

# *Chapter 1*

## *Human Resource Policies*

# *Chapter-1*

## *Human Resource Policies*

### **1.1 HUMAN RESOURCE**

Humans are the greatest assets of an organization without them, daily professional purposes like cash flow management, business dealings, communication with media, and customers dealing could not be accomplished. Humans are the blood of an organisation that drives the organisation in a flow. Nowadays organizations are constantly changing in business and also in the employees. In order to manage the talents time and the capabilities of employee's organisations need to focus organizational effectiveness. Human resource management works to make sure that employees are able to meet up the organization's objectives.

Human Resource Management is accountable for just how individuals are treated in organizations. It is a huge responsibility of HR to bring people into the organisation and help them to perform their duties, pay compensation for their labours, and solve the issues that arises on their work place.

These are the seven management functions of a human resources department that are precisely classified: Staffing, Performance Assessment, Compensation & benefits, Training & Development, Employee and Labour Relationships, Safety & Security, Health Benefits, and Human Resource Research.

It is people who work for an organisation who set overall strategies and goals, designs work systems, produce goods and services, monitor quality, allocate financial resources and market the products and services. Human beings therefore, become a human capital by virtue of roles they assume in the work organisation. Employment roles are defined and described in a manner designed to maximise the contribution of the employees to achieve the organisation goal. Schultz (1981)

## **1.2 HUMAN RESOURCE MANAGEMENT**

Human Resource Management(HRM) is a relatively new approach to manage people in any organisation. Employees are considered to be the key resources of the organisation. It has big a role to maximise the performance of the employees in the organisation. Human resource management is more of a management of individuals and more focused on policies or the system in the organisation. The number of activities is related to human resource including benefits of the employee's recruitment of the employee and training & development.

Scott, Spriegel and Clothier have defined Human Resource Management as a branch of management which are mainly concerned with the relationship of management to employees and the development of an individual and the group. Human Resource is responsible for maintaining good human relations in the organisation and also concern about growth of individuals and achieving integration of goals of the organisation.

According to Northcott that “human resource management is an extension of general management that prompts and stimulates each and every employee to give his full contribution to the purpose of a business. It is the major component of management function and it cannot be separated by the basic management functions.” French Wendell states that human resource management is all about the recruitment & selection, remuneration development, and motivation of human resources by the organisation.

“Human Resource management is all about planning, systematizing, directing and controlling of the procurement, development and the personnel functions of the organisation.”

*Edwin B. Flippo*

Previously HRM was famous as Personnel management which was clearly related with specific division and human administration activities. It only focused on Recruitment & Selection, Rewards, Appraisals, Development, and Grievance handling and so on.

Today’s time human resource management has different approach and importance in organisations. It is a process which is well defined in which human resources are engaged, employed and organized in different ways that helps in attaining the goals of the business. Human resource management also maintains the resources in an organization. It is very important key functions of the management, which is related to the management of human interests and aptitudes. HRM is all about right candidates for the right job and at the right time.

The efficiency of the organisation is totally determined by the human resources of the organisation. Hence, organisation should always take right step for manpower projection, recruitment and selection, T&D, performance assessment, compensation management and IR.

Furthermore, human resource management means the capabilities and the skills of a human, abilities to attain a job with efficiently and effectiveness. It contains four functions -procurement, development, motivation and maintenance of human resources. The procurement is associated with getting people in the organisation, development is all about the work which is done by the people, motivation mentions to inspire employees and finally maintenance here states to keep employees retained in the organisation.

Therefore, HRM is an art of supervision and handling resources in an organisation. Different Policies and strategies can complete the application which adds value to human resources and make them a leader and an important asset of an organisation.

Human Resource Management is the procedure of handling individuals in an organisation as well as handling the current personal relationships. These are the two major procedures which define the success and growth of an industry. It is the management process where it supervises and controls the human resources and also be the responsible for the attraction of the pool, selection and recruitment training assessment needs, and satisfying employees, while also managing the

leadership abilities of employees, culture & ensuring compliance with employment & labour laws.

### **1.3 HUMAN RESOURCE ELEMENTS**

Human resource management is a process which involves around eight basic elements- Recruitment & Selection, Human Resource Planning, Labour Relations, Succession & Career Planning, Talent Management, Performance & Reward Management, Training & Development, Personal Administration. These basic elements are the key steps for achieving organizational goals. The basic influencing factor of these components is organizational goal because such activities should be performed in the given framework or time in order to accomplish the task.



**Figure-1.3.1**

## **1.4 HR POLICIES**

HR Policies are related to the management and develop the personnel's working in any organization.

Era Before Industrial Revolution – The civilization was mainly an agriculture economy with restricted production. Amount of specialized crafts was limited and was generally carried out within a township or community with trainees supporting the main craftsmen. Communication channel were also restricted.

Era of Industrial Revolution (1750 to 1850) – Industrial revolution marked the conversion of economy from agriculture based to industry based. Modernization increased means of communication and it provided an approach to business industries setup. A department was mainly focused into worker's wages, welfare and other related problems. This has led to occurrence of personnel management with the main task as

- Wages and Salaries of Worker
- Record Maintenance of Worker
- Housing Facilities, Health Care of Worker

HR Policies involves various parameters under each policy that are followed by organization to acquire, develop, manage, maintain, integrate and control human resources. Management of an organization indulges in developing and execution of all HR related strategies to suffice their needs. In the whole process of handling and retaining manpower's an organization has to go through with various

practices. For effective management has to keep an eye on the performance and the parameters that can help to access the performance in extremely important.

The key role of the HR Policies is to strengthen and enable an organization for attainment of its target with full efficiency and effectiveness. It is only possible by taking initiatives and guiding their employees in the matters that affect their performance. The basic aim of an organization is not only to develop it but the employees who are working for organization. The entire series of HR Policies and various functions enable organization to produce the optimum use of the capacities of employees and make them realize the benefits of both organization and themselves. If HR Policies are concerned as they have to be in achieving continuous improvement in the performance of an individual, organization and HR process that provides improvement and also supports with facilitating changes.

### Framework of HR Policies



Figure 1.4.1

## **Procuring Human Resources**

- (i) **Human Resource Planning** – Human resource planning (HRP) is a systematic that helps management to determine that in what ways an organization should move from its current resources to the preferred position of employees. HRP helps management to choose right choice of person at right place, and at right time at right number that helps to get results in favour of both an individual and organization. It leads to long range benefits.

Human Resource planning is:-

- Forward looking
- Involves forecast of the manpower needs in future
- An integral part of corporate planning
- Ensures optimum use of current and future human resource at its maximum

The basic motive of human resource planning is to match the manpower resources with future enterprise needs. This way HRP helps to maximize the return on the investment in manpower.

- (ii) **Job Analysis and Job Design** – Job analysis as it is clear by its name is a detailed study of job that one has to perform. It helps to reveal the clear study of task, method, equipment that are to be used and required, skills and attitude to perform a job successfully.

**Objectives of Job Analysis:-**

- Job redesign – Analysis of job simplify the involved process and methods and Simplification helps to improve productivity.
- Work standards – Simplified and systematic study of the job reveals the time that should be taken in performing the total task.
- Miscellaneous – Job analysis is a process that ultimately support the activities related to HR i.e. recruitment, selection, induction, training, job evaluation and performance appraisal etc.

Job Design – It is a process to determine the duties and responsibilities as a major content of job, methods to be used to perform a job successfully and about the relationship that must exist in between a person holding a job and his immediate superiors, his subordinates and with other co-workers or colleagues.

- (iii) **Recruitment** – Recruitment is the attempt to attract compatible individuals to a firm as potential employees. “Recruitment is a process of searching right candidates and encourages them to apply in an organization for the job.”

The biggest challenge for any of the organization to have that kind of employee that suits Organizational needs. It is really a hard task of HR Manager to understand the nature of work and the most suitable person who can put the best effort to achieve the target. Recruitment needs to attract the

compatible individual and motivate them to apply for the specific job that helps to attain desirable organizational goals.

