CHAPTER 5

SUMMARY CONCLUSION & SUGGESTIONS
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SUMMARY, CONCLUSIONS AND SUGGESTIONS

5.1 SUMMARY:

OF THE STUDY OF HR TOOLS AND PRACTICES:

- The detailed study of the HR practices at the organization under study, it reveals that, both the organizations are using the fairly good and latest HR practices. It is also seen that, the HR heads of both the organizations are attending the training programme organized by the external agencies to keep them updated with the current HR practices.

- Table 3.06 on comparison of HR practices of these organizations reveals that, there are similar HR practices followed by both the organizations and the nature of the product and the organization is also similar in the relevant industries.

- It is found that some of the Balance Score Card, Competency Mapping, 360-degree appraisal, succession planning are not practiced by both these organizations.

- It is also revealed from the employee perception survey carried out in both the organizations, these organizations are keeping the employees satisfied by way of proper motivation and use of proper and relevant HR tools & practices. They also have clear understanding that; it is essential to work on improving the same on continuous basis.
• It can be seen from the HR Practices and its implementation study, that these organizations are keen in employee's development, motivation and retention. However, sufficient emphasis is not given on the Training and development initiative, like nomination for the external training programmes and conducting quality in-house training programmes by reputed institute or faculty, by both these organization.

• During the interaction with these organizations and with the employees of these organizations, it is observed that, the average service period of the employees in these organization is 15 yrs. The employees working at the senior positions are, 20 to 25 yrs old in these organizations. Some of them have started the career in these organizations and got retirement also.

• It is also seen and observed that the employee turnover rate is also very low in both these organizations, which is about 2 % on an average per year at the senior level.

• It is found in the study of these two organizations that, both the organizations are giving importance to the Human Resource Development activities in the organization.

• It is found that, these organizations have set Human Resources Policies and procedures formulated and documented so that employees are fully aware of the same.

• It is found that the training and development activities are carried out regularly to update the knowledge and skills of the employees with the changing environment.
• It is seen and observed that, at Garware Polyester Limited is more than 30 years old organization. However, there is no workers union though in the organization, which is an example by itself of the best HR Practices at all the levels in this organization.

• It is found that these companies have good practices on Human Resource. However it is essential to maintain the same by continuously improving the same through the employee perception survey method.

• It is found that Sufficient actions to maintain the employee motivation lag particularly in the compensation area. In fact this factor in also un-attainable. However the same need to be corrected in line with the other similar industries to attract and retain the talent. Compensation surveys are carried out to maintain the same.

• It reveals that MNCs and Indian organization in the other developed cities like Pune, Mumbai, etc, have tough task on the HR aspects comparing these organizations.

• To study and find the actual effect of the HR systems, tools and practices in the organization, it is essential to use the thermometer like employee perception level to check the temperature / feeling of the employees in the organization with regular interval. There are many surveys, agencies and consultants available on the employee perception. But the outcome of the same does not give proper direction for the correction. The researcher therefore have made an efforts to first study the HR Tools and practices in these organization and then accordingly devised the system of the employee survey which can result in the proper outcome which helps the organization to make a action plan for implementation.
The same was used in both the organizations as given in this study. It is seen from the first survey of Cosmo Films that the average feeling level was at 70 %, which found improved in the second survey by 10 % and thereby reached to 80 % due to the proper actions taken as per the action plan, which was prepared after the each study. Similarly, it is also seen from the first survey of Garware Polyester Limited, where the satisfaction level was 80 % and the same was improved to 90 % due to the planned efforts as per the action plan prepared at the end of each survey. It is therefore recommended that, the organizations should use the same with their in-house facility of the HR department and check the employee satisfaction every after six month or min one year period.

**EMPLOYEE's AWARENESS OF THE HR TOOLS AND PRACTICES:**

- It is found from the interaction with the employees at both the organizations that the employees are aware about the prevailing HR tools and practices being followed in their respective organizations by way of interaction and understanding from one another.

- The researcher therefore felt that the HR Manual should prepared and be given to the new employee on joining to make them aware on the HR tools and practices followed in the organization, so that the new employee can read the same carefully, understand and properly align himself/herself with the organization culture. It can be very effective.
• It is also studied and seen in both the organizations that the line managers are taking the role of the HR and giving time for employee's development.

