

A STUDY ON ROLE OF STRATEGIC HRM IN DIFFERENT SECTORS OF IT INDUSTRY

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Abstract : The HR profession has evolved to take on a far more significant role that it did during the past decade. Human resource professions who once heavily focused on transaction processing are now expected to assume a more influential role as strategic contributors who create and facilitate corporate culture that drives organizational growth and profitability. The critical HR competencies required are strategic planning, change management, knowledge and skills, understanding of business management principles and key drivers of organizational success. The objectives of this paper are to identify the role of strategic HRM in helping organizations achieve competitive advantage in the various sub-sectors of IT Industry, to know the attitude of top management towards SHRM, to identify the work values affecting implementation of SHRM, and to evaluate the contribution of hr professionals to the implementation of SHRM.

IndexTerms - Strategic Human Resource Management, attitude of top management, contribution of HR Professionals.

I. INTRODUCTION

The HR profession has evolved to take on a far more significant role that it did during the past decade. Human resource professions who once heavily focused on transaction processing are now expected to assume a more influential role as strategic contributors who create and facilitate corporate culture that drives organizational growth and profitability. The critical HR competencies required are strategic planning, change management, knowledge and skills, understanding of business management principles and key drivers of organizational success. A strategically-focused HR professional would help to forge the link between business strategy and talent development, serve as the thought leader in understanding what it takes to attract great talent or be the barometer of the organization, understand morale, recruitment and retention trends as well as other key people issues, facilitate the talent review process and action plans by having a pulse of weak spots (people, structures, processes and culture), deal proactively with the weak spots, be comfortable in effectively influencing senior leadership, establish and sustain credibility with them and become the architect of the development strategy for the organizational as a whole.

Hence it is accepted that today, a strong HR professional needs a blend of skills in human resource management, business, organizational development, psychology, human development, training and technology. Like any other top executive, a HR professional must display the traditional leadership characteristics of vision, strategic planning, risk taking, innovation, interpersonal skills and change management.

II. REVIEW OF LITERATURE

Human factor is important and taken into account by the businesses for sustaining their growth in the new era of globalization. Cesyniene (2008) emphasizes that HRM is an essential segment of business to be managed with great care while adopting the expansion strategy in the operations. In this concern, it is vital to establish an effective association between the strategy framework and HRM that is applicable at both the national and international level. Key issues, which are confronted by the organizations in global marketplace, are related to the size and cultural differences that are required to be considered for making investment in the human resource development (Festing, 1997).

Global competitiveness has to be improved and employees are required to be empowered by making centralization of the HR practices. Some issues are related to the staffing policies and training of employees for stimulating creativity and innovation in the business operations. The challenges that have to be recognized by the HR professionals while working in global market are related to the consideration of performance appraisals, compensation packages, training and development, and labour relations in accordance with the employment rules and regulations (Gachoka, 2008).

SHRM is a proactive approach to manage diverse workforce that has a significant influence on the corporate strategy of the multinational corporations. It basically emphasizes on the integration and adaptation across the defined hierarchy levels. Effective HR measures have to.

Objectives of the Study

Primary Objective:

- To identify the role of strategic HRM in helping organizations achieve competitive advantage in the various sub-sectors of IT Industry in Chennai City.

Secondary Objectives:

- To know the attitude of top management towards SHRM
- To identify the work values affecting implementation of SHRM
- To evaluate the contribution of hr professionals to the implementation of SHRM

III. METHODOLOGY

The research design is descriptive research which is also called as exploratory design. Primary data for the study has been collected with the help of the research tool which is a standardised non-disguised questionnaire through survey method. Sample size taken from the total population is 150. Samples were drawn from the various subsector of the IT industry. The respondents for the study were HR Professionals.

