A STUDY ON IMPACT OF HUMAN RESOURCE POLICIES ON EMPLOYEES JOB INVOLVEMENT WITH REFERENCE TO IT (INFORMATION AND TECHNOLOGY) SECTOR.

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ABSTRACT

The main aim of this study is to analyze the impact of current Human Resources Management (HRM) policies and practices adopted in Information and Technology sector in Chennai region lead to employee job involvement. In this study data were collected by using questionnaires among the sample size of 110 IT employees in 11 IT companies located in Chennai region. In this study, some of the HR policies such as compensation policy, reward and recognition policy, welfare policy, work life policy, training and development policy are followed in the IT sector. An attempt is made to find whether it makes any impact on employee job involvement. Major findings from this study reveals that the most of the employees were not satisfied with work life policy adopted in the IT sector has no correlation between employee job involvements. Reward and recognition policy has a positive moderate correlation with employee job involvement; whereas, compensation policy, welfare policy, training and development policy also positively correlated with employee job involvement. It was found that employees supported company policies that ensured that employee efforts are supported by management. Therefore, the better work life policy need to maintain the employee engagement and makes them focus to the organization commitment. The policies which had been framed should always focus on the company's vision and support the human resource to achieve all levels benefited for the organization. It should not be deviated from their main objective of the organization. HR policies should make employee's to focus on the organization commitment when they are satisfied and engaged with the job assigned to them for the organization growth.

Keywords: HR policies, job involvement, job satisfaction, organization commitment.

1. INTRODUCTION

Human resources are important tool for many Information technology companies to make compliance with laws, overseeing payroll and keeping the personnel staffed and productive. In the information technology sectors, HR can be a significant factor in keeping the company reasonable by executing policies that help to catch the attention of talented employees and successfully filled technological positions. Job Involvement refers to the psychosomatic and emotional extent to which someone contributes in his/her work, profession, and company. Screening up to work on time is half the battle. Top performers are betrothed in their work and have high job contribution. There have been several studies that directly associate high job involvement with job satisfaction and how it makes a difference in the organization.

2. REVIEW OF LITERATURE

Human resources practices can make a straight impact on employees' characteristics such as commitment, morale, motivation and skills. If employees have these characteristics it is possible that organizational growth in terms of efficiency, quality and delivery of customer service will get better, thereby improving financial results.

Lee and heard (2000) proposed that Human resource management practices are the organizational assets that help an organization to main its effectiveness. It's considered as an important tool to change the employee attitude, behavior and job satisfaction, and the more important is an organizational commitment. Similarly HRM is the composition of policies, procedures, regulations, that determines employee behavior attitude and performance.

Armstrong (2007) myself-confessed the necessity to align employee needs with the demand of organization. There is need to have an effort to accommodate employee anxiety e.g. elasticity about taking time off, a better workplace design in order to make it favorable for work. Configuration of human resource needs with company objectives also facilitated candidness. In order to facilitate candidness, organization needs to make the pertinent information available to

Employee. Such a policy is valuable, since it is a critical part of attaining victorious job person fit. In addition, the employee is empowered and this enhances the morale of the employee. "Employee empowerment is an essential managerial means that can be used to obtain competitive advantages from human resources in the new millennium"

Armstrong (2009):143 founded that the undeviating relationship between human resource management outcomes and business result. Similar studies have confirmed the impact of human resources practices on business performance. Some of these studies were capable to draw correlation between the enlarged quality of human resource practices and increased business success.

Anupama Gupta (2010) described the challenges faced by Human resource manager in context of new economic scenario. This paper emphasized that these challenges should seriously taken care of. Main challenge is the shortage of skilled manpower. This paper examined the role of human resource department to tackle the problem. It was the duty of HR department to design a possible career path to retain talent. It was suggested that HR manager should be ready to handle the challenges, but the role of other stakeholders should also be included in order to ensure healthy survival of the organization

Santosh singh Bais (2011), conducted research entitled ―Human Resource Development (HRD) in Insurance sector- A study with special reference to life Insurance corporation Of India‖. As per the findings of the study it can be interpreted that the real strength of a country lies in the development of the human mind and body. The growth and development of any country depends on its people. Empirical studies have indicated that labor and capital were largely responsible for the development of advanced countries. This was done by way of investment in education and training of the labor forces. Thus human beings are considered as the most valuable resource.

