

AN EMPIRICAL STUDY ON HRD CLIMATE IN NPOS IN KARNATAKA

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ABSTRACT: For a nonprofit organization human resource is its major asset. The success of an organization depends upon the human resource it employs. In the present competitive environment organizations are giving paramount importance to attract, retain and develop human resource. This fact is obvious in all the organizations. Non Profit Organization forms an inseparable part of society as it provides all kinds of services. Human resource of NPOs should be potentially strong and given equal importance as in case of profit organizations. Hence the present study is about the HRD Climate in NPOs. The main objective of the research paper is to study the HRD climate and perception of employees on HRD Climate in NPOs. Statistical tools like ANOVA, t-tests are used to test the hypotheses. The scope of the study is confined to 10 NPOs and the sample of the study constitutes 100 employees. Results of the study indicate a satisfactory climate prevailing in the NPOs. Therefore, it can be concluded that the NPOs are not depicting a favorable HRD climate. There is a need to implement an effective HRD practice and implement favorable policies that uplifts the overall development of human resource in NPO.

Key words : Human Resource Development, Non-Profit Organization, HRD climate.

INTRODUCTION

In a democratic program, the management of the state is primary and virtually crucial in formulating and implementing the social and economic development programmes. However, in the current society, the problems that people have been facing particularly the poor are complex. This is particularly true in a country like India where a large number of poor sections are experiencing inequalities at different the levels. Development does not only show economic development but further includes promoting communal equivalence, gender equality, improving status of life etc., It is not feasible for government alone to effectively undertake such complex development activities. So, there is requirement of distant groups or organizations to guarantee the government on diverse fronts. This essentiality paved way for the emergence of civil society. Non Profit organizations (NPOs) being a major arm of civil society thus have a crucial role in the country's development process. Human resources being the main part for success of any organization, this study connects the Human Resource Development practices with Non Profit organizations.

THEORETICAL ASPECT

Human Resource Development (HRD)

Human Resource Development is the structure for assisting employees to improve their personal and organizational skills and knowledge. Human Resource Development includes employee training, ,performance management, mentoring, employee career development coaching, tuition assistance, succession planning, organization development and key employee identification. The main objective of implementing HRD practices is to increase the quality of workforce and achieve the targets of organization.

Non Profit Organization (NPO)

The purpose of a nonprofit organization (NPO) is an organization is something distinct than making a profit. It is established for promoting a social cause. its surplus revenues are not distributed as dividends to shareholders rather used for a service.

Importance of Human Resources (HR) in a NPO

The power of Human Resources (HR) in a Non-profit Organization (NPO) as a manner of ensuring sustainable expansion for an organization cannot be over emphasized, as it is the fundamental strength upon which people, strategies, processes and operations are based. Effective employee management should be on top of the mark of priorities for progressive modification of an organisation. Hence the NPOs must retain existing employees and attract new employees to survive in the dynamic environment.

LITERATURE REVIEW

In 1986 T V Rao conducted a survey on HRD practices in India .The survey of 53 public and private sectors revealed that 30 % of the companies had HR Department, a proper HRD policy is framed only by 32 % of the company, a performance appraisal system is followed by 26% of the companies, a definite training policy is followed by more than half of the companies, team building is focused by almost 50% of the companies and most of the companies has encouraged employees' counseling. The findings of the study depict a favorable HRD environment exists or the

organization is striving to achieve the same. Feedback and counseling is mostly followed; there is no potential appraisal in most of the companies; team building workshops ,employees satisfaction surveys, TQM interventions, 360 degree feedback is being tried out in 75 % of the organization under study , total productivity management visioning exercises etc. are some of the programmes being used by those organizations. This study is on public and private sectors but the present study is on NGOs.

Arthur, J.B. (1994) A cross sectional study was conducted in 30 US steel mills. 10 variables – decentralization, participation, general training, capable workers, level of inspection, social events, due process, wages, benefits, bonus, percentage unionized were taken as HR measures. They were divided into two systems: control and commitment. Outcome measures were taken manufacturing performance (labour aplomb, scrap rate) and employee turnover. Regression methods were used to find the association between two variables. He found commitment based HR systems associated higher labour efficiency than control-based systems.

Huselid, M.A. Jackson, S.E. and Schuler, R.S. in 1997 studied relationship between employee productivity and vital HRM, cash flow and market value by taking a sample of 293 firms in US. They concluded that on a per employee present value basis, a one standard alteration gain in round HRM effectiveness match an estimated increase in sales. This study is conducted overseas which suggests that same can be conducted in India.

