CHAPTER VI

- Findings
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FINDINGS SUGGESTIONS AND CONCLUSIONS

The principles and techniques of management have proved essential to the successful operations of both business and non-business organization. Steel sector is not an exception although all the activities of areas of the management such as marketing and finances are important. The study of Human Resource Management is the need of the hour, especially the study of Strategic Human Resource Management is very much important keeping in view of the effectiveness of the organization. Human Resource occupies an important place among all other resources and management is vital for the success of the organization in particular SHRM. The research topic entitled “Strategic Human Resource Management in Visakhapatnam Steel Plant”. A focused case study was taken up by the researcher to examine and evaluate the role and extent of impact of the organization’s HR interventions, particularly those HR developmental interventions on the effectiveness of the organization. This study assumes significance in the light of the turnaround success story of Visakhapatnam Steel Plant from the verge of being referred to BIFR.

The researcher has set out some specific objectives which are as mentioned below:

1. To know the impact of Strategic Human Resource Management on business strategy in Visakhapatnam Steel Plant.

2. To analysis the influences of Strategic Human Resource Management on inter personal relations.
3. To study the impact of Strategic Human Resource Management on training and development.

4. To elicit the opinion of the respondents on performance management system and to analysis its impact on Strategic Human Resource Management.

5. To suggest measures for improvement pertaining to Strategic Human Resource Management in the organization of the study.

Success of the organization is defined by several parameters both within and outside the ambit of the control of organization. However, the efficiency of the internal systems decides the preparedness of the organization to face external challenges. Infrastructure, technology, machinery and other resources are common place commodities for all organizations. What sets them apart as successful organizations and unsuccessful or ineffective organizations is the single most asset of the organization; the human resource. Human resource on a continuous basis should form the core of Management’s philosophy. Competent and motivated people can make things happen and enable an organization achieve its goals.

The Strategic Human Resource Management of Visakhapatnam Steel Plant has been measured on the bases of four broad dimensions namely Business strategy, Training and Development, Performance management system and Inter-personal relations.

The inventory comprising 47 questions addressing the above dimensions has been tested for its reliability using a statistical measure called Cronbach Alpha. The alpha coefficient for the 47
items is 0.723, suggesting that the items have high degree of relative internal consistency.

All the respondents are classified into three levels namely senior/top managerial level, middle managerial level and junior managerial level. This classification base on a nature of duty, level of authority and salary in the organization. The questionnaire was used for collecting information on their perception of Strategic Human Resource Management practices in the organization. Informal discussions were held with number of executives at different levels to identify critical and relevant issues and to bridge the gap between data collected through the questionnaire. The technique of observation is also used in the study. The researcher observed the functioning of the organization, executive behaviour and attitude from close quarters during his visit to organization.

A sample of 10% executives in three categories mentioned earlier has been selected to get the information through the questionnaire to understand the perception of the executives on Strategic Human Resource Management of the selected organization. The total number of executives was 4997 among them 500 executives that is approximately 10% of them as selected as sample. In selecting the sample executives’ designation and salary was not considered.

**Findings of the study:**

1. The study reveals that in respect of department wise and cadre wise of respondents, in junior level managerial cadre a majority of 25 respondents are from administration department and in middle level managerial cadre a majority
of 55 respondents are from department of HRD and in the top/senior level managerial cadre a majority of 22 respondents are from department of administration. And there percentages in the total sample are 23.6, 21 and 16.7 respectively.

2. It is observed that out of the total sample of 500 respondents a majority of 262 respondents belongs to middle level managerial cadre followed by 132 respondents from top/senior level managerial cadre and 106 respondents belongs to junior level managerial cadre and their percentages are 52.4, 26.4 and 21.2 respectively.

3. In respect of experience wise distribution of respondents a majority of 189 respondents possess in between 11-20 years of experience and only 27 respondents had an experience of more than 30 years and their percentages are 37.8 and 5.4.

4. Out of the total sample 500 respondents. 373 respondents belongs to male gender while 127 respondents belongs to female gender.

5. It is observed that a vast majority of 482 respondents are married and only 18 respondents are unmarried.

6. The study revealed that out of the total sample 294 respondents belongs to Hindu religion followed by 109 respondents are Christian and 97 respondents belongs to Muslim religion.

7. In case of qualification distribution of respondents a majority of 266 respondents possess Degree/B.Tech qualification followed by 186 respondents are with P.G/M.Tech
qualification and 48 respondents possess other professional courses qualification.

8. It was denoted that 83.2 percent of the respondents agreed to the statement that the business strategy of RINL (Visakhapatnam steel plant) has been designed keeping in view of the well being of the stake holders.

9. The study reveals that all the respondents (100%) are favorable to the statement that the business strategies of the organization are effectively communicated to all stake holders.

10. Vast majority of 99.2 percent of the respondents opinioned that they are free to make required changes if any in their own department.

11. 99.2% of the respondents expressed that the organization future plans are made known to the managerial staff to help them develop their junior and prepare them for future.

12. It is observed that all the respondents have agreed that the senior managerial cadre evinces keen interest to spend time with recruits.