(Popescu 2012) recommended that even in the future, the trend for generosity industries will focus on talent management. Thus acknowledgment of talent from employees, harnessing and developing it could also result in service brilliance. Many IT companies have now recognized that human resources play a significant role in gaining efficient benefit in today's highly economical global business environment. Managers should understand how their workers feel and observe their work conditions, in order to plan appropriate human resource policies and understand the best out of them. In service institutions, human resource management is a very decisive part in realizing organizational goals. This is because the performance of such organizations is eagerly based on people's skills, talents and levels of experience, unlike the manufacturing industry which is largely based on mechanized systems to attain performance.

3. OBJECTIVES OF THE STUDY

1. To study the relationship between human resource policies and employee job involvement.
2. To assess the impact of HR policies on employee job involvement.
3. To measure the employees satisfaction level towards the human resource policies.
4. To offer the suggestions to overcome the drawbacks of organization's human resource policies.

4. CONCEPTUAL FRAMEWORK

This study is based on the proposed conceptual framework (Fig. 1). The framework considers the effect of HR policies and practices followed in the organization makes the employee job involvement.
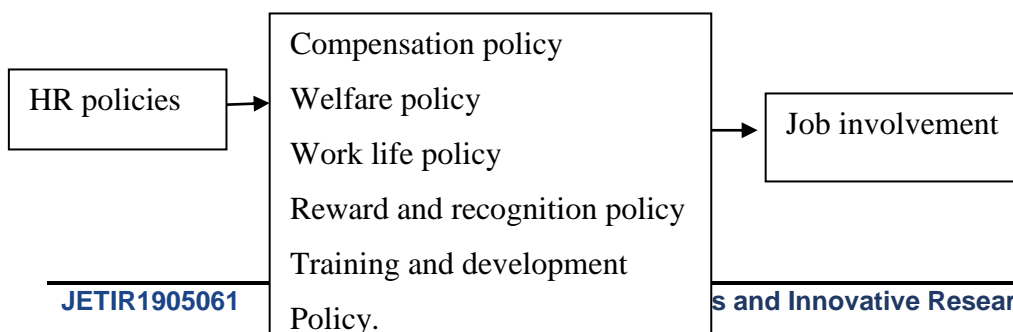

HR policies → Compensation policy / Welfare policy / Work life policy / Reward and recognition policy / Training and development Policy. → Job involvement

Fig 1: Conceptual framework

Human resource policy

Human resource policies are the formal rules and guidelines that are followed in the business organization to hire, train, assess, improve the employees working competency skills and how to

Maintain the business functions are directed. HR policies followed in IT sector have been serving to clear the misunderstandings between employers and employees about their rights and obligations to be followed in the work place of the organization. The important function of an IT company's HR policy is to attract young talents and retain them through the rewarding, compensation providing, and workplace culture maintenance. HR policies creating a workplace environment feel happy to work in the organization.

Reward and recognition policy

Properly satisfying positions is another key goal for IT company HR policy. Technology jobs can require dissimilar skill sets for dissimilar parts of a project. Recognizing the right person to meet the specific needs for a position can be a challenge, particularly if the HR hiring officer doesn't know enough about the project or technology details. One change that can help HR managers is to adjust hiring policies to support encouragement of current employees, instead of searching for external candidates.

Training and development policy

The Society for Human Resource Management (SHRM) recognized 18 conditions that must be

Present in the place of work for employees to practice engagement. Then, employees rated their overall fulfillment with each of these factors in their workplace. Four of the most minuscule seven conditions that must be there for employees to practice engagement was related to training, specialized development, and career development. So, the growth and development of employees are not a priority in many workplaces. Yet, when employees recognize the factors that they must have from work, career, growth and development is one of the top five. A career development plan is a triumph for employers and employees. The plan focuses on the employees' need for growth and development and the support, the organization can provide so that the employee has the prospect to grow his or her career. In addition to growing their career, employees are also concerned in developing themselves both personally and professionally.