Guest, D.E., Michie, J, Conway, N & Sheehan, M (2003) conducted a study taking 366 firms with around 50 employees. They engaged 48 items on HRM situated nine dominant areas: recruitment and selection, training and development, appraisal, financial flexibility, job design, two-way communication, employment security and the internal labour market, single-status and harmonization, and status as HR measures and found that via objective measures of performance, greater serve of HR practices was associated with lessen labour turnover and higher gain per employee, yet showed no association with HR and productivity. There was a outstanding association between subjective estimates of HR and productivity and economic performance. The study supports the association between HRM and performance but does not bring to light that HRM causes valuable performance.

Zheng, Morrison and O'Neil (2006) explored the concepts of HR practices influencing performance in 74 Small and Medium Enterprises of China. The concepts like participative decision making, performance based pay, free market selection and performance evaluation , only high-level employee commitment were identified as the key HRM outcome for enhancing performance. This article helps us to identify the different parameters which can be undertaken for the study.

OBJECTIVES OF THE STUDY

With the literature review background the following objectives are framed.

1. To study the current HRD climate in NPOs.
2. To study the demographic attributes affecting HRD Climate in an organization.
3. To study the perception of employees on HRD climate based on demographic attributes.

HYPOTHESES OF THE STUDY:

In order to study whether there exists a significant difference of perception among respondents across various demographic attributes the following hypotheses have been constructed.

H1: Male and female employees do not differ significantly in their perception about existing HRD climate in NPOs.

H2: There is no significant difference of perception of employees belonging to different age groups about existing HRD climate in NPOs.

H3: There is no significant difference of perception of employees belonging to different job categories about existing HRD climate in NPOs.

H4: There is no significant difference of perception among employees about HRD climate with different educational qualifications of employees.

METHODOLOGY

An exploratory study was conducted to analyse the HRD practices in NPOs. Non probability sampling approach was adopted. A sample of 100 employees from educational NPOs in Karnataka was taken. Both office staff and teaching staff were included in the respondents list. The study is based on primary data. Required information was collected through questionnaires. Survey instrument consisted questions on respondent's profile and the HRD climate prevailing in their organization. The secondary data was collected through research publications, books, journals and related websites.

DATA ANALYSIS

The data collected was analyzed by SPSS 16.0. For study purposes, the mean scores and standard deviation were calculated for each statement. In order to test the hypotheses formulated One –Way ANOVA test for each dimension and independent t-tests have been performed.

RESULTS AND DISCUSSION

The demographic details of the respondents are listed below. Table 1 depicts the respondents' profile.

Table 1: Respondents Profile

Sl no.	Characteristics	Percentage
1	Gender	
	Male	55
	Female	45

2	Age in years 20-30 30-40 40-50 50 and above	11 45 28 16
3	Designation /Job category Office staff Teaching staff	30 70
4	Educational qualification Graduate Post graduate Post graduate and above	24 60 16

Source : Questionnaire field study

From Table 1 it is clear that majority of the respondents are teaching staff (70%) and are post graduates. Regarding the gender, both men and women are in almost equal proportion. The age categories of the respondents show that majority belong to 30-50 years. The HRD culture that presently persisting in the organizations is depicted in Table 2. It represents the variables considered for the study.

Table 2: HRD Climate

Sl. No	Variables	Mean	SD
1	Performance appraisal and reward	2.77	0.51
2	Career development	2.39	0.48
3	Welfare	3.25	0.44
4	Organization development.	3.27	0.45
5	Training	2.78	0.38
	Group Average	2.89	0.45

Source : Questionnaire field study

Table 2 shows the magnitude of HRD climate manifested in the organizations considered for the study. The group average of the HRD climate is found to be 2.89 with standard deviation of 0.45. The organization climate is below average level which is not a good sign. When compared to the different elements, organization development variable has higher value (mean 3.27) which means employees are constantly working towards the overall development of the organization.

