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An Examination of Human Resource Strategy in Business Management in India

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Abstract:

Factor analysis methods were used to reduce a huge number of variables to a smaller number of controllable factors because of the availability of enormous amounts of data under numerous dimensions. SHRM are particularly noteworthy given its endeavor to investigate the link between Strategic Fit and Organizational Performance via four mediators (HRMSC, LDS, SEB, and SM). When seen through the lens of a service organization, the model-building process might shed light on the nebulous concept of SHRM. Organization Value Addition will depend on the HRM system's design, as well as the development of HRM and business competences. Human resource management (HRM) functions that are strategically oriented help companies maintain a competitive edge.

Keywords: Organizational, Model, Service, SHRM

Introduction

Human resource methods aim to regulate workplace conduct and increase openness. Raising accountability and boosting output occurs when workers have access to a common benchmark against which they may measure their own efforts. Human resources policies serve several purposes for an organization, including confirming compliance with state and federal laws governing how workers are treated. Human resource management (HRM) entails planning for and executing methods of acquiring, developing, and retaining a qualified workforce. Human resource management (HRM) has grown in significance over the past two decades as a result of these shifts. In the past, human

resource management was more of an administrative position than a strategic one, focused on tasks such as processing payroll, sending birthday presents to staff, scheduling business trips, and ensuring forms were filled out correctly. Former GE CEO and management guru Jack Welch describes the HRM of today: Leave the celebrations, the birthdays, and the registration papers alone.... Human resources are crucial in both prosperous and challenging times.”

Nature of HRM

Human resource management (HRM) is a management function that aids in the processes of hiring, orienting, and advancing

staff workers. Human resource management focuses on the importance of people in businesses. Here are the fundamentals of human resource management.

a. HRM Involves the Application of Management Functions and Principles.

The procedures and rules are used in organizations for hiring, training, and compensating workers.

b. Decision Relating to Employees must be Integrated.

Consistency between personnel decisions and other HR choices is essential.

c. Decisions Made Influence the Effectiveness of an Organization.

If a business is efficient, it will be able to provide its clients with better products and services at lower prices without sacrificing quality.

d. HRM Functions are not Confined to Business Establishments.

Only but relevant to institutions of the educational, medical, recreational, and similar kind. Human resource management is the process of developing and implementing strategies, plans, and policies to improve an organization's ability to attract, develop, retain, and motivate its workforce.

1.10 Role of HRM

Resource Management When it comes to running a business, management is the single most important factor. Human resource management (HRM) entails formulating and implementing measures to get the most out of an organization's people. Human resource management, or HRM, refers to the subfield of management that focuses on employees and their interactions within businesses. Human resource management, as argued by R.L. Mathis and J. H. Jackson (2010), serves several purposes. The HR management team's responsibilities and responsibilities expand

or contract based on the demonstrated skills and desires of top management. Human resources often play three roles:

- Administrative
- Operational Actions
- Strategic HR

Literature Review

Thakur, Pankaj. (2022). In a highly competitive corporate climate, the goal of any company is to maximize profits so that they may go farther. The organization uses a strategic human resource viewpoint in order to achieve its goals by combining HR practices, HR systems, and HR processes. This chapter has provided a theoretical explanation of the three core principles of strategic HRM, as well as the 5P Model of Strategic HRM. Researchers have provided a concise explanation of these ideas and how they fit into the long-term goals of businesses.

Goswami, Indrajit & Hamida, Abdel & Gopal, Suraj & Kumar, Jalaja. (2023).

The focus of this research is on the influence of HRM policies on the successful execution of business and marketing strategies inside marketing firms. Based on the resource-based view of the firm, which holds that a company's internal strengths and competencies may provide it an edge in the marketplace, this research will be conducted. Methodology/approach/design Quantitative research methods will be employed for data collection via questionnaires given to marketing businesses' staff and management. The data will be evaluated statistically to establish causality between HRM policies and the actual execution of business and marketing strategies. The study's findings will provide light on how HRM policies affect the execution of business and marketing strategies, as well as highlight certain HRM practices that are linked to improved performance outcomes.

The primary takeaways from this research are that HRM policies boost corporate success and customer satisfaction through an awareness of both internal and external factors. Human resource management strategies help a company expand and satisfy its consumers by analyzing its environment and internal operations. Implications for future research, practice, and society will arise from this study since it will provide light on how marketing businesses may better employ human resource management practices. The research will also help shed light on the significance of HRM to businesses generally. This research will add to the limited literature by analyzing the impact of human resource management (HRM) policies on the performance of marketing firms.