**Recruitment needs are of different types.**

- (a) Planned recruitment – It arises due to various changes in organization and recruitment policies.
- (b) Unexpected recruitment - Some circumstances are unforeseen like resignations, deaths, accidents and illness. These factors give rise to unexpected needs of recruitment.
- (c) Anticipated needs – In any organization not internal but external factors give so much of impact. By studying trends in internal and external environment predictions are made by the management in the movement of human resources. This predicted movement of human resource gives rise to anticipated needs

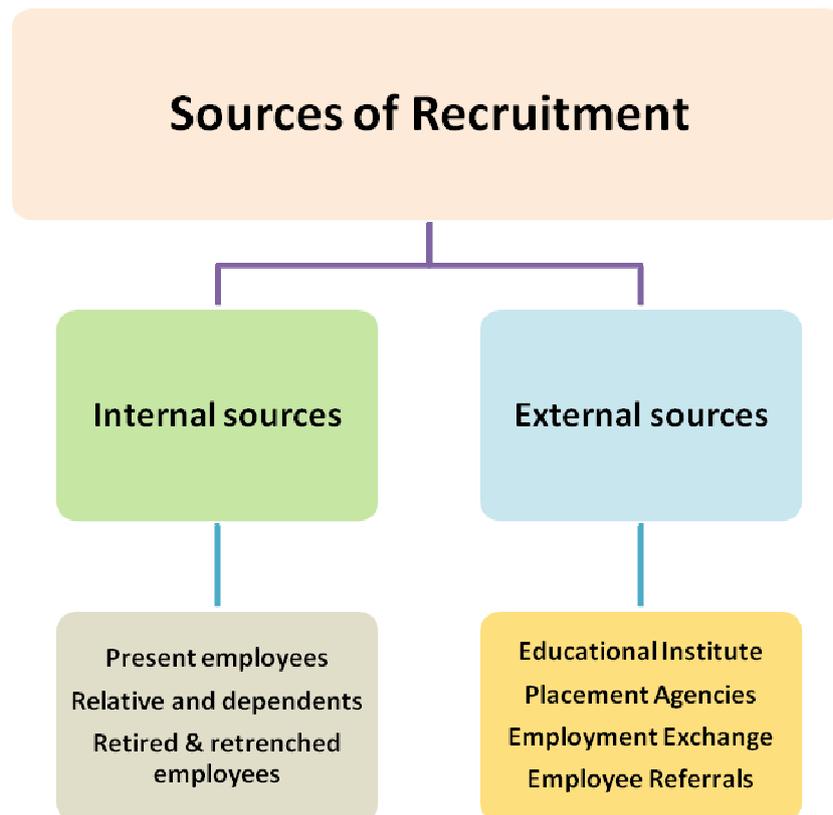


Figure - 1.4.2

(iv) **Selection** – The process of choosing from a number of job applicants the one individual to be offered a position or advancement. Selection is in general a process of screening of right candidate among all. It turned away more candidates than hired. It is a tedious process as faulty selection leads wastage of money, time, needs lots of supervision and puts negative effect on the environment of organization. To have stability in the organization proper selection is helpful as it reduces absenteeism and labour turnover. In other words, selection is a process of choosing the right candidates. Though it is a negative process as its aim is to identify and reject unsuitable candidates. It always succeeds recruitment. It leads to a contract of service between the employer and the selected candidate.

(v) **Job Posting** – There are many vacant positions in the organization and job posting allow those who are seeking to apply for the job. Organization can make it available for both internal and external people. This entirely depends on the recruitment strategy made by the firm.

(a) Internal job posting – It includes those are currently employees of the organization. Employees are informed through internal job bulletins about the job available on the basis of certain restriction regarding the level of positions in management. The best part is that even people from outside are allowed applying, but preference are given to the people working within the organization.

(b) External job posting – Generally organization are into the practice of external job posting as this allows to have young blood and their innovative ideas in the organization. It encourages the highly specialized people at entry level and occasionally at upper level of management which cannot be filled through insufficient internal qualities.

(vi) **Job Description** – Job posting is a statement, usually in writing, of the responsibilities, approaches, condition and other relevant factors built into a job. Job description is a factual and very organized statement of functional description. It describes:

(a) Job grading and classification.

(b) Orientation of new employees towards basic duties and responsibilities.

(c) Defining and outlining career paths.

(d) Redressal of grievance relating to duties and responsibilities.

(e) Defining the limits of authority.

(f) Developing performance standards.

**(vii) Induction** – When an organization hires employees, he is absolutely new to the organization and completely unaware to work environment and work place and stranger to the existing employees. This can make him a bit shy and little insecure and nervous. The entire situation in the absence of support can cause anxiety and fear in his mind. This gap of expectation and situation may put him under shock. Here, the role of organization begins to make him familiar with his job and organization as well. This activity intended to ease an individual's entrance into an organization called induction. Induction is the process that helps in reducing start up time and cost. It helps to reduce the level of anxiety in a new employee. In the culture of Indian organization induction is important where most of the employees are from rural background. When they come to join an organization they are completely at sea in an industrial town. A process of induction makes him confident and helps to develop his overall effectiveness on his job.

Induction works as bridging the gap between the management and people work under them. It built up clear two way communication and helps the new employee to develop the sense of belongingness.

In present scenario, organizations are into cut-throat competition where management cannot afford trial and error methods; induction programme helps to avoid the possibilities of new employee acquiring wrong impression.

### **Developing Human Resource**

- (i) **Training** – It is a process of refining the behaviour and attitude of an employee that attempts to bring personnel to highest skill level possible under such pressure conditions.

“Training is a process of brush up the skills, abilities that helps employees to perform with increased potential, where education is a process that enhances general knowledge and understanding of employee.

Comparison of training and education reveals the different aspects of both. Where training is narrow, education is broad, training is short term, quick and visible, education is of long term process so it is delayed and invisible. The same ways training is distinct from management development as development is systematic and organized process through which managerial personnel develop conceptual skills and theoretical knowledge for general purpose.

In the words of Campbell, training is short term process that is specially design on short term basis with some set of objectives like operating

machinery whereas development involves a broader education for long term purpose.

**Training is useful in:**

- Development of Self Confidence
- High Income
- Safety
- Adaptability with New Environment
- Promotion
- Developing New Skills

Above stated all things are necessary for smooth running of an organization. It gives immense motivation to employee and this keeps them so enthusiastic for challenges and keeps them away from any grievances in the organization.

- (ii) **Executive Development** – It is a procedure for management personnel to learn & growth, gain knowledge and execution of knowledge to manage organization efficiently and effectively. This is systematic process which is designed to improve their managerial skill and prepare them for higher jobs in future. Executive development is never ending and very organized process and it avoids trial and error approach towards tasks.

It ensures desired number of managers with required skill to meet out the present and anticipated future needs of the organization. It replace aged executive with highly competent and academically qualified professionals.

- (iii) **Career Planning** – “A career is a sequence of separate but related work activities that provide continuity, order and meaning to a person’s life.” Career planning is a continuous procedure and it is compulsory due to continuous changing environment. Career planning is an individual’s responsibility as every person has their own aspiration, ambitions and expectations from themselves but this is the accountability of the association to deliver well-timed supervision to employees &counsel them as and when needed for career planning and enhance knowledge and skills for future prospects.

The aim for which career planning is required is to integrate individual and organizational goals as it is a procedure to match career goals and capabilities of individual. It helps an organization in succession planning because whenever key positions in the organization fall vacant due to any unavoidable reasons like death, premature firing, resignation and retirement. It ensures availability of qualified and suitable person. A very thin demarcation is there between career and succession planning. Succession planning is specially required for high level executive on the other hand career planning covers employees of all levels.

Career panning attract and retain candidates those are suitable for organization. It ensures better use of human resource and improves employee moral by providing opportunities for promotions. It contributes to achieve higher productivity and organizational development.

- (iv) **Employee Empowerment** – As it is clear from the term “empowerment” means allowing a person to run the show by him. “Empowerment means allowing an individual to take their responsibility on their own in improving the way they perform their jobs and contribute to attain the goals of organization. It needs to establishment of a culture that encourage people at all levels to make them realize that they can create difference and helps them to have confidence and skills to do so.