Comparison of perception with respect to the Gender of respondents

Male and female employees together form human resources for an organisation. They normally work with similar environment, work climate, facilities, and infra-structure. There are thus, minimal chances that male and female employees differ in their perception regarding various dimensions of HRD climate. However, the assumption is tested using t-test and the results of the same are presented in Table 3

Table 3: Comparison of opinion by gender

Variables	Gender	N (100)	Mean	Standard Deviation	t-value	p-value
Performance appraisal and reward	Male	55	2.731	.5252	-.806	0.422
	Female	45	2.813	.4943		
Career development	Male	55	2.385	.4851	-1.150	0.881
	Female	45	2.400	.4805		
Welfare	Male	55	3.189	.4345	-1.489	0.140
	Female	45	3.320	.4398		

Organization development.	Male	55	3.284	.4709	0.376	0.707
	Female	45	3.249	.4496		
Training	Male	55	2.800	.4792	0.392	0.696
	Female	45	2.764	.4270		
HRD climate (Overall Values)	Male	55	2.878	.2149	-.738	.462
	Female	45	2.909	.2105		

Source : Questionnaire field study (SPSS Output)

From Table 3 it is understood that, the difference in the overall mean scores of perception is reported as statistically insignificant ($t = -.738, p > .05$). Thus, resulting in the acceptance of hypothesis that male and female employees in NPOs do not differ significantly in their perception of HRD climate.

Comparison of perception by Age

Age is also an important variable to be studied since difference in age can bring about difference in perception. Four age categories were shaped in the questionnaire and employees were asked to mark the one they fall in. It is assumed that significant differences exist in the perception of employees belonging to different age groups. The assumption is put to test using One way ANOVA test.

Table 4: Comparison of opinion by Age

Variables	Age	N	Mean	Standard Deviation	F -value	Significance
Performance appraisal and reward	20-30	11	2.927	.5533	1.314	.274
	30-40	45	2.836	.4811		
	40-50	28	2.671	.5503		
	Above 50	16	2.638	.4745		
	Total	100	2.768	.5107		
Career development	20-30	11	2.273	.4839	.443	.723
	30-40	45	2.378	.4577		
	40-50	28	2.464	.5889		
	Above 50	16	2.388	.3304		
	Total	100	2.392	.4807		
Welfare	20-30	11	3.400	.3098	1.073	.364
	30-40	45	3.236	.4735		
	40-50	28	3.157	.4598		
	Above 50	16	3.338	.3631		
	Total	100	3.248	.4396		
Organization development.	20-30	11	3.236	.3557	1.564	.203
	30-40	45	3.369	.4306		
	40-50	28	3.136	.5684		
	Above 50	16	3.238	.3442		
	Total	100	3.268	.4594		
Training	20-30	11	2.927	.4315	1.632	.187
	30-40	45	2.698	.4836		
	40-50	28	2.900	.4303		
	Above 50	16	2.725	.3924		
	Total	100	2.784	.4545		
HRD climate (Overall Values)	20-30	11	2.9527	.16082	.562	.641
	30-40	45	2.9031	.24308		
	40-50	28	2.8657	.17426		
	Above 50	16	2.8650	.21805		
	Total	100	2.8920	.21246		

Source : Questionnaire field study (SPSS Output)

The results in Table 4 reveal insignificant difference of perception among employees belonging to different age groups so far as the overall HRD climate is concerned ($F = 0.562, p > .05$).

Hence, the assumption that there is no significant difference of perception among employees belonging to different age groups about existing HRD climate in NPOs stands accepted.

Comparison of Opinion by Job Category

The researcher classified the NPO employees under two broad categories i.e., Office staff and Teaching staff of educational NPOs. An independent two-sample t-test is employed to test whether any significant difference exist in the opinion of employees about various dimensions of HRD climate

Table 5: Comparison of opinion by Job Category

Variables	Job Category	N (100)	Mean	Standard Deviation	t-value	p-value
Performance appraisal and reward	Office	30	2.660	.5360	-1.348	.183
	Teaching	70	2.814	.4962		
Career development	Office	30	2.267	.5074	-1.660	.103
	Teaching	70	2.446	.4621		
Welfare	Office	30	3.153	.4257	-1.439	.156
	Teaching	70	3.289	.4422		
Organization development.	Office	30	3.213	.4725	-.766	.447
	Teaching	70	3.291	.4552		
Training	Office	30	2.793	.5445	.120	.905
	Teaching	70	2.780	.4144		
HRD climate (Overall Values)	Office	30	2.8173	.23901	-2.161	.036
	Teaching	70	2.9240	.19312		

Source : Questionnaire field study (SPSS Output)

The results reveal statistically significant difference ($t = -2.161, p < .05$) among employees so far as their opinion about overall HRD climate is concerned. Therefore, the assumption that 'Job category of employees do not differ significantly in their perception about existing HRD climate in NPOs' stands rejected.

Comparison of perception by educational qualification

The educational qualification of an employee definitely influences the perception of people about the organisation, its culture's and performance. The researcher thus, assumes that varying educational qualification can produce varying degrees of perception about HRD climate. The assumption is tested using one way ANOVA.