• It is seen that, in Garware Polyester Limited, some line managers from the technical functions are helping the HR for the employee's re-engineering and training & development.

• It is said that the top drives the culture in the organisation. The same is very true for these organizations. Commitment from the top management is must. The desire to change like any intervention should come from the top management. The top management should be willing to get any aspect of their organization scientifically studied and be willing to receive both, positive and negative feedback.

• From the interaction with the management staff and employees of these organizations, it is seen and observed that, the top management in both the organization is keen in the employee development, motivation and retention of the employees. But, emphasis on the training and development is essential.

• Organizational climate is one of the most important tool / concept to enter into the theory of organizations in this century.

**REWARDS & RECOGNITION FOR MOTIVATION:**

• The researcher has found that at Cosmo Films Limited, gifts and rewards by way of Ex-gratia payment to the employees at the time of Diwali motivated them to work with the interest. But the same is now converted as a performance linked pay of the employees,
which is now paid, based on the performance of the employees in all the categories. Part of the same is paid in Diwali as a part payment the balance is paid in April every years based on the company performance and the performance of the respective employee.

- Garware Polyester Limited recognizes the employees on the particular event, where he/she has contributed substantially on achieving the break through results for the benefit of the organization. The reward is given to the concerned employee along with a appreciation letter from the Chairman and Managing Director of the company. Employees therefore always work hard to receive this appreciation. This also creates and maintains a competitive culture in the organization.

- The employees are also rewarded for their contribution to the company by way of the suggestion or kaizan scheme of TPM used in the organization.

- Majority of the employees have expressed that the companies should organize events like get-together or sponsor seminars, participate in the exhibitions, symposia, etc. This can be an effective method to develop new contact and introduce the new products.

**IMAGE:**

- From the employee perception survey and some related question on the subject, it is found that the image of the company is very good in the town and also in India. The companies are not only selling their product in India but large quantity of the same, about
50% are exported to major countries every month. For Cosmo Films Limited, their Export is about 50% of their monthly production, whereas for Garware Polyester Limited, it is 55% for their Industrial Product Division and 80% for their Consumer Product division of their monthly sales target. Both these companies have very good name in their respective areas. The Garware Polyester Limited is known for its specialty product, where as competition organizations are into the commodity product only.

**HR PROCEDURES:**

- The research reveals that the employees are satisfied with the existing HR Procedures of these companies. However the improvement in the same is always expected.

- The study has found that there are good HR practices in both the organizations. However it is always advisable to develop /modify/ revise the same as per the current HR Policies and Practices in line with the progressing organizations. This can further improve the image of the company and also increase the employee satisfaction level in the organization.

**EMPLOYEES:**

- In any organization, employees are the key resources, which need to be properly taken care off.

- Any organization is as good as its quality of the employees working for the success of the organization. If the organizations have average skill set of employees then the origination
performance will also be average, in spite of the excellent quality of the equipment and the systems. It is therefore essential for every organization to induct the excellent employee and also continuously work on the employee development by way of training and development.

- It is also seen from the survey that the satisfied employees give satisfied performance for the organization.

- The researcher believes that the HR head and the CEO of the organization have to show more initiatives in employee's development and building the positive HR culture in the organization.

- In the Competitive environment, what is required are satisfied employees in the organization for the growth and not only the modern equipment & technology.

- It is also seen from the discussion with employees that, qualified candidates are not being paid proper remunerations. The same is also evidently clear from the survey result of low scores on the salary & reward for both the organizations. Therefore, skilled employees are trying for the job outside for higher salary. The right work culture yields right results.

- **WHY GOOD PERFORMERS LEAVE**

  Every employee should think twice before leaving your organization. The question is, where does this dissatisfaction originate and why does this dissatisfaction occur? There are
following six frequent underlying reasons why good performers leave.