Data Analysis

Table No. 1 : Demographics of the Sample

Gender	Percentage	Qualification	Percentage
Male	86%	Under Graduation	5.3%
Female	14%	Post Graduation	86%
Age Group	Percentage	Doctorate	8%
Less than 30 years	1.4%	Total Experience	Percentage
30 – 35 years	10%	Less than 10 years	23.4%
35 – 40 years	50%	10 – 15 years	33.3%
40 – 45 years	29.3%	15 – 20 years	38%
Above 45 years	9.3%	Above 20 years	5.3%

Table 2 : Level of Agreement on Factors Affecting Acceptance & Implementation of SHRM

Level of Agreement	No. of Respondents	Percentage
Low	17	11.3%
Medium	89	59.3%
High	44	29.3%
Total	150	100%

11.3% of HR professionals have low level of agreement on the factors affecting acceptance an implementation of Strategic HRM. Majority of respondents i.e., 59.3% have medium level of agreement on the factor. Rest 29.3% have high level of agreement

Table 3: Level of Agreement on Attitude of Top Management towards SHRM

Level of Agreement	No. of Respondents	Percentage
Low	12	8.0%
Medium	90	60.0%
High	48	32.0%
Total	150	100%

60% of the employees have medium level of agreement on the factor about attitude of Top Management towards Strategic HRM. 32% of respondents have high level of agreement on the same factor. Only 8% of the respondents have low level of agreement.

Table 4 :Level of Agreement on Work Values Affecting Implementation of SHRM

Level of Agreement	No. of Respondents	Percentage
Low	18	12.0%
Medium	109	72.7%
High	23	15.3%
Total	150	100%

72.7% of the employees have medium level of agreement on the factor about work factors affecting implementation of Strategic HRM. 15.3% of respondents have high level of agreement about work factors affecting. Only 8% of the respondents have low level of agreement.

Table 5 : Contribution of HR Professionals to the Implementation of SHRM

Level of Agreement	No. of Respondents	Percentage
Low	28	18.7%
Medium	99	66.0%
High	23	15.3%
Total	150	100%

66% of the HR Professionals believe that they have made medium level of contribution towards the acceptance and Implementation of Strategic HRM. 15.3% of respondents feel it to be high. However, 18.7% of the respondents feel it to be rather low.

Table 6 : Level of Agreement on Status Enjoyed by the HR Function

Level of Agreement	No. of Respondents	Percentage
Low	36	24.0%
Medium	85	56.7%
High	29	19.3%
Total	150	100%

56.7% of the employees have medium level of agreement on the factor Status Enjoyed by the HR function. 19.3% of respondents have high level of agreement on the same factor. 24% of the respondents have low level of agreement on Status enjoyed by the HR function

Table 7 : Level of Agreement on Macro Level Challenges Facing the HR Function

Level of Agreement	No. of Respondents	Percentage
Low	23	15.3%
Medium	103	68.7%
High	24	16.0%
Total	150	100%

68.7% of the employees have medium level of agreement on the factor Macro Level Challenges facing the HR function. 15.3% of respondents have low level of agreement on Macro Level Challenges facing the HR function. 16% of the respondents have high level of agreement on the same factor.

Table 8 : Level of Agreement on Micro Level Challenges Facing the HR Function

Level of Agreement	No. of Respondents	Percentage
Low	33	12.7%
Medium	98	65.3%
High	19	22.0%
Total	150	100%

65.3% of the employees have medium level of agreement on the factor Micro Level Challenges facing the HR function. 22% of respondents have high level of agreement on Micro Level Challenges facing the HR function. 12.7% of the respondents have low level of agreement on the same factor.

Table 9 : Level of Agreement on Barriers Hindering Implementation of Strategic HRM

Level of Agreement	No. of Respondents	Percentage
Low	15	10.0%
Medium	121	80.6%
High	14	9.4%
Total	150	100%

80.60% of the employees have medium level of agreement on the factor barriers hindering implementation of Strategic HRM. 9.4% of respondents have high level of agreement on the same factor. 10% of the respondents have low level of agreement on barriers hindering implementation of Strategic HRM.

**Table 10 : Level of Agreement on Perceived Gap between Business Needs
Contribution of HR Function**

Level of Agreement	No. of Respondents	Percentage
Low	21	14.0%
Medium	80	53.3%
High	49	32.7%
Total	150	100%

53.3% of the employees have medium level of agreement on the factor Perceived Gap between Business Needs and Contribution of HR function while 32.7% of respondents have high level of agreement. 14% of the respondents have low level of agreement on the same factor.

Multiple Regression

Hypothesis

Null Hypothesis : To verify if all of the Independent Variables in the model neither considered together, have no causal effect on the Dependent Variable; in which case the model that relates these Independent Variables to the Dependent Variable does not exist.