Welfare policy

`   Welfare is the stipulation of a negligible level of well-being and social support for citizens and other suitable residents without adequate current means to support basic needs. In most IT industries need to provide statutory and non statutory welfare measures to the employees to make them to feel they are part of the company. Social security, healthcare and unemployment insurance and other basic life supporting welfare measures to be provided to make the employees to feel comfortable to exhibit their performance in the job.

Compensation policy

Compensation is a primary section of employment and one of the most critical HR management Policies. Whereas, compensation orthodoxy denotes to employment wages of total compensation that including base salary, incentive plans, bonus, non-cash compensation and payback. At minimum, organizations need to make sure that their compensation policy sticks to employment legislation. Furthermore, many administrations implement compensation policies that make fair-mindedness and equity in pay scale and salary allocation, and lucidity in compensation practices.

Work life policy

A work-life policy is any program that enlarges an organization's capability to incorporate the needs of work and personal life Work-life policies expand beyond conventional ideas of "family friendly" that mainly imply care for children and others. Work-life policies take many forms. There are time-based practices known as different work schedules such as compressed or flextime and reduced work schedules such as part-time. Still other work-life settlement may include reliant care and/or referrals, training and development and educational opportunities, as well as domestic partner benefits. Working time flexibility is used in several European countries to help employees have a better work-life balance. Companies mainly use it to allow employees to take care of their children, but elasticity can also help move forwards overall company performance.

Job involvement

Job involvement refers to how people recognize their jobs in relation to the working environment, the job itself, and how their work and life are incorporated. Also, job involvement can be viewed as a psychosomatic condition wherein an employee "is cognitively distant with, engaged in, and fretful with one's present job". One of the early definitions of job involvement was proposed by WHOM as 'the level to which an employee is recognized psychologically with his job or the significance of job in his total self-image. Job involvement is more associated with identification with worker's immediate job activities while organizational commitment is more associated with worker's attachment to the organization.

5. HYPOTHESIS

Hypothesis-1: Null hypothesis (H0):- Compensation policies in the organization are not positively related to employee job involvement.

Hypothesis-2: Null hypothesis (H0):- Welfare policies in the organization are not positively related to employee job involvement.

Hypothesis-3: Null hypothesis (H0):- Work life policies in the organization are not positively related to employee job involvement.

Hypothesis-4: Null hypothesis (H0):- Reward and recognition policies in the organization are not positively related to employee job involvement.

Hypothesis-5: Null hypothesis (H0):- Training and development policies in the organization are not positively related to employee job involvement.

6. METHODOLOGY

A sample of 110 IT employees from 11 companies in Chennai region was purposively selected for this study. The employees were asked to rate statements about HR policies related questions in a likert scale from 1 to 5, where 1 means, strongly disagree; and 5 indicates the strongly agreement with the statement. The questions are asked which are commonly using policies in the IT industry related with human resource job involvement such as training and development policy, reward and recognition policy, Compensation policy, Welfare Policy, Work life policy. Descriptive research design is adopted in this study where correlation, regression and ANOVA are the statistical tool used to analyze the HR polices related to employee job involvement.

Table No: 1 Correlation coefficient and Regression Model Summary[b]

Model	R	R Square	Adjusted square	Std error of the estimation
1	.302[a]	.091	.083	1.05963

a. Predictors: (Constant), compensation policy

b. Dependent Variable: enjoy work

Table No: 2 ANOVA[a]

Model	Sum of square	Df	Mean square	F	Sig.
Regression	12.281	1	12.281	10.938	.001[b]
Residual	122.386	109	1.123		
Total	134.667	110			

a. Dependent Variable: enjoy work

b. Predictors: (Constant), compensation policy

Fcal 10.938>ftab 4.00

Table No: 3 Correlation coefficient and Regression

Model summary

Model	R	R square	Adjusted square	Std error of the estimation
1	.399[a]	.159	.151	.81297

a.   Predictors: (Constant), welfare policy

Table no: 4 ANOVA[a]