**Richard Carver**

- (v) **Human Resources Development**– Human resource development is considered a proactive function which does not merely cope with organizational needs but anticipates them and acts on manpower in advance in a strategic and nonstop manner. It is a systematic series of learning activities that are designed to produce changes in behavioural aspects in human beings in a way they can have desired level of competence for present and future job

**Objectives of HRD system are to develop the capabilities of each employee as individual**

- The potential of every employee in reference to present and expected future goals
- Healthy relationship between employee and employer
- The spirit of team work
- Cooperation among different departments
- Overall culture and Self Renewing capabilities of the total organization

### **Managing Performance And Compensation**

**(i) Performance Appraisal** – A systematic review of performance of the employee during the job to evaluate the effectiveness of employee work.

**“Performance appraisal is a periodic and impartial rating of an individual excellence of present job and his potential for better job.”**

In other words performance evaluation is an organized series of steps to examine employee’s strength & weaknesses of the job. It is an on-going and continuous process which purposively made to secure information that is necessary for making objective and correct decisions on employees.

Performance appraisal is useful for suitable personal policies as it gives important information for decision related to human resources like increment in pay structure, promotions, demotions, transfers and terminations it is also helpful in judging the effectiveness of recruitment

done, selection and induction process of any organizations. Training needs can also be recognized.

Performance appraisal also facilitates HR Planning, career planning and succession planning. As performance appraisal plays an effective role so there must be certain things that one must keep in mind:

- Before introducing appraisal system there must be atmosphere of mutual trust be atmosphere of mutual trust,
- Without based on prejudices it should focus attention on job-relatedness.
- Once it is done proper feedback must be there which should contain comments with examples and suggestions for improvement.
- Objectives and uses must be clear and specific.
- To rate the facts well defined performance factors and criteria must be there.

(ii) **Job Evaluation** – “Job evaluation is an effort to determine and compare the demands normal performance to perform a job particular on normal workers, without taking into consideration the abilities of an individual or performance of the workers.”

It is the assessment of various jobs to find out their relative worth. The purpose of evaluate a job is to find out the basis of fixing wages a decide salary to be paid for various jobs. It rates the worth of job holder but not the job to be performed.

The main objectives of job evaluation are:

- To determine the justified differences in wage between different jobs.
- To remove inequities in wages.
- To develop consistency and accuracy in wage policy.
- To have justified basis to provide incentives and additional bonuses schemes.
- To deliver an outline of review and revision of remuneration periodically.
- To remove wage discrimination.
- To enable management to have control the cost of payroll.

**(iii) Grade and Pay Structure** –Organization needs logical framework within which organized pay policies can be implemented. Grade and pay band help organization the place the job in s suitable hierarchy, define level of pay and scope for progress in pay structure. It provides a base on which relativities can be managed. Through monitoring and controlling equal pay Policies can take place. It enables organization to communicate about available career and pay opportunities to employees.

- (a) **Grade structure:** In an organization important purpose and nature of work are alike but work carried out at different levels. It consist of a hierarchy of grads in which job are broadly comparable in terms of place and size.

(b) Pay structure: A pay structure plays a dynamic role in defining a different level of pay for different job by reference to their relative inner values as per described through assessment of job with external contingencies that are recognized by periodical market rate survey. It provides a wide scope in progress of pay as per the performance, competency and contribution. There are several ways to create pay structure. It varies organization to organization. There may be solo pay band cover the entire organization or maybe there is different paying structure for employees and some other pay band for manual workers but his practice is not in now a days. Earlier there is evident in many public sectors in U.K. to have single status supported by national agreements. Upper hierarchy was treated independently when reward strategy decisions is taken by the compensation committee of non-executive directors.

A grade structure now has been transformed as pay structure and attached to every level of hierarchy. In few wide-ranging band structures pay zones and reference points maybe put within the band and these clearly describes the range of pay for allotted job to every band.

(iv) **Incentive Compensation** – “Wage incentive are financial benefits except the salary that are especially designed to encourage human efforts by rewarding an employee over and above the remuneration that are time related to create improvements in the present and future results..”It refers to

monetary benefits offered to personnel to perform beyond usual standards. Directly or indirectly it enhances the productivity and profitability of an organization.

Incentives plans benefits in several ways like :

- It helps to improve relationship in man and machine.
- It provides immense opportunities earn more.
- It encourages innovation.
- It leads to disciplines industrial relations.
- It minimizes absenteeism, slow working and accidents.
- It lessens the supervision.
- As activities are interdependent, a spirit of team work and mutual trust is created among workers.

### **Maintaining & Retaining Human Resources**

- (i) **Job Changes** – To survive in cut throat competition, organization must have mobility and flexibility. This is why provision of job changes exists in any organization as it helps to do necessary changes to cope up with on-going changes. Job changes can be in any form like transfer, promotion and demotion. Mobility through job change can be divided into internal mobility that includes transfer, promotion and demotion and external

mobility includes movement because of resignation, retirement and termination

**Concept of Transfer** – Transfer is a concept that can be used as negative and positive motivation. It refers to lateral or even horizontal movement of any personnel without any significant change in pay and status as well. Transfer is a one kind of job change within the same organization. It has been defined as “shifting a person from one position to another without involving any marked changes in skill required to perform a job, duties, and responsibilities or even compensation.”

**Concept of Promotion** – Advancement in present post including greater responsibilities, better salary and higher status is called promotion. It is upward movement in the existing hierarchy of an organization to another but better working condition, higher status and greater authorities in hand.

**Concept of Demotion** – It is used as punishment or say disciplinary action against those who are not able to produce result what they are appointed for. Demotion mentions to descending program in the organizational hierarchy with job of lower rank and lower pay

- (ii) **Absenteeism and Labour Turnover** – It is a term used for wilful absence from the assigned duty. Absence from work scheduled is called absenteeism. In other words a worker failed to report for work is absenteeism.

Effects of Absenteeism are –

- Disturbed regular flow of work.
- Delayed/upset production schedules.
- Increase of overtime bill.
- Work quality suffers.
- Increase pressure on present employees.
- Increase maintenance cost of machinery due to frequent breakdown by inexperienced workers.
- Increase of industrial accidents
- Absenteeism can be controlled in following ways –
- Proper hiring of skilled workers.
- Good working conditions.
- Provision of housing and transport facilities.
- Industrial accidents can be reduced through adequate safety measure and it leads to reduce the fear of injury among workers.
- Incentives encourage workers to be regular.

Regular leave provisions enables workers to attend his private affairs.

Employee counselling helps to eliminate bad habits. Habitual latecomers and absentees can be encouraged to become regular by making them realize the arising of loss due to remain absent. Proper record of absentees above

the considerable level should be analysed on the basis of sex, month and age. Appropriate counter active actions should be taken when ever essential.

Conception of Labour Turnover – Labour turnover means the rate of change in personnel very often in an organization within the given time period. It is well-defined as “timely changes in the workforce composition that results from hiring, releasing and replacement of an employee with another.”

Labour turnover affects both employer and employee.

**Cost to employer –**

- Hiring cost increases.
- Expenditure in induction and training goes waste.
- Increase in overtime bills.
- Higher accident rates due to inexperience or unskilled workers.
- Scrap increases.
- Strained market reputation.
- Human resources remain underutilized.
- Cost to employee –
- Shifting from job loses the benefits from previous service.
- Loss of opportunity of promotion on the base of superiority.
- Different skills and experience established in organization may become worthless in other organization.
- The change in working may be problematic for the employees.

Control of Labour Turnover: -

- Proper planning of manpower requirement.
- Well pay and decent working conditions.
- Promotions from within the organisation and other career prospects.
- Job security.
- Impartial transfer and promotion policies.
- Introduction to incentive plans.
- Employee welfare schemes.
- Provision of retirement benefits.

(iii) **Health and Safety** – Health doesn't mean mere absence of disease but a state of complete physical, mental and social well-being. It is the outcome of the interaction between the individual and his environment. He is healthy who is well-adjusted. Workers spend a very long time at their work place. For optimum utilization of skills, time and creativity can be taken out if working conditions are good. It keeps workers high to perform at their level best. Environment where people are working conditions – lighting, ventilation, cleanliness, temperature, space etc. are proper workers cannot concentrate on work. These conditions will not allow them to work hard continuously. As a result productivity will be low, other resources cannot be utilized at their maximum, absenteeism rate will be high and thus labour turnover will be high.