1. The dependent variable: Overall opinion of HR Managers of the different Sub-Sectors of the IT Industry on emerging trends in Strategic HRM (Y)

2. Independent Variables: 1. Gender (X₁)
2. Age (X₂)
3. Educational Qualifications (X₃)
4. Total Experience (X₄)
5. Sub-sector of Industry (X₅)

3. Method : Stepwise method

4. Step No. : 6

5. R. Square value : 0.766

6. F Value : 10.458

7. P Value : 0.000

Table No. 11: Variables In The Equation

Independent Variables	Unstandardised coefficient	SE of B	Standardized coefficient (Beta)	t Value	P Value
X ₁	-1.44	3.158	-0.032	0.454	0.651
X ₂	0.774	1.666	0.041	0.464	0.643
X ₃	0.526	1.929	0.020	0.273	0.785
X ₄	-2.257	1.332	-0.133	1.694	0.092
X ₅	-9.237	1.515	0.492	6.095	0.000**
Constant	146.476	8.073		18.144	0.000**

Note : ** P value is significant at 1% level

In this stepwise regression mode the variable entered are Sex (X₁), Age (X₂), Educational Qualifications (X₃), Total Experience (X₄) and Sub-sectors of IT industry (X₅)

The value of $R^2 = 0.762$ simply means that about 76% of the variation in overall opinion of HR manager on emerging trends is explained or accounted for by the estimated independent variables namely :

- Gender (X₁)
- Age (X₂)
- Educational Qualification (X₃)
- Total Experience (X₄)
- Sub-sector of Employment (X₅)

This regression model is significant at 1% level. The multiple regression equation of this model is:

$$Y = 146.475 - 1.433X_1 + 0.773X_2 + 0.562X_3 - 2.257X_4 - 9.237X_5$$

Since P value is less than 0.01 the Null hypothesis is rejected at 1% of significance for the variables X₅ i.e., sub-sector of employment of HR Managers. There is no significant difference in opinion with respect to gender, age, educational qualification and total experience of HR Managers.

IV. FINDINGS AND CONCLUSION

- 11.3% of HR professionals have low level of agreement on the factors affecting acceptance an implementation of Strategic HRM. Majority of respondents i.e., 59.3% have medium level of agreement on the factor. Rest 29.3% have high level of agreement
- 60% of the employees have medium level of agreement on the factor about attitude of Top Management towards Strategic HRM. 32% of respondents have high level of agreement on the same factor. Only 8% of the respondents have low level of agreement.
- 72.7% of the employees have medium level of agreement on the factor about work factors affecting implementation of Strategic HRM. 15.3% of respondents have high level of agreement about work factors affecting. Only 8% of the respondents have low level of agreement.

- 66% of the HR Professionals believe that they have made medium level of contribution towards the acceptance and Implementation of Strategic HRM. 15.3% of respondents feel it to be high. However, 18.7% of the respondents feel it to be rather low.
- 56.7% of the employees have medium level of agreement on the factor Status Enjoyed by the HR function. 19.3% of respondents have high level of agreement on the same factor. 24% of the respondents have low level of agreement on Status enjoyed by the HR function
- 68.7% of the employees have medium level of agreement on the factor Macro Level Challenges facing the HR function. 15.3% of respondents have low level of agreement on Macro Level Challenges facing the HR function. 16% of the respondents have high level of agreement on the same factor.
- 65.3% of the employees have medium level of agreement on the factor Micro Level Challenges facing the HR function. 22% of respondents have high level of agreement on Micro Level Challenges facing the HR function. 12.7% of the respondents have low level of agreement on the same factor.
- 80.60% of the employees have medium level of agreement on the factor barriers hindering implementation of Strategic HRM. 9.4% of respondents have high level of agreement on the same factor. 10% of the respondents have low level of agreement on barriers hindering implementation of Strategic HRM.
- 53.3% of the employees have medium level of agreement on the factor Perceived Gap between Business Needs and Contribution of HR function while 32.7% of respondents have high level of agreement. 14% of the respondents have low level of agreement on the same factor.
- Results of multiple regression show that there is no significant difference in opinion with respect to gender, age, educational qualification and total experience of HR Managers.

HR practitioners are cast in the paper-shuffling bureaucrat role. From the early days, the HR function has been responsible for keeping record to satisfy government reporting requirements. This is one major reason why HR departments were founded and why some exist today. Often they have to just shuffle useless paper. This has made some managers to have an impression that the only role of HR practitioners are capable of paying is that of the paper shuffling bureaucrat.

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