Model	Sum of squares	Df	Mean square	F	Sig.
Regression	13.636	1	13.636	20.632	.000[b]
Residual	72.040	109	.661		
Total	85.676	110			

a. Dependent Variable: effective contributor

b. Predictors: (Constant), welfare policy

Fcal 20.632>ftab 4.00

Table No: 5 Correlation coefficient and Regression

Model	R	R square	Adjusted square	Std. error of the estimation
1	.111[a]	.012	.003	1.10463

a.   Predictors: (Constant), job involvement

Table No: 6 ANOVA[a]

Model	Sum of squares	df	Mean square	F	sig
Regression	1.663	1	1.663	1.363	.246[b]
Residual	133.004	109	1.220		

Total	134.667	110			

a. Dependent Variable: enjoy work

b. Predictors: (Constant), job involvement

Fcal 1.363>ftab 4.00

Table No: 7 Correlation coefficient and Regression

Model summary

Model	R	R square	Adjusted square	Std error of estimation
1	.548a	.301	.294	.87994

a. Predictors: (Constant), rewards and recognition

Table No: 8 ANOVAa

Model	Sum of squares	df	Mean square	f	Sig
Regression	36.304	1	36.304	46.886	.000b
Residual	84.399	109	.774		
Total	120.703	110			

a. Dependent Variable: part of company

b. Predictors: (Constant), rewards and recognition

Fcal 46.886>ftab 4.00

Table No: 9 Correlation coefficient and Regression

Model Summary

Model	R	R Square	Adjusted square	Std error of the estimation
1	.212a	.045	.036	.77643

a. Predictors: (Constant), training policy

Table No: 10 ANOVAᵃ

Model	Sum of squares	df	Mean square	f	sig
Regression	3.100	1	3.100	5.142	.025ᵇ
Residual	65.711	109	.603		
Total	68.811	110			

a. Dependent Variable: successful at work

b. Predictors: (Constant), training policy

Fcal 5.142>ftab 4.00

7. FINDINGS FROM CORRELATION

From the samples of this study, results of the respondents were observed and it is analysed using

correlation. Compensation policy has correlation value of r=0.302, Welfare policy has correlation value of r=0.399 and Training and development policies has correlation value of r=0.212 with the employee job involvement which is positive with low degree of correlation. Work life policy has correlation value of r=0.111 with the employee job involvement which is negligible or no correlation. Reward and recognition policies has correlation value of r=0.548 with the employee job involvement which is positive with moderate degree of correlation.

8. FINDINGS FROM ANOVA

The following shows the ANOVA and hypothesis results,

- ➤ The calculated value is 10.938 which is greater than tabulated value 4.00. So the null hypothesis is rejected. Compensation policies in the organization are positively related to employee job involvement.

- ➤ The calculated value is 20.632 which is greater than tabulated value 4.00. So the null hypothesis is rejected. Welfare policies in the organization are positively related to employee job involvement.

- ➤ The calculated value is 1.363 which is greater than tabulated value 4.00. So the null hypothesis is accepted. Work life policies in the organization are not positively related to employee job involvement.

- ➤ The calculated value is 36.304 which is greater than tabulated value 4.00. So the null hypothesis is rejected. Reward and recognition policies in the organization are positively related to employee job involvement.

- ➤ The calculated value is 5.142 which is greater than tabulated value 4.00. So the null hypothesis is rejected. Training and development policies in the organization are positively related to employee job involvement.

9. SUGGESTIONS

From the samples of this study results of the respondents were observed and some suggestions for framing of HR policies. Compensation policy, welfare policy, training and development policy has positive with low degree of correlation. So employee job involvement has correlated with HR policies.

10. CONCLUSION

Human Resource policies are influencing the involvement of employees in the work based on
the interest of employees to follow the policies which are adopted in the IT sector. With eference to the result and findings, work life policies need to be improved for better involvement in the work as the employees are not satisfied to follow the HR policies. Whereas compensation, eward and recognition, welfare, work life policies are related to employee job involvement but it has least degree of correlation. Major findings from the study are reward and recognition policies have high impact on employee job involvement because the results shows that employees are more concerned with this policies and their involvement in work. Therefore, Employee empowerment needed in formulation of HR policies in IT sector for making the employees to have better job involvement of employees for the organization commitment.

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