
HR Department plans HR requirements	4.39	1.163
HR Department plans in advance	3.92	1.134

Table 1 explains the employees level of agreement about the human resources planning in the manufacturing industry. Here, human resources planning is analysed with five factors in the five point likert scale. Further, mean and standard deviation values are calculated for each factor. The mean values are ranged from 3.65 to 4.49. The calculated standard deviation values lies between 1.16 and 1.05. From the mean values, it is inferred that employees are highly rated that the planning considers for business development (4.49) followed by, human resource department plans HR requirements (4.39), establish career ladders(3.94), HR Department plans in advance (3.92) and planning is formalized (3.65). From the standard deviation values, it is noted that the employees perception towards human resources planning is not varied as much. It is observed that the employees have stated that human resource planning in the automobile industry found to be good. But, there is formalized planning is found to be moderate level.

Table 2 Employees opinion about Staffing

Staffing	Mean	Std. Dev.
Known promotional criteria	4.29	1.352
Limited promotional opportunities	3.53	1.029

Management discuss career development	4.59	1.134
Self-nomination for promotion	4.21	1.087
Emphasize external hiring	4.49	1.124

Table 2 depicts the employees level of agreement about staffing in the manufacturing industry. Here, staffing is analysed with five factors in the five point likert scale. Further, mean and standard deviation values are calculated for each factor. The mean values are ranged from 3.53 to 4.59. The calculated standard deviation values lies between 1.35 and 1.02. From the mean values, it is inferred that employees are highly rated that the management discuss career development (4.59) followed by, the management emphasize external hiring (4.49), they known promotional criteria (4.29), they have self-nomination for promotion (4.21), and there is limited promotional opportunities (3.53). From the standard deviation values, it is noted that the employees perception towards staffing is not varied as much. It is observed that the manufacturing industry has very good staffing practices. However, it has limited promotional opportunities for their employees.

Table 3 Employees opinion about Training and development

Training And Development	Mean	Std. Dev.
Designed on current job requirement	4.26	1.099
Based on responding to current needs	3.49	1.507
Initiated by HR/Top management	4.44	1.123
Emphasizes productivity needs	4.12	1.060
Volunteers participation in programs	3.63	1.070
General and broad-based knowledge	3.39	1.497

Table 3 explains the employees level of agreement towards training and development in the manufacturing industry. Here, training and development is analysed with six factors in the five point likert scale. Further, mean and standard deviation values are calculated for each factor. The mean values are ranged from 3.39 to 4.44. The calculated standard deviation values lies between 1.50 and 1.06. From the mean values, it is inferred that employees are highly rated that training and development department initiated by top level management (4.44) followed by, designed on current job requirement (4.26), emphasized productivity needs (4.12), volunteers participation in programs(3.63), based on responding to current needs (3.49) and general and broad-based knowledge (3.39). From the standard deviation values, it is noted that the employee perception towards training and development department is not varied as much. It is revealed that the manufacturing industry is having good training the development practices. But, training is general and broad based knowledge is found to be moderate level.

Table 4 Employees opinion about compensation

Compensation	Mean	Std. Deviation
Standard and Fixed package	3.94	0.980
Employees feel job is secure	4.49	1.124
Wage adjustment based on seniority	4.44	1.123
Salary determined by market rates	3.75	1.204
Long-term impact is considered	4.02	1.019

Table 4 explains the employees level of agreement about compensation in the manufacturing industry. Here, compensation is analysed with five factors in the five point likert scale. Further, mean and standard deviation values are calculated for each factor. The mean values are ranged from 3.75 to 4.49. The calculated standard deviation values lies between 0.98 and 1.12. From the mean values, it is inferred

that employees have perceived more about their job is secured (4.49) followed by, wage adjustment based on seniority (4.44), long-term impact is considered (4.02), standard and fixed package (3.94) and salary determined by market rates (3.75). From the standard deviation values, it is noted that the employees perception towards compensation is not varied as much. It is revealed that the compensation practice int he automobile industry found to be good. But, the salary determined by the market rate is not good.