Table 6: Comparison of opinion by Job Category

Variables	Educational qualification	N (100)	Mean	Standard Deviation	F -value	Significance
Performance appraisal and reward	Graduate	24	2.708	.5656	2.751	.069
	Post graduate	60	2.720	.4818		
	Post graduate and above	16	3.037	.4745		
	Total	100	2.768	.5107		
Career development	Graduate	24	2.233	.4517	2.424	.094
	Post graduate	60	2.410	.4877		
	Post graduate and above	16	2.562	.4515		

	Total	100	2.392	.4807		
Welfare	Graduate	24	3.092	.4333	2.965	.056
	Post graduate	60	3.263	.4457		
	Post graduate and above	16	3.425	.3642		
	Total	100	3.248	.4396		
Organization development.	Graduate	24	3.300	.3912	.126	.882
	Post graduate	60	3.267	.5111		
	Post graduate and above	16	3.225	.3568		
	Total	100	3.268	.4594		
Training	Graduate	24	2.725	.5302	.321	.726
	Post graduate	60	2.793	.4341		
	Post graduate and above	16	2.838	.4272		
	Total	100	2.784	.4545		
HRD climate (Overall Values)	Graduate	24	2.8117	.25558	4.860	.010
	Post graduate	60	2.8907	.17992		
	Post graduate and above	16	3.0175	.20809		
	Total	100	2.8920	.21246		

Source : Questionnaire field study (SPSS Output)

The test revealed statistically significant difference of perception ($F = 4.86$, $p < .05$) among employees regarding HRD climate with the difference in their educational qualification. Thus, the assumption that 'There is no significant difference of perception among employees about HRD climate with the difference in educational qualification' stands rejected.

FINDINGS

Table 7 provides a snap-shot of the results of various assumptions tested using independent two group t-test and one-way ANOVA;

Table 7: Summary of Hypothesis

Demographic Variable	Hypotheses		Result
Gender	H1	Male and female employees do not differ significantly in their perception about existing HRD climate in NPOs.	Accept
Age	H2	There is no significant difference of perception of employees belonging to different age groups about existing HRD climate in NPOs.	Accept
Job category	H3	There is no significant difference of perception of employees belonging to different job categories about existing HRD climate in NPOs.	Reject
Educational qualification	H4	There is no significant difference of perception among employees about HRD climate with different educational qualifications.	Reject

Source : Questionnaire field study (SPSS Output)

Among four hypotheses made to test the significance of difference in the perception of employees of with respect to existing HRD climate on the basis of different demographic attributes, two have been rejected and two have been accepted.

SUGGESTIONS

HRD climate is an essential part of the organizational climate. It contributes to the overall development of the individuals as well as the entire organization. Nevertheless, there still lies a scope for further improvement in the implementation of policies and practices in the organization. Some suggestions have been put forth in this regard.

1. The top management of the company must lay emphasis on the quality of work life and welfare measures for employees, which can instill them the team spirit and sense of belongingness.
2. The elements in a HRD program should include - equitable reward systems, career development, open communications and job security of employees. Employees at non-managerial level should also be given equal importance for the overall development of the organization.
3. Management of the organization must make sure that there is healthy and friendly working environment prevailing at all levels.

4. Innovative techniques must be introduced in the organization on a regular basis and proper guidance relevant to utilize such techniques must have been organized by the managers in the organization.

LIMITATIONS AND PRACTICAL IMPLICATIONS

The present study has certain limitations that offer opportunities for future research. The data collected is on individual opinion basis, which might project some bias. In the present study, 100 employees are included of NPOs in Karnataka. As there are plenty of NPOs operating in the sample size can be increased.

Findings of the study have few practical implications. The findings can be used by managers and scholars in general and HR practitioners in particular to construct a positive environment that promotes employee commitment and organizational efficiency.

CONCLUSION

The results reveal significant difference of perception among employees on the basis of their gender, age, job category and educational qualification. Thus, implying that there is every possibility that a particular developmental strategy might prove good for employees of a particular sect sharing similar demographic character while it may not for the other. From the findings of the study it can be concluded that NPOs are not exhibiting a favorable HRD climate. The management must alter the HRD policies and change the practices followed according to the needs of employees.

Hence it is suggested that NPOs operating in Karnataka should promote HRD by adopting positive HRD culture into their organizational culture. The administration is required to ensure that difference in demographical background of the employees is addressed before the implementation of any development plan. Further, it is suggested that the NPOs should implement different development strategies for different employees depending upon their demographic settings.

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