"A STUDY ON HRD CLIMATE AND ITS IMPACT ON JOB PERFORMANCE WITH RESPECT TO MEDIUM SCALE ENGINEERING INDUSTRY IN COIMBATORE CITY"

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Abstract

An organisation's success is determined by the skills and motivation of the employees. Competent employees are the greatest assets of any organisation. Given the opportunities and by providing the right type of climate in an organization, individuals can be helped to give full contribution to their potentials, to achieve the goals of the organization, and thereby ensuring optimization of human resources. For this purpose a congenial HRD climate is extremely important. Thus, an optimal level of HRD Climate is essential for facilitating HRD. The study is aimed at assessing the extent of Developmental climate prevailing in manufacturing and software organizations in India and also comparative analysis. For the purpose of the study, primary data is collected from 100 employees of various software and manufacturing organization through a structured questionnaire. The study revealed that the three variables: General Climate, HRD Mechanisms and OCTAPAC culture are better in software organizations compared to manufacturing. The findings indicate significant difference in the developmental climate prevailing in software and manufacturing organisations

Keywords: HRD, climate, industry etc.,

Introduction

Human resource development in the organizational context is a process by which the employees of an organization are helped in a continuous, planned way to: (a) acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles; (b) develop their general capabilities as individuals and discover and exploit their own inner potentials for their own and/or organizational development processes; and (c) develop an organizational culture in which supervisor-subordinate relationships, team work and collaboration among sub units are strong and contribute to the professional well-being, motivation and pride of employees[1]. The positive HRD climate renders the existing systems more effective and makes the organizations more receptive to the introduction of relevant

additional system [2]. Organizations differ in the extent to which they have these tendencies. Some organizations may have some of these tendencies, some others may have only a few of these and a few may have most of these. Recognising the importance of HRD climate, Center for HRD, Xavier Labour Relations Institute (XLRI) developed 38-item HRD climate questionnaire to survey the extent to which development climate exists in organizations. These 38 items assess General climate, OCTAPAC (Openness, Confrontation, Trust, Autonomy, Proaction, Authenticity and Collaboration) culture and implementation of HRD mechanisms.

REVIEW OF LITERATURE

M. Srimannarayana (2001) identified a below the average level of HRD climate in a software organization in India.

Agarwala (2002) found that the HRD climate was significantly more developmental in IT industry when compared to the automobile industry.

Rodrigues's (2004) study in the engineering institutes in India found the HRD climate highly satisfactory.

Pillai's (2008) study identified that HRD climate existing in banks as moderate. This study further found that a supportive HRD climate in banks stimulated the learning HRD climate in banks stimulated the learning orientation of the employees.

RESEARCH METHODOLOGY

Research methodology is a systematic way to solve a problem. It is a science of studying how research is to be carried out. Essentially, the procedures by which researchers go about their work of describing, explaining and predicting phenomena are called research methodology. It is also defined as the study of methods by which knowledge is gained. Its aim is to give the work plan of research.

RESEARCH DESIGN

The main problems that follows in the task of identifying the research problem is the preparation of design of the research project, is known as "Research Design". The research design is the arrangement of conditions for collection and analysis of data in a manner that to combine relevance to the research purpose with economy. As such design includes the outlines of what the researcher will do from writing the hypothesis and its implication to the final analysis of data.

TYPE OF RESEARCH DESIGN

The present study is about to know the opinion of the respondents with regard to the HRD climate and individual job performance of some selected engineering industries and hence the study is descriptive in nature

DATA COLLECTION

The data collected are classified as primary and secondary data. The primary data are those collected fresh and for the first time, whereas secondary data are those which have already been collected by someone else.

- Primary data: Primary data required for the study was collected from employees of some selected Engineering industries in Coimbatore District using a structured questionnaire.
- Secondary Data: The Secondary data was collected from websites, books and journal. The whole data was collected for the research.

SCALES

To maintain confidentiality, privacy, strict anonymity, no identifying information was collected for the questionnaire. The respondents are asked to indicate the current prevailing environmental situation in the company. The questionnaire consists of 25 questions; these statements were divided in to 4 main variables to analyze the research study. To analyze significance of Main variables five point Likert scale is used :(5) strongly Agree, (4) Agree, (3) Neutral, (2) Dis-Agree and (1) strongly Dis- Agree. The complete text of the questionnaire is provided in the Appendix.

DESCRIPTION OF THE QUESTIONNARIE

The questionnaire prepared for the purpose of recording HRD Climate and its impact on job performance among employees in the engineering industry in Coimbatore city. Since the study is based on the HRD Climate, Job performance, Training and development and Styles of Human resources in the engineering industry, it was prepared in the way that it contains the entire necessary question that would get the valid opinion about the main variables from the samples of this study.