Table 5 Employees opinion about performance management process

Performance management	Mean	Std. Dev.
Managers are held accountable for doing effective appraisals	2.51	1.661
Employees know how their performance impacts the organization	3.94	0.980
High levels of performance are recognized and rewarded	4.50	1.134
The system is designed for input from all levels in the organization	4.08	1.046
The system measures the right things	3.75	1.204
The system measures both the results and how they are achieved	3.89	0.949
The system is legally defensible	4.49	1.124
The system supports developmental opportunities	4.07	1.041

Table 5 explains the employees level of opinion towards performance management practice in the manufacturing industry. Here, performance management process is analysed with eight factors in the five point likert scale. Further, mean and standard deviation values are calculated for each factor. The mean values have been ranged from 2.51 to 4.50. The calculated standard deviation values lies between 1.66 and 0.98. From the mean values, it is inferred that employees have highly rated that high levels of performance are recognized and rewarded by the company (4.50) followed by, the system is legally defensible (4.49), the system is designed for input from all levels in the organization (4.08), the system supports developmental opportunities (4.07), employees know how their performance impacts the organization (3.94), The system measures both the results and how they are achieved (3.89), the system measures the right things (3.75) and managers are held accountable for doing effective appraisals (2.51). From the standard deviation values, it is noted that the employee perception towards performance management process is not varied as much. It is revealed that the performance management practices found to be good. However, the managers are not doing effective performance appraisals.

Table 6 Employees opinion about downsizing system

Downsizing system	Mean	Std. Dev.
Information was given to employees on the organizations need to downsizing	4.49	1.124
Information was given to employees on how the downsizing would be done	3.11	1.341
Employees were told the process for deciding who would be made redundant	4.52	1.134
Employees were given an opportunity to participate in the decision making process regarding redundancies	4.37	1.129
Alternative to redundancy were considered before people were made redundant	3.39	1.497
Employee who were made redundant were given an opportunity to	4.02	1.019

challenge the redundancy decision		
Redundant employees were given an opportunity to correct any information used in the decision making process on who would stay or go	4.41	1.121
Management appeared to act in good faith with employee during the downsizing process	4.46	1.124
Sufficient time appeared to be given by management to plan and execute the downsizing	3.60	1.049
An environment of trust was build between managers and other employees during the downsizing process.	2.79	1.696

Table 6 explains the employee level of opinion towards downsizing system in the manufacturing industry. Here, downsizing system scheme is analysed with ten factors in the five point likert scale. Further, mean and standard deviation values are calculated for each factor. The mean values are ranged from 2.79 to 4.52. The calculated standard deviation values lies between 1.69 and 1.01. From the mean values, it is inferred that employees have highly rated the employees were told that the process for deciding who would be made redundant (4.52) followed by, information was given to employees on the organizations need to downsizing (4.49), management appeared to act in good faith with employees during the downsizing process (4.46), redundant employees were given an opportunity to correct any information used in the decision making process on who would stay or go (4.41), employees were given an opportunity to participate in the decision making process regarding redundancies (4.37), employee who were made redundant were given an opportunity to challenge the redundancy decision (4.02), sufficient time appeared to be given by management to plan and execute the downsizing(3.60), alternative to redundancy were considered before people were made redundant(3.39), information was given to employees on how the downsizing would be done (3.11) and environment of trust was built between managers and other employees during the downsizing process (2.79). From the standard deviation values, it is noted that the employees perception towards downsizing system is not varied as much. It is observed that the downsizing system is found to be good in the automobile manufacturing industry. However, the environment of trust was built between managers and other employees is not good in the manufacturing sector.

Table 7 Relationship between hard HRM factors and Group cohesion

Features	Group Cohesion	
	r- Value	P-value
Human Resource Planning	0.936	0.001*
Staffing	0.972	0.001*
Training and Development	0.773	0.001*
Compensation	0.903	0.001*
Performance Management	0.806	0.001*
Downsizing	0.789	0.001*

It is hypothesised that Hard HRM factors such as human resource planning, staffing, training and development, compensation, performance management and downsizing are having relationship with group cohesion of the employees in manufacturing industries.

Pearson correlation test was applied to verify the above stated hypothesis. The result is posted in the table 4.35. The calculated r-values are ranged between 0.972 and 0.773. The P-values are found to be 0.001, which is significant at one percent level. Hence, the stated hypothesis is accepted.

It is inferred that hard HRM factors are having relationship with group cohesion of the employees in manufacturing industries. From r-values, it is observed that the hard human resource practices are having strong positive relationship with group cohesion of the employees in manufacturing industries. Human resource planning (0.936), compensation (0.903), performance management (0.806), downsizing

(0.789) and training and development (0.773) are found to be strong relationship with group cohesion.

Here, human resource planning, compensation, performance management factors are having strong relationship with group cohesion of the employees in manufacturing industries. However, downsizing and training and development are having weak relationship with group cohesion of the employees.