1. They see no link between their pay and their performance. - Departing employee usually say that they are leaving to seek “better opportunities”, which means more than the phrase “more money”. Employees are demoralized when they see that they work harder and smarter and get better results than their co-employees, yet receive the same remuneration. But if the contrary occurs -- when they know that they will be monetarily rewarded in proportion with the greater results they produce --they become motivated. This is because they see a relationship between their performance and their pay. It is therefore essential that the organizations should have proper performance appraisal system in place to avoid such issues.

2. They don't perceive growth or advancement opportunities.- When employees do not “perceive” opportunities for growth in their field, employees conclude that these opportunities do not exist at all. Indeed, there may be hidden opportunities, but if the employee and the manager do not discuss career options and opportunities, the former, more often than not, will get dissatisfied and eventually leave the company.

3. They don't see their work as important, or their contributions are not recognized and valued by others. – All employees must believe that their work is essential to make their business a successful one. Fulfillment of the employee starts with the manager conveying that their employee's contribution is indispensable to the company's mission and vision. Once they recognize this, they become motivated to carry on with their tasks.
4. They don't get to use their natural talents. –
Out of economic necessity, a lot of people get into jobs where they
would not be able to utilize their natural talents and abilities. In
the same manner, companies hire workers because they need a
person to fill a certain position, even if he is not the right person
for the said job.

5. They have unclear or unrealistic expectations. - This often
applies to fresh graduates, when they expect rapid advancement
and immediate change. It is also applicable to employees who only
realize how dirty or greasy their job is once they assume their
position. Indeed, employees must be given a realistic view of the
job and its working conditions. In the same manner, employers
must also be clear about the expectations that they have from
their employees.

6. They no longer tolerate abusive managers or toxic
environments. – It is said that, employees does not leave the
organizations, they leave the boss.

5.02 CONCLUSIONS:

- The industries in the entire sector are growing fast. Any industry
performance is as good as the performance of its employees. It is
seen from the study that, both these organizations are taking
proper efforts to develop and retain the employees.

- HR Tools and Practices have become essential in any Industry for
creating a proper work culture in the organization to attract and
retain the talent. It is seen from the study that, these organizations are using the sufficient number of good HR practices for employee motivation, development and retention.

- There is definitely a lot of hue and cry about the HR Tools and Practices and its implementation. In today's circumstance the CHANGE is only the constant element. However any change in any organization, is taken as surprise. Both these organizations need to implement change in their style also in addition to the use of HR practices.

- People are the most important and valuable resource for every organization or institution has in the form of its employees. Dynamic people can only build dynamic organization. Effective employees can contribute to the effectiveness of the organization. Continuous Training and Development can help achieving the same. But it seen from the record of the training and development efforts of both the organization, that there is no good number of employee nomination for the external training programmes to the institution like IIMs, NITIE, ISB, etc. Similarly, sufficient number of good in-house programmes by the faculty of repute of from reputed institution is also not conducted to cover various levels of employees. The same is very essential to keep the employee updated and keep their knowledge sharpen. The External training programmes not only help employee to learn from the programme, but the employee can also learn a lot by interacting with the other participants of different organization attending the programme and bench mark himself/herself w.r.t. the need of market. From the interaction with the employee of other organization, the individual can also find out his strong as well as week areas for improvement.
• Competent and motivated people can make things happen and enable an organization/institution to achieve its goals. Both these organizations therefore need to put extra emphasis on the training and development activities.

• Thus in both these organizations, HRD is a continuous process to ensure the development of employee's competencies, dynamism, motivation and effectiveness in a systematic and planned manner.

• To verify these perceptions, it was appropriate that the researcher undertook the study of the "HR Tools and Practices in Industry", developed and used the perception survey method for the in-house use by the internal HR person or resources of these organizations as well as other organizations.

• The purpose of the study was to find out limitations in Human Resource practices, Policies and employee perception and to recommend proper suggestions for improving the HR abilities and skills. From the study, in both organizations, it is observed that, good numbers of HR practices are followed, as the CEOs of these organizations are also keen.