(iv) **Employee Welfare** – “Welfare means well and fare means for the sake of comfort, improvement, social or intellectual that is over and above the wages paid against the work done by them which is not a necessity of an organization.” Employee welfare includes various facilities like housing, medical, education for children, recreation etc. This is an essential part of social life it helps employee to have adjustment between work life, family and social life. All these facilities improve family life of employees. Till the person attached with an organization, organization’s reputation helps employee to increase his belongingness, once he is attached to any organization, employees; life standard and social status enhance the reputation of the organization. At the same time, welfare measures lead to higher morale and productivity of labour that actually help employer as well.

### **Types of Welfare Services**

(a) Intra-mutual(means with the establishment)

- Washrooms
- Shelters
- Crèches for children
- Provision of uniform
- Medical Facilities

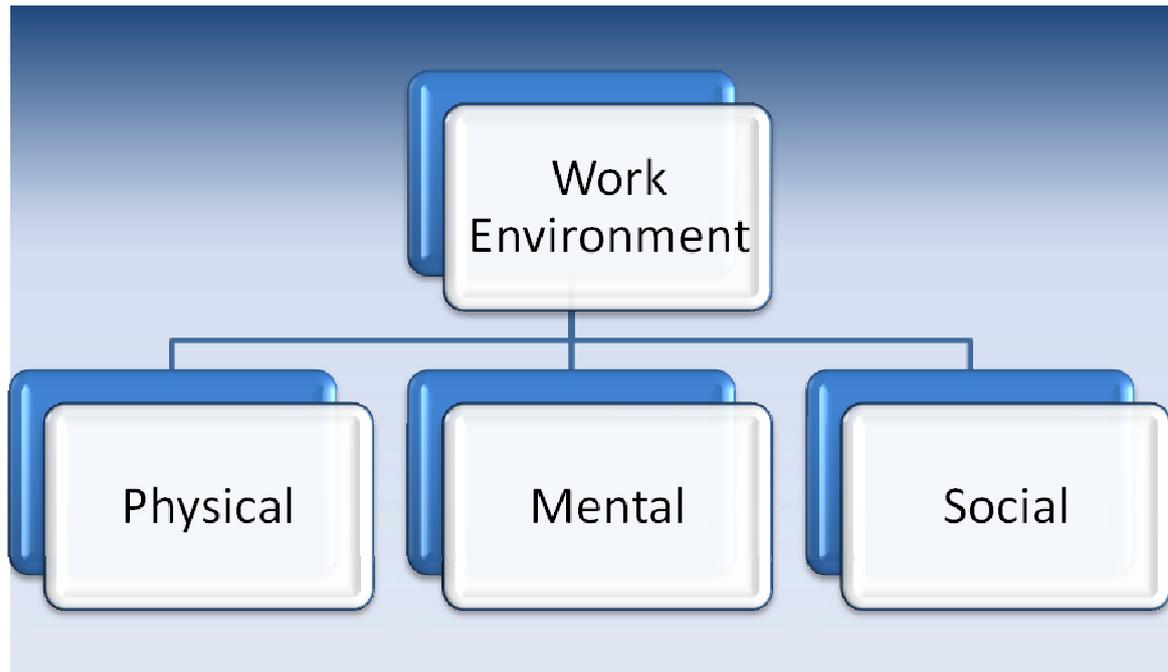
(b) Extra mutual(means outside the establishment)

- Free or nominal Transportation

- Maternity leave
- Children Education
- Courts and fields for sport
- Leave Travel Concession
- Co-operative Store

(v) **Job Security** – Job security is a sense of security in case of small chance of becoming unemployed due to any unavoidable reason. It is a security against the probability that an employee will retain the job in case of long leave due to any emergency

(vi) **Work Environment** – The working efficiency highly depends on the environment where they work. Work environment is a combination of various factors that can affect the mind and the body of any employee. The main aim to create an environment that is free from annoyance anxiety, boredom and monotony of work. And create high level of ease to work efficiently. Congenial environment minimize fatigue, monotony and boredom and maximize work performance



**Figure - 1.4.3**

- Physical Environment - It includes lightening, ventilation, temperature and noise.
- Mental Environment - comprises the psychological factors which influence the attitudes, behaviour and performance of a worker.
- Social Environment - refers to the group to which a worker belongs. Worker develops a sense of belonging to their group. The norms and leaders of the group influence significantly the attitudes and behaviours of its individual workers.

(vii) **Discipline and Grievance** – Absence of chaos, confusion, disorder and orderliness in human behaviour and action called discipline. It can be seen when people working in organization work and behave in an orderly and responsible manner.

“Discipline is an orderly conduct of employees who desire to create harmonious environment, who adhere to necessary regulation of an organization and willingly recognize that by doing so, their wishes must be brought into a reasonable unity with the requirement of group action.”

According to views of Dale S. Beach “Grievance is a sensation of dissatisfaction, discontent no matter whether it is arising out of anything associated with the group that an employee thinks, believes or feels is biased, unfair or reasonable.

This feeling may be valid or not.

Grievance may arise due to the following reasons –

- Spoiled working condition can cause grievances.
- Poor management policy can cause grievances.
- Alleged violation of collective bargaining causes grievances.
- Personal maladjustment with the working environment can cause grievance.

Understanding Grievances of Employees–

The best approach to handle dissatisfaction at very initial level and take corrective measure before a feeling of dissatisfaction turn into grievance.

Managers can understand grievance with the help of the following methods:

- Exit interviews – An interview when employee puts his resignation can reveal the cause and level of dissatisfaction that leads him to take the extreme step of resignation from the job.
- Opinion Survey – A survey, group meeting, interviews and periodical session of collective bargaining also tribute to reduce the feeling of discontent thus sort out the problem of grievance.
- Gripe Boxes – Employee can drop their complaint without putting their names in these boxes.
- Open Door Policy – Open door policy refers to general invitation to the employees to talk about their grievance with managers.

**(viii) Reward and Recognition** – It refers that people working in an organization should be rewarded equally, justifiably and regularly as per with the worth to the organization. Employees are the resource which utilizes other available resources at their maximum level with excellence and creativity. An organization can create a culture where performance can be enhanced. A well cultured organization motivates their employees and taps their hidden qualities and potential to given task. Satisfied employees attract right people and retain qualified and deserving people this result success and high benchmarks in every field.

The reward and recognition system consists of number of interrelated process like strategy to reward employees, policies to reward deserving

employees, basic salary, total remuneration, job evaluation, total reward, market rate analysis etc.

The importance or significance of rewarding and recognition is much more than throwing money to them. Creating fun, challenges and empowered work are kind of appreciation and is more certain way to encourage an employee and his potential maybe much problematic and time consuming than simply press the reward button. Reward and recognition system give greater impact on the level of motivation and people's commitment towards their work. It enhances the employment relationship and flexibility to meet individual needs. The organization can attract quality people and retain deserving candidate by becoming the choice of employee and a great platform to exhaust talent.

### **Integrating Human Resource**

- (i) **Workers Participation and Management** – “The concept of workers participation in administration and decision making process through their right representatives at all levels of management in the range of managerial action is a principal of democratic administration in industry.”

**Objectives of workers participation in management –**

Economic Objectives – It aims at increasing productivity of labour by improving cooperation between employer and employees.

Social Objective – The purpose of participation is to ensure human dignity and to get the workers a respectable status in society.

Psychological Objective – Through participation they will consider themselves an integral part of industry rather than mere working hands.

- (ii) **Moral and Motivation** – According to Flippo moral is “attitude and mental set up of an individual that determines their willing cooperation. Poor moral can be seen in discontent, surliness, insubordination, and dislike of the job, related seniors, associates and organization whereas good moral can be seen in enthusiasm to perform job, voluntary participation in completion of task, willingness to cooperate with others in attainment of organizational objectives.

Moral is an attitude of mind. It affects all aspects of success like product quality, cost of production, cooperation to other, discipline, initiatives and enthusiasm. It is not only resides in mind but in attitudes and emotions of an individual and even in the reactions of their concerned groups as well. It leaves impact on interaction on both employee and executives. It also affects willingness of an employee or group to work with cooperation in the

favour of an individual or groups and the organizations for which they work.