Table 8 Influence of Hard HRM factors on cohesion of the employees

Model	R	R Square	Adjusted R Square	F	P
1	0.999(a)	0.999	0.999	56681.176	0.001*

Predictors	Unstandardized Coefficients		Standardized Coefficients	t-value	p-value
	B	Std. Error	Beta		
(Constant)	6.923	0.240		28.863	0.001*
Human Resource Planning	1.358	0.017	0.694	82.036	0.001*
Staffing	3.049	0.068	1.666	44.574	0.001*
Training And Development	-0.702	0.027	-0.460	-25.949	0.001*
Compensation	2.171	0.099	1.169	21.845	0.001*
Performance management	0.013	0.029	0.011	0.442	0.659**
Downsizing	0.519	0.031	0.454	16.482	0.001*

It is hypothesised that hard HRM factors influence the group cohesion of the employees in manufacturing industries.

Linear regression analysis is carried out to examine the above stated hypothesis. Here, Hard HRM factors namely human resource planning, staffing, training and development, compensation, performance management and downsizing have been taken as influencing variables. Group cohesion factor has been taken as a dependent variable. Further, linear regression analysis has been carried out. The result is displayed in the table 4.37. From the regression model summary result, the calculated adjusted R^2 value is found to be 0.999. Corresponding F-value is 56681.176, which is significant at one percent level (0.001). It shows that regression model is fit. From this information, it is inferred that independent variables hard HRM factors namely human resource planning, staffing, training and development, compensation, performance management and downsizing are influencing the group cohesion of the employees in manufacturing industries, where adjusted R^2 value indicates that independent variables have significantly influenced the group cohesion of the employees in manufacturing industries at 99.9 percent level. Further the regression coefficient value indicates the strength of relationship between the independent variables and dependent variable. This is expressed by the following equation:

Hard HRM factors in group cohesion = constant (6.932) +staffing (3.049)+ compensation (2.171) + human resource planning (1.358) + downsizing (0.519) + performance management (0.013) - training and development (0.702).

From the regression equation, it is inferred that compensation, staffing,

performance management, compensation, downsizing, performance management and human resource planning have positively influenced the group cohesion of the employees. But, training and development and appraisals are negatively influence the cohesion of the employees in manufacturing industries. Further in the regression equation, the unstandardised beta coefficient explains the relative importance of each independent variable on the dependent variable from the beta value, it is inferred that to have one unit increase in group cohesion of the employee in the manufacturing industries, staffing factor of group cohesion is influenced at 3.049 level, while other features remains constant. Similarly to have one unit increase in group cohesion of the employees, the compensation is influenced at 2.171 level followed by human resource planning at 1.358 level, downsizing at 0.519 level performance management at 0.013 levels. But, the hard HRM factors like training and development and appraisals are having negative impact on group cohesion of the employees in the manufacturing industries.

Findings and Recommendation

Human resource planning is found to be good in the automobile manufacturing units. But, there is formalized planning is found to be not good. Hence, the management training have formalized planning in HR activities.

Staffing practice is found to be good, which means selecting the right person in the right job. But there is lack of promotion opportunity. Thus, the unit try to provides promotion for the deserved staff members, which will motivate the employees to have better performance in their job.

Training and development practice in this units found to be general one. Thus, the organization have to do need based training to the employees. Compensation benefit are not upto level of the employees expectation. So, adequate compensation may be given based on the job done by the employees. It is found that the managers have not done effective performance appraisal. Since, it is recommended that the unit may go far 360 degree performance appraisal. Environmental issues not good in the automobile manufacturing units. Thus, the manager try provide good physical work environment such good ventilation, lighting, green environment and etc. Downsizing and training and development have week relationship with group cohesiveness of the employees. Hence, it is recommend that the management training, must be based on current need and should be focus on unique knowledge.

Conclusion

This research paper aimed to analyse the influence of hard human resource practices on employees group cohesiveness. From the analysis it is found that hard human resource practices significantly influence the employees group cohesiveness. Hence, it is concluded that the management use hard HRM practice whenever need to get team performance of the employees. Human resource planning is a long lasting process organized in a way that properly employs the human resource of the organization. So, hard HRM helps the employees to change the behaviour, knowledge, skill and attitude which leads to motivation in a direction to increase organization goal, development and advancement. Skills and attitudes to become remind successful for leaders in a organization.

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