• The identified HR Climate Survey method will point out the employee-concerned areas in the organization, which can be corrected from time to time by proper action plan and its implementation. It is recommended to both the organizations that, the same survey should be repeated with an interval of minimum 9 to 12 months, to check the improvements by the action taken. The HR Climate method of the 14 points is very much related to the burning attributes and area in these as well as any organization.
• The employees are the roots of an organization; as the knowledge, experience and talent of the team grows deeper, the organization prospers. If these roots are nipped, the organization remains small, like a bonsai tree. From the study it is seen that, average service of the employee in Garware Polyester Limited is about 15 years and the highest is 33 years, which has deepen the roots of the organization. Whereas, in Cosmo Films Limited, the average service of the employee is about 10-15 years and maximum is 25 years.

• It has been vouched for time and again that HR plays a very crucial role in an organization. The HR department is solely responsible for bringing in the best and most-suited workforce to any organization. From the study, it is also seen that the effectives of the HR Manager lies in the support received from the CEO for implementation of the same.

• HR Tools and Practices of these companies were studied and found that in both the companies practices good HR practices and policies for the development and retention of the employees. Overall perception of the employees on all the attributes studied is about 70 to 80 percent, which improved to 80 to 90 percent when the company took the corrective actions in a structured manner. The employees at the senior level are considerable happy due to the good HR practices followed by these companies. Employees have shown their more satisfaction on the attributes like teamwork, training, welfare, HR policies, top leadership and head of departments (HOD). In all the survey the employees had shown their dissatisfaction on the attribute of salary & wages.
• From ethical standpoint, every company should follow the minimum HR practices for the employees of all levels. From the study, it is seen and observed the same is done in both these organization.

• From the study, it is seen and observed that the Code of ethics is not maintained by the employees in Cosmo Films Limited. Sometimes the demand of the specific employees on their requirement and satisfaction of the same by the management unknowingly creates an un-professional HR practice in the company. The company needs to take care of this practice.

• From the study, it is seen that, in both the organizations, while recruiting the new employee at senior position the job is not properly described and hence it takes long time to fins a proper person for the position.

5.03 SUGGESTIONS / RECOMMENDATIONS:

It is recommended that, in both the organization, the performance management system need to be further aligned to meet the organizational and individual goals in order to attain proper reward & recognition.

It is recommended that the teamwork should be promoted in the both the organizations. A dissatisfied team member can affect the morale of an entire team, spread negative vibes and cause a lot of damage.

It is strongly recommended that, Cosmo Films Limited should put concentrated efforts for the internal union of the workmen so that the
situation will remain in control always. They may take consultation / lesson for Garware Polyester Limited to establish the similar system.

Attract manpower: It is recommended that to attract the right kind of manpower, it is always better to describe the job profile very clearly in terms of job description and growth path. The better it is described, the higher the chances of getting the right kind of person for the right job.

Use KSA technique: It is recommended that, these organizations should adopt the 'KSA' technique while hiring. It helps in finding individuals with a strong 'Knowledge' base, matching desired 'Skills' and most important, those with the right 'Attitude'.

Retention: In view of high attrition rates in the corporate sector, retention becomes a key challenge for all organizations in all sectors. Every individual is different having a set of strengths and weaknesses. In both these organizations this problem is not seen but it exist for the new recruits at the senior positions. Hence it is recommended to work on retention of these employees. These organizations need to work on providing congenial work environment for the new recruits at the senior positions.

Leaders need to harness the potential of each individual, work on individuals' competencies to generate team performance. Professional organizations should always attract the right talent, build them up and work towards retaining them. Both these organization need to work in this area.

Induction: It is very important for any organization to have a proper induction process whereby a new employee is inducted in all the related areas of his/her work, value system and corporate philosophy.
This enhances the confidence of the new comer and he/she feels part of the system. It is recommended to both these organizations to practice the same rigorously, which is not there in all new recruits.

To further develop comfort levels, the immediate supervisor should work very closely with the person and regularly facilitate his/her learning. Create a healthy work culture: the right work culture is the most important retention factor. Due to the promotions of the employees to the senior level, a big gap between the levels of the workmen and their immediate superior is created, which is loosening the comfort of the employees at workmen level in both these organizations. It is strongly recommended that, the structured efforts should be put on removing this feeling among the workmen.