Motivation – A motive is a biggest reason to perform. It is concerned with that factor that can encourage people to do anything in certain ways.

The components listed by Arnold et al(1991) of motivation are here under-

- Direction – what an individual is pursuing for.
- Efforts – how hard and sincere efforts an individual is putting.
- Persistence – how long an individual dare to try.

Highly motivated people are those who initiate by themselves towards the set goals and put all their best efforts to touch the milestone of success.

Self-motivation pursues a person to select the right path, fair means to attain the goals and this is the best form of motivation. Every individual needs to motivation. Some needs it at higher degree and some needs at lesser degree.

Different incentives, rewards, opportunities to learn and growth are some of motivators that can push everyone to come out of the comfort zone and achieve better than usual.

- (iii) Job Satisfaction** – Satisfaction implies a positive emotional state. It is an individual feeling and when it is related to job then it is an end feeling which may influence subsequent behaviour. So, job satisfaction can be termed as general attitude of an individual towards their jobs.

Job satisfaction is an integral component and important part of organizational health and in industrial relation, respectively. The feeling and level of job satisfaction is directly related to the behavioural aspect at work like productivity, turnover, absenteeism etc. Fourteen out of twenty six studies of Herzberg describes the relationship in between level of job satisfaction and productivity and tells that workers having positive attitude towards job were more productive in comparison to those who have negative attitude towards job.

- (iv) **Stress and Burnout** – Stress is an integral phenomenon and a mental attitudes. It is a mental, emotional or physical reaction resulting from an individual's response to environmental pressure and similar stimuli. Stress can be managed by combining different Indian values, by creasing awareness among organization members about these values. Training can reduce the stress level if it is designed by keeping their personality in mind. Management must inculcate Indian values in developing their philosophy to motivate them to achieve excellence in different areas.

Concept of Burnout – Burnout is a syndrome wherein a person breaks down physically and emotionally die to continuous over work over a long period of time. Work addicts or workaholics are susceptible to burnout. Burnout can prove to be costly both for an individual and the organization. Burnt-out workers have lower morale, higher absenteeism and greater turnover. For the organization, the cost of recruitment, hiring and training new staff to

replace burnt-out workers is far higher than retaining and rehabilitating burnt-out worker. Often burnt-out individual are the prime of their lives or peak of their careers. Hence, it is not always easy to find placements for them.

Burnout can be reduced by finding a sense of importance in something besides work. Building relationships with family and developing a social network can also help. Pursuing a hobby or learning to play a musical instrument are other ways to overcome stress. Companies can provide enrichment courses to cope up with such kind of situation.

### **Human Resource Control**

- (i) **Human Resource Record** – It refers to the document and files relating to the human resource of an organization. These contain information on manpower plans, recruitment, selection, training, compensation, appraisal, job changes etc. The records are maintained in the form of cards, papers, files, audiocassettes, video films etc. Records constitute the memory of the organization.

Objectives of Human Resource Records -

- Human Resource Records are maintained to serving following purposes:-
- To provide an evidence of what has taken place in the organization.
- To supply information required for taking human resource decisions.

- To provide a basis for the formulating evaluation and modifications of human resource policies and programmes.
- To meet statutory obligations under various labour laws.

(ii) **Human Resource Research** – “Human resource research is very crucial task of searching and careful analysis of facts that human resource problems can be sorted out or principle and laws governing their solution can be derived.”

Human resource research is very useful in solving human resource problems and in developing effective human resource policies and practices. It is useful who is concerned with human resource problem e.g. employers, employees, trade unions, governments etc. Human resource research provides knowledge for efficient handling of human resources. In addition “human resource records provide the most efficient relationship which either never been observed or verified or discovered after decades.”

**Objectives of Human Resource Research are as follows -**

- To measure and evaluate present conditions in human resource management.
- To forecast condition in future and pattern of behavioural aspects.
- To evaluate the actual effect and results of present practices, programme and related policies

- To provide valid reason to revise current policies, programmes and related policies.
- To keep the management aware of their tough competitors and enlighten them to replace old techniques with new one and old organizational Policies with revised one.
- To discover the new ways to strengthen the attitude and abilities of an individual on regular basis.

**(iii) Human Resource Audit** – Human Resource Audit implies to evaluate the policies and programmes that are mainly concerned with human resource management. It is done periodically to examine the required steps for more effective use of human resource. It includes formal and deep analysis, systematic examination and comparison.

The key goal of Human Resource Audit is to check on HR policies whether they consistent and accurate with organizational aims. It also discloses the fact that how effectively policies and programmes related to human resource have been implemented.

**(iv) Human Resource Accounting** – Human resource accounting defined as assessment of costs and value of employees working in the organization. The main objective of human resource accounting is to measure and report of cost that is incurred in the process of acquiring people and developing them to match with the desired level expected by an organization.

Objective of Human Resource Accounting – Rensis Likert, one of the earliest proponents of HRA, has specified the following objectives of an HRA system –

- To provide information about the cost and value of management judgments in acquiring, developing, integrating and maintaining human resource to cut the unnecessary cost.
- To enable management to monitor efficient and effective use of available human resources.

#### **Input Data Maintenance Output**

- To provide value information whether human assets are praised, exhausted or safe to the management to make further policies to safeguard the organization from the negative consequences.
- To provide assistance in developing efficient Policies that can avoid negative financial consequences.

(v) **Human Resource Information System** – Human resources information system provide valid and reliable data about human resource management.

The entire system of HRIS contain certain activities like –

- Collection of data
- Systematic storage of data
- Careful maintenance of available data
- Retrieving the information in a presentable way

- And provide valid information to management.

### **Major components of Human Resources Information System**

Input function – It provides all available information of existing human asset. The system reveals that what systematic is to adapt to collect information, who will collect data, at what time and with what means as well.

Data maintenance – Once data is collected and stored it is merged with new data and updates the existing database.

Output function – Output may be in form and management can take it as and when required for further use.

### **Need for Human Resource Information System –**

#### **Procurement function –**

- Present and future needs for manpower
- Location and matching of required and available skills
- Costs of recruitment and replacement of manpower

#### **Development functions –**

- employee performance valid measures
- Cost benefits calculations of T&D
- Linkage between individual aspirations and organizational needs

**Compensation functions –**

- Connection between wages and productivity
- Impact of monetary on motivation of employees
- Employee cost turnover

**Maintenance function –**

- grievances discipline, Absenteeism, turnover, accidents, and other pointers of organizational health
- Physical, mental health of employees
- Costs of employee separation
- Voluntary separation incentives if required

**Integration function –**

- Leadership climate and communication in the company
- Adaptation to environmental changes
- Changes in productivity level
- Changes in markets and technology

**1.5 IMPACT OF HUMAN RESOURCE PRACTICES**

There is always a positive association between HR Policies and firm performance. Organization, alone, is nothing in the absence of human resource. From recruitment to training every HR practice gives positive impact on their morale and performance. Recruitment provides opportunities to the talented and experienced

people for both inside and outside people. Selection helps in assigning the right person to right job. Selection procedure is a negative procedure as it screens the unsuitable person among all. Job posting helps to fill the vacant or positions are available in organization. Internal and external posting help to fill middle level and upper level positions in the organization. Job description helps through its functional description in job grading and classification. It helps in defining and outlining the career path and redressal of grievances related to duties and responsibilities. Induction helps employee to work in a congenial environment and to get familiar with the organization and people working with it. Communication helps to keep transparency and clarity of what is said. Clear communication channel helps to provide encouragement to innovative ideas that enhance the motivation level of employees. Training is to brush up the skills of employees working in the organization. It helps to turn unskilled to semi-skilled, semi-skilled to skilled workers. It removes hesitation, absenteeism, scrape and reduces wastage of time. Health and safety helps in reducing turnover and maintain consistency. Performance appraisal simplifies human resource planning, career planning and succession planning. Reward and recognition system helps to enhance the employment relationship and flexibility to meet individual need.

Previously Human Resource Policies have been taken as the responsibility of person who own business and in present scenario it is being purchased by external suppliers.

Outsourcing of Human Resource Policies is beneficial due to some of reasons that are here under:-

- It is cost effective because functions can be cut back as per the requirements of organization.
- It varies as per the size and nature of the organization.
- Employees can put more concentration and efforts to their key performance areas.
- In case of unavailability of experienced and knowledgeable people in organization, expert people can be purchased.