Ferdousi, Farhana & Abedin, Nuren. (2023). To produce shared value (CSV), social businesses aim to simultaneously advance society and the company's bottom line. Shared-value optimization relies heavily on strategic human resource management (SHRM). More data on the human resource practices of these companies are needed in the existing literature. In an effort to close this knowledge gap, this research will analyze how social business uses human resource management strategies to generate shared value inside a company. Four social business examples were examined in this study using semi-structured interviews, site visits, and a review of historical records and online publications and resources. We discovered that candidates' familiarity with and enthusiasm for the social enterprise are extensively examined as part of a formal recruiting process. Selection of talented, qualified, and appropriate individuals is unbiased. The orientation of employees to social and corporate goals is a primary emphasis of the on-the-job training activities

that are implemented. KPIs are a group of metrics used to assess an organization's success in meeting its social and business goals. Payments are made in accordance with market standards. Low turnover is a result of the family-friendly and collaborative work environment. To maximize development and shared value in the future, HRM that focuses on performance is essential.

S, Nilavarasan&Ganesamurthy, K. (2023). The Indian banking sector is tasked with implementing HRM policies and procedures that are conducive to its needs, as well as setting up an HRM system that meets the needs of both customers and employees. The Indian banking industry has to be led by banking expertise if it is to remain competitive and reap the sector's benefits on a global scale. Job analysis, recruitment and selection, training and development, performance evaluation, and compensation are just some of the key banking sector indicators considered in this essay that delves into human resources management policies and practices in India's banking industry. Therefore, the suggestions will help the Indians implement effective human resource management practices. In order to thrive in such a competitive setting, efficient management of human resources is crucial. No business can succeed without competent management of its most important asset: its people. As a result of deregulation and increased competition, consumers' preferences have shifted significantly. Human resources are the biggest challenge for India's public sector banks. The study elaborates on all the essential facets of banking HRM. Job analysis, recruitment, performance evaluation, training and development, compensation, etc. are all examples of HR techniques utilized by financial institutions. This research looks at the key challenges and issues confronted by India's public

sector banks. The information utilized in this analysis came from secondary resources.

Rohini, Mrs& Nikam, U & Lahoti, Yuvraj & Ray, Samrat. (2023). Changes are occurring in the field of human resource management. Sustainable growth is not just about playing by the rules; it's also about encouraging your staff to give their all and succeed. While it's true that understanding and adopting HR practices for startups takes time, doing so might potentially make the startup process run more smoothly. Through this study, the authors aimed to clarify the need for, function of, challenges to, and potential solutions to human resource

management in new businesses. Human resources strategies for young businesses solve issues by evolving and adapting with the organization. Human resources may help you get ahead of the competition by finding and employing talented individuals, encouraging collaboration, celebrating successes, and rewarding hard work.

Research Methodology

□ Gender Vs Sector Type

In India, gender is a dynamic factor that affects every aspect of society and economy, including the effects of globalization. The gender factor was investigated in this study.

Table 4.1: Demographic Factors: Gender Vs Sector Type

Gender	Sector under which respondent comes			Total	%age
	Top and line management	HR professionals	Employee		
Male	36	36	217	289	60.2 %
Female	24	24	1360	191	39.8 %
Total	60	60	360	480	100 %

Out of a total of 480 respondents, 289 (or 60.2%) were males, while 191 (or 39.8%) were females. In the sample, there were 36 males and 24 females in top and line management, 26 males and 25 females in HR, and 36 males and 24 females in the Employee group.

Analysis and interpretation of HRM Department

Exclusive T & D department Vs Sector Type

Any company worth its salt will devote considerable resources to its Training and

Development Centre, which enables employees of all ranks learn more about their jobs and develop their skills. It also broadens the horizons of employees' minds and personalities. Following is a breakdown of how the researchers used the variable "Exclusive Training and Development Centre" in their analysis.

Table 4.2: HRM Department: Exclusive T&D Centre Vs SectorType

Exclusive T&D Centre	Sector under which respondent comes			Total	%age
	Top and line management	HR professionals	Employee		
Yes	52	52	310	414	86.10 %
No	8	8	50	66	13.90 %
Total	60	60	360	480	100 %

Source: Primary Data

The specialized facility for training and development is queried by radio buttons labeled "Yes" and "No." Among the 414 people who answered "Yes," or 86.10%, 52 were upper and middle managers, 52 were human resources specialists, and 310 were regular workers. The 66 respondents (8 from upper and lower level management, 8 from

HR, and 50 from the workforce) who selected "No" represent 13.90% of all respondents.