Hence the questionnaire has been divided in to 2 segments. The first segments is for identifying the "Personal Profile" which records the age,gender,experience,salary,nature of working, mode of transport, training needed for future and character in the company.

The segments are made of research question and it is further divided in 4 divisions.

- Agreeability towards HRD Climate prevailing in the engineering industry
- Satisfaction towards Philosophy and styles of Human Resource
- Your views towards the Individual Job performance
- Agreeability towards the Training and Performance Appraisal from the organization.

The questionnaire method is used to collect the primary data from the engineering company employees on the perspective of HRD Climate and its impact on job performance.

DEPENDENTS VARIABLES	Question
Agreeability towards the HRD Climate Prevailing in the Engineering Industry	16
Satisfaction towards the Philosophy and Style in HUMAN RESOURCE	17

Views towards the "Individual Performance "in the job.	18
Agreeability towards the "Training and Performance appraisal" from your organization.	19

Variables considered for the study

The following are the variables used in the research study.

Dependent Variable

The dependent variables used in the study to find out the HRD Climate and its impact of job performance which is measured using the variables Training and Performance appraisal, Styles of Human resources and Climate prevailing in the organization and Job performance of the employees.

Independent Variable

This variable used in the study to identifying the relations between the Job performance, HRD Climate and Experience.

SAMPLING PROCESS

Population

The Population for the current study is taken from "Medium scale Engineering Industry in Coimbatore area", for the conduct of the study Medium scale engineering industries in Coimbatore has been taken, which are around 60 as per the source list of CODISSA.

Sampling technique and Size

From the population size medium scale industries has been selected for Purposive sampling method, based on ISO Standards of the companies.

Hence the sample size for the research study is happened to be 342.

PILOT STUDY

Initially to understand the reliability and validity a pilot study was conducted. Based on the feedback of the pilot study the necessary changes mentioned below were made in the questionnaire.

- Inclusion of Monthly salary
- Companies worked before joining
- Training programs needed in future
- Describes about own character.

3.8 RELIABILITY

The factors (dimensions of HR) obtained were labeled as prevailing HRD climate, philosophy and style of HR, individual performance in job and training and performance appraisal. Reliability of the factors was calculated using Cronbach's alpha. A Cronbach's alpha value of greater than or equal to 0.7 is considered to be acceptable for the factor to be reliable. Table below reveals that all the factors have satisfactory Cronbach's alpha values. Hence, the factors are reliable. The overall Cronbach's alpha coefficients for the 32 items of dimensions of HR were .852.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No of Items
.852	**.854**	**32**

3.4Relationship between prevailing HRD climate and individual performance in the job with respect to experience levels of the worker using ANOVA and MANOVA

The first background characteristic chosen for comparison on prevailing HRD climate and individual performance in the job factors is the years of workers experience. To test the hypothesis, Multivariate Analysis of Variance (MANOVA) has been used as there are more number of inter correlations between the dependent variables (Malhotra, 2004). Individual tests such as the independent sample 't' test of One Way ANOVA ignore the correlations among the independent variables and in the presence of multi collinearity among the dependent variables, MANOVA is more powerful than the separate univariate tests (Hair, Black, Babin, Anderson & Tatham, 2008). Moreover, this technique is selected over Independent Samples T – Test or ANOVA because the multivariate formula for '*F* – static' was based not only on the sum of squares between and within groups as in ANOVA but also on the sum of cross products. That is, it takes covariance into account as well as group means among the dependent measures.

Ho: there is no significant difference in the prevailing HRD climate and individual performance with respect to experience level of the worker

H1: there is significant difference in the prevailing HRD climate and individual performance with respect to experience level of the worker

As mentioned above, the hypothesis was studied using MANOVA. The variables that entered the MANOVA model are **year of experience** of workers, **prevailing HRD climate** and **individual performance in the job**. The year of experience of worker entered as fixed factor and the remaining variable as dependent variables

There are four different test statistics namely, Pillai's trace, Wilk's Lambda λ, Hotelling-Lawley's trace, Roy's Greatest Root, each with its own associated *F* statistic. Pillai's Trace is the most robust of the four tests since it is least sensitive to departures, from the assumptions (Olson, 1976; Johnson, & Wichern, 2002) and Hotelling's Trace is the most common and traditional test, where the independent variable is formed of two groups. Wilk's Lambda is the most common and traditional test when there are more than two groups formed by the independent variables and Roy's Largest Root is seldom used. A perfect fit model will generate all the four test statistic give identical F values while in this model all four statistics has produced different F values.

Multivariate Analysis of Variance (MANOVA) between Year of experience of the workers with prevailing HRD climate and individual performance in the job of workers

	Effect	Value	F	df	Error df	Sig.
Years of experience	Pillai's Trace	.102	6.077	6.000	676.000	.000
	Wilks' Lambda	.899	6.120	6.000	674.257	.000
	Hotelling's Trace	.110	6.164	6.000	672.000	.000
	Roy's Largest Root	.089	10.037	3.000	338.000	.000

*significant at 0.05% level

On examination of table above, it is seen that F – value (=6.120; p = 0.000) is significant at 0.05 level. Hence, in this case, the researcher performed further follow-up tests such as the tests of between-subject effects.