## **1.6 EMPLOYEE RETENTION**

### **“Pleasure in the job puts perfection in the work”**

The word employee retention, first initiated to appear with regularity on the commercial act in the 1970s and early '80s. During the early 1900s, the core of the association among employer and employee had been a declaration of the status quotation. Employee work for employer, do a better job and as long as economic conditions permits, employer will continue to employ employees. It was not uncommon for individuals who moved to the job market as late as the 1950s and '60s to continue with single employer for a very longer period of time sometimes for the period of their working life.

**Employee Retention is a process of taking proper measures to inspire employees to stay in the organisation for the maximum possible time period.** It is a way in wherein the employees are motivated to stay back with the accomplishment of the specific project. Employee Retention is a technique which is beneficial for the enterprise as well as the workers.

**Employee retention denotes to the numerous policies and practices which let the employees stick to an association for a long period of time.** Each organization spends time and money to groom new joiners makes them a business ready material and brings them at par with the existing employees. The organization is entirely at damage when the groomed employees leave their job once they are fully trained in the organisation. Employee retention t various measures so that an individual stays in an organization for the maximum period of time.

Employee retention is the big challenge nowadays for the organisation because it is a tedious task to retain the employees in the organisation. **Employee retention means the ability to retain the employees in the firm.** There are some factors which influences employee retention which are organisation culture and pay skills of an employee flexibility and job satisfaction etc. The management is taking lots of initiatives to keep employees in the organisation such as giving reward to employees for accomplishment their jobs efficiently, ensuring good relationships among employees and management and sustaining a safe healthy environment.

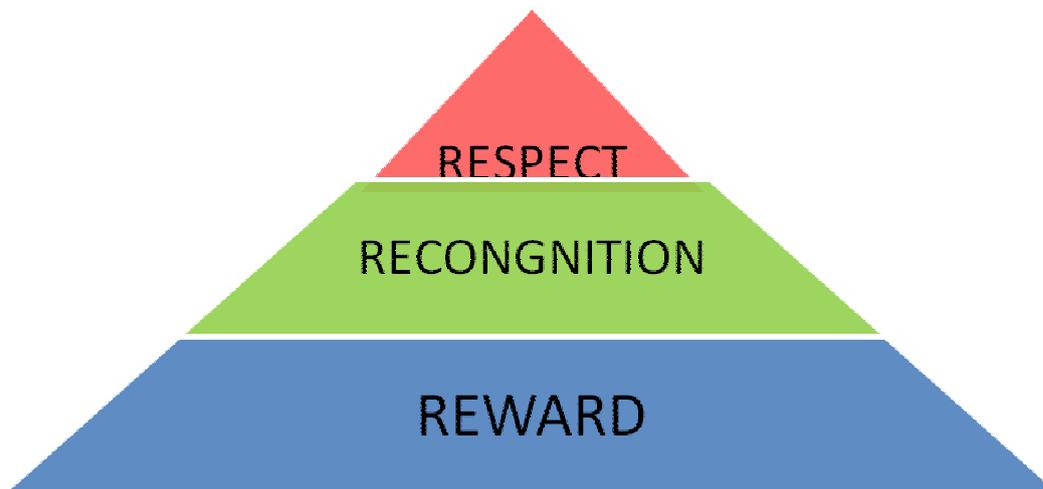
Employee retention is a methodical effort by employers to make and nurture an environment that inspires present employees to continue engaged by having procedures and policies in place that report their varied wants. A powerful recruitment tool is strong retention strategy. Success of any organization is totally dependent upon the strategies and the policies of the organisation. It is an identified fact that retaining the greatest employees confirms employee satisfaction, satisfied co-workers and reporting staff, effective succession planning and intensely entrenched organizational knowledge and learning.

Employee retention is important as organisational problems such as training, time and investment lost knowledge, insecure employees and a high salaried candidate searches are involved. Henceforth failing to retain a key employee is an expensive proposal for an organization. Numerous estimations suggest that losing middle managers in utmost organizations costs up to five times of his salary.

It is a point that, retention of crucial employees is critical to the long lasting term health and success of any organisation. The performance of employees is frequently associated straight away to quality work, customer satisfaction, and image of a company. However it is indirectly linked to the satisfaction of the colleagues and reporting staff, effective succession planning and intensely embedded organisational knowledge and learning.

## 1.7 THE THREE R'S OF EMPLOYEE RETENTION

To keep employees and keep satisfaction high, you need to implement each of the three Rs of employee retention: respect, recognition, and rewards.



**Figure -1.7.1**

**Respect** is honour, special regard, given to people. As the pyramid displays, respect is the basis of keeping your employees. Gratitude and acknowledgement will have little outcome if there is a disrespect of the employees.

**Recognition** is well-defined as “special notice or consideration” & “the act of observing clearly.” Many of the problems with retention and morale exists because of the management who is not giving attention to people’s requirements and responses.

**Rewards** are the additional bonuses offer beyond the basics of respect and recognition that makes people worth and inspires them to work hard beyond the

duty calls. Though rewards signify the minimum portion of the retention calculation, which is still a significant one.

When the “three R’s” method implements, it reduces turnover and appreciate the following:

- **Improved productivity**
- **Reduces absenteeism**
- **A more pleasing and conducive work environment (for both employees and employer)**
- **Improved earnings**

## **1.8 EMPLOYEE RETENTION PRACTICES**

Numerous organisations, mainly larger ones with fully advanced Human Resource departments, engage in elaborate planning exercises in order to develop a consistent and organised strategy to deal with employee retention or, more mostly, human resources management which frequently includes retention as one of its goals will roll out specific programmes or interventions with clear reference to an overall organizing principle.

Research indicates that certain HR practices can be especially powerful in enabling an organization to achieve its retention goals.

Retaining crucial personnel is long term success of an association. A Retention Approaches has become significant if the organization can be an important part

of the hiring strategy by attracting the best talent pool of candidates who know of the track record of employees. In fact, few companies do not have to hire because they get so many qualified unwanted submissions due to their past records of superiority in employee retention.



**Figure 1.8.1**

## **Recruitment**

Recruitment is the procedure of attracting pool, screening and selecting of competent people for a profile within an association. It is a significant management action in securing an effective workforce. Recruitment is all about finding the right person fit for the right job at the right time and has suggestions for business performance, image with customers and industry, staffing levels and

productivity. Recruitment and retention are two human resources functions that require strategic thoughts and planning. Talent management is a part of human resources which includes recruitment and retention is extremely important in the organization's growth. Organisation's most valued assets are the talent, expertise and resources of your work force. Recruiting and retaining is the best talent that can only improve the value of the assets.

### **Compensation Practices**

Compensation and rewards offered by your organization obviously play a critical role in the inducements contributions balance compensation and additional reimbursements, stating that the acknowledgment for individual performance would lead to higher motivation at work and help employer to retain the best employee in the organisation. Trevor et al. (1997) has stated that increase in pay structure creates a negative impact on turnover. Davies, Taylor, & Savery (2001) promoted the opinion that reimbursement to top most workforces is given by each and every organization but very few organizations use it purposefully. He stated that "Salary and benefits policies are not being used tactically, within the company to improve morale, reduce turnover, and achieve goals within an establishment". Gardner et al., (2004) viewed that salary is measured as a big motivator as well as by this organisation can retain employee as well. Milkovich and Newman (2004) have evidently stated that amongst all kinds of reward, monetary pay is measured one of the greatest essential and important aspect in

retention. In an investigation by Moncraz, Zhao and Kay (2009) it was determined that though compensation is not only one of the top most features influencing non-management turnover but compensation can also work as a critical factor which reduces managerial turnover and increasing commitment. Compensation and benefits is to be made involved to attain the objectives of the company, concentrating on the direct monetary compensation scheme. The significance of compensation in employee retention determines by rather on the type of job and industry. Compensation includes not only salary, but also gives benefits and other perks to the employees of the organisation. It is inclusive of:

- Focuses on the strategic goals
- Ensures commitment through participation and communication
- Analyses job tasks
- Writes job descriptions
- Determines internal pay equity
- Establishes external pay equity
- Designs the salary structure
- Participation of the management and leadership in the whole procedure
- Regular communication with employees
- Designs a fair system and training employees to use it

### **Career Advancement & Personal Development**

Career advancement typically refers to getting promoted or being assigned more responsibilities by an employer. Career development also helps in retention

because by this employees can develop a sense of devotion and become loyal for employers who are willing to invest in them. Likewise, when it is time to place new employees, career development programs can be very attractive for job-seekers. Two new surveys shows that so Many companies are not prepared to face talent retention challenges as the global labour market and also not growing in the competitive market. Employees frequently observe partial opportunities for career advancement with their current employers and lack confidence in their company s' leadership, the consequences of two reviews by global consulting firm Towers Watson indicate. Employers fail to address these problems risk losing their best talent, as the opportunities for workers to leave their companies appear to be growing.