HRM Vs Sector Type

Human resource management (HRM) should be treated as a distinct function inside every company because it allows for a more deliberate and strategic approach to developing a skilled workforce.

Table 4.3:HRM Department: HRM Centre Vs Sector Type

Do you have a HRM	Sector under which respondent comes			Total	%age
	Top and line management	HR professionals	Employee		
Department	53	53	312	416	86.75 %
Division	04	4	26	35	7.28 %
Section	3	3	21	29	5.97 %
Total	60	60	360	480	100 %

Source: Primary Data

Options such as "Do you have an HRM-Department?" "Do you have an HRM-Division?" and "Do you have an HRM-Section?" are shown in response to an inquiry concerning an HRM center. The "Department" option received 416 responses (86.75 percent), with 53 coming from upper and lower level management, 53 from human resources, and 312 from regular staff. There are 35 people that choose the "Division" option (7.28%), with 4 coming from upper and lower level management, 4 from HR, and 26 from the workforce at

large. The percentage of respondents that selected the "section" option is 5.97%, or 9 people. Of them, 3 are upper and middle managers, 3 are human resources specialists, and 21 Are Workers.

4.3 Reliability and validity of the variables

The declared goal of the study was to collect data to support the existence of SHRM. During the literature research, we looked at many aspects of SHRM, and then we created and assessed the validity and reliability of the corresponding constructs. Garavan

(1991), McCracken and Wallace (2000), and Garavan (2007), as well as other relevant literatures, served as the basis for the development and exploration of a collection of constructs conceptualized as dependent, independent, and mediating factors. Profit,

productivity, efficiency, quality, customer satisfaction, organizational growth, and corporate image are all aspects of an organization's performance that were examined here.

Table 4.4: Reliability and Statistics of the variables

SI. No	Name of the Variables	Number of Items	Cronbach's Alpha
1	Organizational Performance	02	.710
2	HRM System Capability	09	.711
3	Strategic Employee Behaviour	07	.703
4	Strategic Maturity	09	.680
5	Strategic Fit	11	.729
6	Learning and Development Strategy	11	.754

The notions' dependability and validity were then evaluated. Exploratory factor analysis employing principal components analysis and Varimax rotation was used to demonstrate validity. Cronbach's alpha, a reliable indicator of item-level consistency, was used to calculate the dependability of the scale. Confirmatory Factor analysis was used to determine the construct's model fit.

4.4 Reliability and Validity of Strategic Maturity (SM)

The few components used to measure strategic maturity in this study were derived from the research of Garavan (1991), Lee (1996), and McCracken and Wallace (2000), and were tested empirically. It was determined if the things were legitimate and reliable. The nine questions used to assess strategic maturity were factored using EFA, and the resulting factor structure was validated using CFA. Table 4.23 shows that the KMO for assessing sample size was

0.666, and that 54.609 percent of the items' inherent validity could be accounted for by the total variance recovered. The items had a Scale reliability of 0.68, and all of the descriptive statistics and factor loading were adequate (Table-4.24). The model fit indices were generally excellent (Table-4.25), and all the components loaded well to assess the construct "Strategic Maturity" in the CFA that was performed. "Strategic Leadership," "Line Management Commitment," and "HRM Maturity" were identified as the subcomponents of "Strategic Maturity." Only three of the nine items had a regression weight that was noticeably greater than the average. However, all of the items were statistically significant at the 0.01 or 0.001 level, respectively, underscoring their importance. In order to strengthen the exploratory capacity of the regression, a second-order component structure was developed.

Table 4.5: KMO and Bartlett's Test (SM)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.666
Bartlett's Test of Sphericity	Approx. Chi-Square	186.218
	<u>Df</u>	36
	Sig.	.000

The KMO values are significant ($p=0.000$) (0.666). The results of the poll indicate that such inquiries may serve as reliable and efficient indicators. Bartlett's test for sphericity is satisfied with a chi-squared value of 186.218 with 36 degrees of freedom.

Conclusion

Expanding HRM's capabilities boosts not just transactional but also strategic value, as noted by Alagaraja (2013). This study's contributions to our theoretical and practical knowledge of SHRM are particularly noteworthy given its endeavor to investigate the link between Strategic Fit and Organizational Performance via four mediators (HRMSC, LDS, SEB, and SM). When seen through the lens of a service organization, the model-building process might shed light on the nebulous concept of SHRM. Organization Value Addition will depend on the HRM system's design, as well as the development of HRM and business competences. Human resource management (HRM) functions that are strategically oriented help companies maintain a competitive edge.

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