It is recommended that the organizations should encourage people to take risks and learn from their mistakes. There should be immediate felicitation and instant gratification for success achieved by individuals. Both these organization need to work on the same so that employees take risk in trying the new things / experiments new practices without fear or even fear of loosing the job. As the organization grows old, the old employee also becomes complacent in their actions. Both these organizations therefore need to work on the same in a structured manner.

It is recommended that, both these organization also should study the result of the perception of each respective department and the corrective action should be taken to improve on the concerned attribute at the department level to convert it together in to the overall good perception of the organization.
It is also recommended that, the HR head of both the organization should critically study the result of the employees' perception to each and every individual question and find the areas for improvement by preparing the proper action plan. After the survey, the HR head should present the outcome of the survey to all the concerned HODs to inform the outcome of the survey and take the support of everyone towards working on the same for improvement as per the action plan.

It is strongly recommended for both the organizations that, it must be always ensured that, the employees work for the organization and not for the leader/boss.

It is recommended that a competitive compensation system and philosophy of "pay for performance" be implemented in Garware Polyester Limited, which goes a long way as a motivation factor.

It is recommended that Garware Polyester Limited should organize events like get-together like Cosmo Films Limited to develop social interaction among the employees and creating concern for the organization.

It is recommended for both these organizations that they should sponsor employees for seminars/External Training Programmes; participate in the exhibitions, symposia, etc. This can be an effective method to develop new contact and introduce the new products.

It is seen from the comparison of the HR practices of both the organization from table No 3.06 that the HR practices such as the
Balance Score Card, 360 degree appraisal, competency mapping, Potential Appraisal, etc need to be implemented by Garware Polyester Limited for the further development and improvement of the organization.

It is recommended that, the employee perception carried out by way of discussion by the qualified and competent HR person who is unbiased should interact with the employees of the organization. Preferably the verbal feedback method by interviewing the employees should be done by an external agency or by an Industrial psychologist. The most important thing is that, he should be unbiased. Because, for the objective assessment the subjectivity should be kept totally out, which is normally impossible by an internal person/resource.

It is therefore recommended that, these organizations should use this perception survey method with their in-house facility of the HR department and check the employee satisfaction index of the organization every after one year. It is also recommended that, other organization also should make use of this effective tool to check their employee satisfaction index/level every year. To facilitate the other organizations, the sequences of the group-wise questions are given in the appendix 2 & 4 by which a simple computer programme can be prepared for the analysis of the survey carried out.

It is recommended to both the organizations to ensure that there is actual openness among the employees in the organization. Employee should participate fearlessly in the survey. If the employee writes the feedback of the perception survey with fear in mind of being caught for the true and honest feedback, then it will never benefit the
findings of such survey to the organization to improve, even though the perception survey is conducted by an external and unbiased agency. It is most essential requirement to have openness, transparency, faith and trust in the employees of the organization. This is also applicable to any other organization, which would like to use this exercise to check their employee's satisfaction level for their organization.

It is also recommended to both the organizations that the employee in the organization should be trusted and given free hand to work in their respective areas without constant follow up and supervision.

It is also recommend to both these organizations that they should improve on the speed of their decision-making in all the areas of work for the quick action and growth of the organization.

It is recommended that, being knowledge and skills as the most important factors for any industry; both the companies should spend more on training and development of sales teams. Training and development is a continuous process and not one-time efforts or corrective action for any area except training on the use of new equipment. The cost on the training and development should be considered as an investment.

It is recommended to both these organizations that the right persons at right places should be placed and retained for faster growth.

It is recommended that the HR departments of both the organizations need to transform themselves from Administration centers to core business and HR drivers.
Competitive organizations today have two choices; import talent, or develop talent on the home turf. The first option is expensive and the second represents a long-term investment in education, training and retention. However both these options should be used judiciously based on the situation.

Before implementing HR tool and its practices by any organization, it should be ensured that the organization is ready to accept such interventions and with a clear objective of development of the employee and improving the HR climate / perception level in the organization. The HR tools and practices should not be implemented as a cosmetic effect/fashion.

It should be ensured that the management is also keen in the same and there is total involvement in of the system by proper in-depth discussion before implementation of the same.