**Figure 1.8.2**

### **Rewards and Recongnition**

Agarwal (1998) has clarified that reward as somewhat that the organization offers to the personnel in reply of the work as well as performance and something which is desire of the employees. According to Walker (2001), appreciation from

superiors, team associates, co-workers and customer develop loyalty. “Watson Wyatt” a worldwide consulting organisation, conducted a study in US America, in the year 2002 amongst “12750” manpower’s at all ranks of job and in all most significant industry to see about their approaches toward their workstation and their employers. It was found in the review that gratitude is significant for workforces and they want to hear that their work and efforts monitored, recognized and appreciated. Silbert (2005) furthered the view that reward is essential because it has a lasting impression on employees which gives the employees an impression that they are valued and also gives sense of belongingness in the organisation.

### **Performance Talent & Succession Management**

Succession management is the procedure of recognizing those jobs measured to be at the essential for the organization too critical to be left available or filled by any but the best competent skilled employees and then forming a strategic strategy to fill them with knowledgeable experience and proficient employees. Succession management is also a procedure to create develop and retain the top leadership talent. It is the process of creating a mission for the company and at the same time achieving the goals of the company. It is significant to remind that tactical succession planning is not about the needs of the talents now it is projecting the talent, knowledge, skills and competencies needed for the future of an organization

### **Worklife Balance**

Work-life balance is increasingly significant for engagement and affects retention. Hyman et al., (2003) in their empirical investigation in the United Kingdom

founded that interventions of work demands into personal life (e.g. working during the week-end) resulted into intensified stress and emotional fatigue among the employees. It creates emotional tiredness in the employees. In Australian Telework Advisory Committee (2006) survey has been conducted and it was found that 70% of businesses that combined telework options reported a number of optimistic profits, such as bigger business productivity and reduced costs, better-quality employee flexibility and work life balance, and increased personnel participation.

According to Miller, Erickson & Yust (2001), workers get profited by work atmosphere that provide sense of belongingness. Wells & Thelen (2002) have identified in their investigation that company which have substantial human resource policies, have a very good chance to satisfy and retain employees by giving them a suitable level of confidentiality, privacy and sound control on work environment which boosts the motivation levels to commitment with the organization for the longer period of time. Ramlal (2003) stressed on the necessity for knowing the personal needs of an employee in an association as well as it also encourages assurance and provide a appropriate work environment. The work environment is also a main factor when employees are determining to stay or leave the organisation.

In the effort to make a positive work atmosphere that makes employees to stay in the organisation, small businesses frequently have an edge over bigger organisations in the capability to be more imaginative with strategies that speak about work-life balance, including flexible work activities.

## **Workforce Planning & Job Alignment**

It is a word used to define the planning procedure assumed to confirm an organisation has the right individuals, correct skills at the right place & time. It is the procedure which defines the directions of work area headline and provides a tool to the managers for making human resource decisions now and in the future. Human resource planning is big challenge for business and their superiors nowadays and takes into account not only the human resource aspects, but draws to overall strategic plans, monetary and budget considerations, environmental problems and governmental regulations and authority. Eventually it is a workforce planning activity of what human resources are in place at a specific time, and what recruitment requirements are required into the future. Without planning human resource requirements and talent required in the future, it is not possible to meet the business objects.

These are some following benefits of workforce planning:

- The documentation of future staffing necessities and skill scarcities or over supply
- A planned employment approach including suitable time frames and budgets
- A strategy to close skill gaps can be prepared
- Precise recruitment or training initiatives can help strategy for different jobs
- Employment costs may be reduced through close examination of staffing needs and ensuring appropriate levels of manpower

- personal development requirements can be better recognized
- Employees whose capabilities are unlikely to meet future needs can be reinstructed.

### **Culture and Relationships**

The idea of organizational culture originates from the more overall use of the culture concept by anthropologists and sociologists in their investigation of people from different environmental regions, countries or neighbourhoods. Though the signs are possibly more refined as we move from organization to organization than from country to country, there are some common pointers, including how people dress, speak and interact with one another. Organizational culture is a shared set of beliefs and values, reinforced by an organization's symbols and structure, and manifested in the way people think and act.

The asset of an organization's culture will depend on the significance employed on its main standards as well as on the grade of consensus that occurs with regard to those values. Organizations with solid cultures incline to have a few core values that are seen as significant guiding principles and are extensively shared. Homogeneous refers to the constancy of culture within the organization. In some companies there is one leading culture. In others, mainly in large organizations, there may be numerous subcultures.

Most organizations reflect changing degrees of all of the different moral values orientations. However, the fact is that we can make inferences about the HRM

practices that it is based on knowledge and the values. Values lead to HRM practices, and these strategies and practices, reinforces values.

## **1.9 EMPLOYEE RETENTION IN RETAIL INDUSTRY**

When it comes to retail industry the attrition rates are comparatively high and its 30-35 per cent rate in the industry. The retail sector of India is highly fragmented and is at a very nascent stage. As India is entering in the global market of retailing, it is facing critical complications of acquiring and retaining man forces. The main reasons are being in the retail job is to be on toes whole day and smile at customers. Generally employees get their annual appraisals during the month of April-June period and they are not happy with their performance review or salary hikes. The industry is facing shortages of talent pool. With the advantages like globalisation retail sector provides the major number of employment opportunities to the Indian youth which leads to high levels of stress and lack of proper career plan, many young professionals are leaving the industry. Thus attrition rates are high because retail jobs are involved physically and mentally tiring for the employees more than to any other industry. As retail industry growing continually employee retention is likely to remain a big challenge for it. There are some of the factors for which causes attrition in retail industry. They are:-

- Career Growth & Better opportunity
- Salary & perks
- Work atmosphere & infrastructure
- Relations with superior
- Freedom at work place/work

- Work profile
- Job security
  - Rewards & recognition
  - Stress and work pressure
  - Working hours
  - Quality of Work Life

As these are the factors which are the main cause for attrition so there are some few factors which retains employee and when it comes to retail sector management should adopt these practices so that employee can perform well and stay long with the organisation. Management should begin with hiring process and look at recruitment and hiring process and increase the efforts. Retailers should be more focused on their hiring procedures by using the various Personality tests, which monitors and influence and compliance as part of the hiring process. This will lead to some standardization to an interview process that is sometimes subjective and potentially not a correct valuation that whether an employee will be fit for the job. Retailers should work upon developing the best practices for corporate trainings that include creative role-playings and better implementation of technology to reinforce training methods.

Employee recognition programs are mainly important in retail sector. Staffing schedules are not consistent and the stress is very high specifically during holidays. If retailers can make retail employees understand how valuable they are to the company's success so definitely it will improve their attitude.

Sales incentives are only the part of the rewards and recognition where retailers can offer employees to motivate them. They can adopt rewards for top hours worked during Christmas show appreciation for employees when it is a long hour's job. Salespeople can do wonderful job when there is a proper streamlined retail procedures it will engage employees in their own success and the success of the company.

### **1.10 INFLUENCE OF HUMAN RESOURCE MANAGEMENT POLICIES ON EMPLOYEE RETENTION**

An organization cannot continue if the top most players decide to quit. Organisation needs workforces who are trustworthy and work hard with full commitment to attain the organization's goals. It is very important for the organisation to retain valuable personnel who are very loyal for the company and also contribute their level best. An employee who devotes a longer period at any specific organization is aware with the instructions, guidelines and strategies of the organization and so can adjust in a better way.