Since the results of the MANOVA are significant, the 'Tests of Between Subjects Effects' (univariate results) are examined to determine whether the independent variables are significant for the prevailing HRD climate and individual performance in the job. Table 3.4.1 shows the results of the tests of between subject effects.

Post hoc test table for year of experience and Prevailing HRD climate

	(I) experience	(J) experience	Mean Difference	Significance Difference
Prevailing HRD climate / Experience	< 1 year	1 to 3 years	-.0476	.976
		3 to 5 years	.2328	.154
		>5 years	.0676	.906
	1 to 3 years	< 1year	.0476	.976
		3 to 5 years	.2804	**.004**
		> 5 years	.1152	.302
	3 to 5 years	< 1 year	-.2328	.154
		1 to 3 years	-.2804	**.004**
		> 5 years	-.1652	.020
	> 5 years	< 1 year	-.0676	.906
		1 to 3 years	-.1152	.302
		3 to 5 years	.1652	.020

From the post hoc table 3.4.2, it is identified that respondents belonging to 1 to 3 years and 3 to 5 years of Experience significantly differ with each other in their opinion about prevailing HRD climate in the organization

Showing the ANOVA results (The Tests of Between-Subjects Effects) for prevailing HRD climate in the company and Individual performance in the job across year of experience

Source	Dependent Variable	Sum of Squares	Df	Mean Square	F	Sig
Years of experience	Prevailing HRD climate	1.688	3	.563	4.550	.004
	Individual performance in the job	7.116	3	2.372	8.426	.000

*significant at 0.05% level

On examination of the table above 3.4.3, it is found that there is significant difference of Prevailing HRD climate in the company (f= 4.550,p= .004), for the case of Individual performance in the job (f=8.426,p=000) has significant difference with year of experience of the worker.

In order to find which experience group differs significantly in prevailing HRD climate and their performance in the job from others post hoc test is performed

Post hoc test table for year of experience and Individual Job performance

	(I) experience	(J) experience	Mean Difference (I-J)	Significance Difference
Individual job performance/Experience	< 1 year	1 to 3 years	.0137	1.000
		3 to 5 years	.2669	.381
		>5 years	-.1529	.742
	1 to 3 years	< 1year	-.0137	1.000
		3 to 5 years	.2532	.167
		> 5 years	-.1667	.339
	3 to 5 years	< 1 year	-.2669	.381
		1 to 3 years	-.2532	.167
		> 5 years	-.4198	**.000**
	> 5 years	< 1 year	.1529	.742
		1 to 3 years	.1667	.339
		3 to 5 years	.4198	**.000**

From the post hoc table 3.4.4, it is identified that respondents belonging to 3 to 5 years and more than 5 years of Experience significantly differ with each other in their individual job performance

SUMMARY OF FINDINGS

- From the finding Guzzo.Jettle and Kartzell and Schuster (1986) are found that HRD intervention have significant positive effect on productivity, as per this study we found that HRD Climate and

Individual Job performance has significant relation with employee level of experience which contributes to overall organization productivity.

- Rodriguels (2009) study in engineering institutes in India found that the HRD Climate highly satisfactory, in this study HRD Climate is positively correlated with Philosophy, Styles, Performance appraisal and Training Programs.
- Huselid's Study shows that high involvement of HR Practices contributes strongly and positively linked with different methods of organization performance and productivity, as per this study by multiple regression most of the factors in HRD Climate have positively influenced with HR Factors in the organization which drives towards the desired goals.
- HR practices are found to positively related with organizational performance in hong kong,as per this study shows that there is a positively correlation prevailing HRD Climate with Individual job performance and Philosophy and Styles of HR, Performance appraisal and Training programs.

CONCLUSION

The study has provided comprehensive information about different dimension of HRD Climate with respective to the individual Job performance. In this research it is cleared that motivation plays a vital role for the individual performance and the organizational needs to provide proper need based training to the employees.

This better HRD climate, in turn, enthuse motivation, willingness, commitment, belongingness among the Human Resources that coupled with effective and efficient training and development programs, an unbiased and progressive performance management system, proactive growth policy, career planning and potential appraisal improves the ability and skill. The ultimate effect is on the productivity that indicates production, profit, reduced labor turnover, and reduced loss time, more congruence between plan and actuality.

When the individual gets the experience, his expectation level increases parallel the organization needs to take a necessary steps to fulfill their expectation.

If the suggestion gives are consider by the policy makers it will definitely helps the organization to maintain a good HRD Climate.

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