Organisations should take significant step for the progress of human resource practices and plans, including recruitment & selection, training T&D, and managing performance, that disclose their opinions and moralities as well as maintaining satisfactory relationships between employers and employees. Though, some HR departments only develop practices that deal in present difficulties or needs of employees Delery & Doty (1996) Jackson & Schuler, (1995) Oakland & Oakland, (2001).

Several researchers have contended that human resources are actually the only source of sustainable competitive power for organisations B. Becker & Gerhart, (1996) Pfeffer, (1994) Patrick. Wright & Gary, (1992) says that HR is a system which helps to create workers whose contributions are very important, unique, and difficult for the competitors to copy. Arthur (1994) and Huselid (1995) have conducted a survey at the organisational level that human resource practices affects the objectives of the organisation by shaping employee behaviours and outlooks. Whitener (2001) proposes those workers interpret organisational actions, such as human resource policies.

Attitudes and behaviours, including performance of the employee reflects their perceptions and expectations, responding the treatment that they receive from the organisation. Researchers Bowen and Ostroff (2000) portray relationships signifying that HR practices of human are very important and related with manpower opinions and perceptions of employees. Investigations by Tsui, Pearce, Porter, and Tripoli (1997), stated that employee attitude and commitments are related with the interaction of HR practices and perceptions.

Newly there has been extensive sensation that Human Resource Management has developed more planned, aligned with executive standards, and goals. In result employers started increasing the level of emphasis on the approaches by which they can measure and improve the organisational performance of an employee. These approaches frequently take the procedure of initiatives such as equal employment opportunities, prospects and positive action strategies meant at

creating varied personnel within so employees feel valued and appreciated. They have also established more cultured approaches of paying employees through better profit systems and job advancement Hays& Kearney, (2001) Oakland & Oakland, (2001) Deery, (2008)

Though mostly present companies choose for strategy formulation policies that reveal their own cultures and significances, their important problems take account of whether employees are referred and also the policies reflect a negotiation amongst management and employee interests that is satisfactory to both sides. If it is not, then the HR directions have not been fruitful and requirements to be re-assessed.

As variation regularly arises in the practice of Human Resource Management, several conventions on which it functions have been harshly challenged, due to a sequence of unstoppable modifications Lesperance, (2001). In anticipating the future forecasts of HRM, it is valuable to scrutinize the growths and directions of HR strategies in terms of their significance to the contemporary staff, particularly in the part of the attraction and retention of the employees.

Effective human resource practices have been considered by many investigators to be of greatest significance in providing companies with competitive benefits and the capability to activate effectively within a competitive background (B Becker & Huselid, 1998; Delery & Doty, 1996).

The way in which HR management performs and can give effect to the assurance of an individual employee to the goals and purposes of an organisation has been the emphasis of great investigation (Meyer & Allen, 1997).

## **REFERENCES**

- Armstrong Michael. Handbook of Personnel Management, 1976, p. 101.
- Barnett, R.C., & Hall, D.T. (2001). How to use Reduced Hours to win the War for Talent. *Organizational Dynamics*, 29(3), 192- 210.
- Borstorff, P. C., & Marker, M.B. (2007). Turnover Drivers and Retention Factors Affecting Hourly Workers: What is Important? *Management Review: An International Journal*, 2(1), 14-27.
- Campbell. J. P. (1971). "Personnel Training and Development", *Annual Review of Psychology*, Vol. 22 (1).
- Flippo Edwin B (1980) *Personnel Management*, McGraw Hill, New York, 131.
- Flippo Edwin B: *Principles of Personnel Management*, 416-47.
- Jucious Michael J. (1975): *Personal Management*, 408.
- Jucious Michael J. *Op. cit.*, 48-90.
- Jucious Michael J., "Principles of Personnel Management, p. 250.
- Mehtras V.G. (1966). *Labour Participation in Management*, p.12.
- Mit Bijon Dutta & Sneha Banerjee *International Journal of Business Management & Research (IJBMR)* ISSN(P): 2249-6920; ISSN(E): 2249-8036 Vol. 4(1), 2014, 83-88
- Noe Raymond A John R. Hollenbeck, Barry Gerhart, and James A Breough, *Recruitment (1992) Science and Practice* (Boston. PWS-kent).
- Noe, Hollenbeck, Gerhart, and Wright, *Human Resource Management*.
- R. E. Quinn & G. M. Spreitzer, "The psychometric properties of the competing values culture instrument and an analysis of the impact of

organizational culture on quality of life" in R. W. Woodman and W. A. Passmore, eds., *Research in organizational change and development*, vol. 5 (Greenwich: JAI Press, 1991) 115-142.

- Sikula A.F. (1978) *Personnel Administration and Human Resources development*, p. 148.
- Todd Arthur James. "A Sociological Appraisal of Modern Industrialization", 250.39 [www.economist.com](http://www.economist.com), Retrieved 9th August 2014.
- Velter W. Eric (1967). *Manpower Planning for High Talent Personnel*, 15.
- Wendell French (1970). *The Personnel Management Process*, 1970, 581.
- Yoder Dale, H.G. Heneman, J.G. Turnbell and C.H. Stone (1958). *Handbook of Personnel Management and Labour Relations*, McGraw Hill, New York, p.958.

### **Webliography**

- <https://www.roberthalf.com/employers/hiring-advice/employee-retention>
- <http://www.labourmarketframeworkyukon.com/development-of-the-labour-market-strategies/recruitment-and-employee-retention.html>
- <http://iosrjournals.org/iosr-jbm/papers/Vol14-issue2/B01420816.pdf?id=7915>
- <https://www.roberthalf.com/employers/hiring-advice/employee-retention/corporate-culture/work-life-balance>
- <http://iosrjournals.org/iosr-jbm/papers/Vol14-issue2/B01420816.pdf?id=7915>
- <http://www.managementstudyguide.com/role-of-hr-in-employee-retention.htm>
- <http://www.managementstudyguide.com/importance-of-employee-retention.htm>
- [http://archive.mu.ac.in/myweb\\_test/M.Com.%20Study%20Material/Human%20Res.%20Management%20-%20M.%20Com%20-%20I.pdf](http://archive.mu.ac.in/myweb_test/M.Com.%20Study%20Material/Human%20Res.%20Management%20-%20M.%20Com%20-%20I.pdf)

- <http://business.mapsofindia.com/india-retail-industry/indian-organized-retail-market.html>
- [http://corporate.shoppersstop.com/uploaded\\_files/68e06ca-b080.pdf](http://corporate.shoppersstop.com/uploaded_files/68e06ca-b080.pdf)
- [http://corporate.shoppersstop.com/uploaded\\_files/a89f6da-68b8.pdf](http://corporate.shoppersstop.com/uploaded_files/a89f6da-68b8.pdf)
- [http://corporate.shoppersstop.com/uploaded\\_files/b798750-844a.pdf](http://corporate.shoppersstop.com/uploaded_files/b798750-844a.pdf)
- <http://hrcouncil.ca/hr-toolkit/policies-guideline.cfm>
- <http://www.ibef.org/industry/retail-india.aspx>
- <http://www.inc.com/encyclopedia/human-resource-policies.html>
- <http://www.lifestylestores.com/aboutus.php>
- <http://www.shareyouessays.com/94594/top-8-essential-characteristics-of-a-sound-human-resource-policy>
- <http://www.slideshare.net/deepaliagarwal/shoppers-stop-11160890>
- <http://www.slideshare.net/ezendu/challenges-of-corporate-social-responsibility>
- <http://www.slideshare.net/pratikvartak/shoppers-stop-2312484>
- <http://www.slideshare.net/ProfessorMathur/retailing-in-india-case-study-shoppers-stop>
- <http://www.theijm.com/vol3issue1/1.324.pdf>
- <http://www.villanovau.com/resources/hr/human-resource-management-challenges/#.V4ZERLh97IV>
- [https://en.wikipedia.org/wiki/Human\\_resource\\_management](https://en.wikipedia.org/wiki/Human_resource_management)
- <https://www.scribd.com/doc/25862856/Employee-Retention-Project-report>
- <https://www.scribd.com/doc/54120797/Shopper-Stop-Case-Analysis>