13. It is further observed that all the respondents (100%) have favorably reacted to the statement that training is helpful for them to perform current job in a better way.

14. All the respondents have favorably reacted to the statement that the superior help the subordinate to maintain work life balance.

15. It is observed that cent percent of the respondents agreed to the statement that their superior provide advocate support in achieving their results without removing the accountability.
16. In respect of the Performance Management dimension all the respondents have agreed to the statement that both the appraiser and the appraise take performance appraisal as a tool for the development of the individual and the organization as well.

17. 99.2 percent of the respondents expressed that the organization uses performance appraisal for rewarding the employees.

18. Vast majority of 95.8 percent of the respondents denoted that they were better equipped to tackle the unexpected events with skill and knowledge.

19. It is interesting to note that cent percent of the respondents expressed that the people are held accountable for delivering high level of performance.

20. 99.2 percent of the respondents have expressed that their superior gives regular feedback on their performance by way of information, facts and observation.

21. A majority of cent percent of the respondents opinioned that they were given an opportunity for periodic knowledge sharing about business objectives with their superiors and colleagues.

22. All the respondents denoted that their opinioned the employees in their organization are very informal and do not hesitate to discuss their personal problems with their superior.

23. The study revealed that 95.2 percent of the respondents are favorable to the statement that the senior delegate authority
to the juniors and latter use it an opportunity for development.

24. A vast majority of 97.4 percent of respondents have expressed that people in their organization do not have any fixed mental expression about one another.
Conclusion:

Several years of research work involving the understanding of the organization, its nature of operation, its internal system resources and its most valuable asset; the people, has provided the researcher very gainful insights into the dynamics of understanding the Strategic Human Resource Management thorough well designed Strategic HRM policies and its effective implementation will certainly lead to organizational effectiveness. And organizational effectiveness is the degree to which an organizational realizes its multiple goals. Peter Drucker rightly voted that effectiveness is being the right thing so also Strategic HRM.

To logically extend the statement in the context of Visakhapatnam steel plant's success from the brink of disaster is a sound premise to start with Visakhapatnam steel plant has precisely done this. It has successfully translated the theory into practice by sticking to basics. Accomplishing profits (2003-04) from huge losses (1999-2000) in a span of three years is a significant turnaround by any means.

In the backdrop of this feat, the case study attempting to examine and explore as to what contributed to the success not only assumes significance but also important. While goal attainment is equate to well design Strategic HRM policies and their implementation by success of thinker and another section of experts feel that achieving success in the face of adversity is Strategic HRM going by the definition of the latter Visakhapatnam steel plant merits the label of “Effective Organization”.
The exhaustive study involved examination of VSP’s organizational systems and procedures with special emphasis on SHRM policies and practices. Since SHRM is a subsystem of HRM, a comprehensive inventory was designed and administered to a representative sample. The study also brings to light the fact that long association with the company, as its participants, enhances the employee’s involvement and engagement in the organizational processes. The success formula of Visakhapatnam steel plant, as research suggests, seems to be planned execution of the strategy of developing their line personnel who are directly responsible for production and growth of the company. While ensuring this, organization did not lose its focus on other part of the workforce who actually plays the role of enablers in facilitating such development to happen.

The results established the fact that VSP has a robust HR system in place which has ensured in the past and designed to ensure higher production, record sales and maximum profits in the future as well. However significant may be the contribution of HR systems, organizations still fail and fall for number of reasons beyond the control of the organization. Government interference or non-interference in terms of industrial policy/regulations, market fluidity by way of bringing down demand for the products or increase of price, leadership; particularly in the context of PSU’s where the CMD’s are often appointed by the government, international and domestic competition, national and natural calamities and non availability of raw material can all hamper the organizational bottom lines leading to its ineffectiveness.
While SHRM practices have certainly impacted the VSP’s growth and success positively, there could be several other factors which are not part of the scope of this research such as leadership (macro level), favourable market situation and government policy that might also have contributed for the success of VSP.

**Suggestions:**

The whole researcher observed the existence of good Strategic Human Resource Management policies procedure and implementations in the organisation under the study. The executives in general showed a favourable attitude towards Strategic Human Resource Management policies and practices of the organisation. They were satisfied by the developmental policies in respect of Strategic Human Resource Management as well as unhappy with the prevailing culture, commitment and climate in the organisation.

However, finding of the present study indicates that there is still substantially scope for improvement in various dimensions of SHRM in the organisation some of these dimensions along the broad suggestions are:

1. It is the responsibility of very manager to ensure the development and utilization of capabilities of the subordinates. Employee commitment is measured with the opportunity to discover and use one’s capabilities and potential in one’s work. The means scores of the items dealing with these dimensions in the organization were above the average scores of 50 percent. Therefore to strengthen same in the organization the management should make out efforts to convert “superior and
subordinate relationship” into “friendly informal relationship” efforts agreed to strength the values of mutuality, trust, confidences, collaboration, loyalty, intensity and so on.

2. A well integrated sound training policy should be introduced in the organization. Though the organization was undertaken various training activities, the organization training mechanism for identification of training needs, program designing and scheduling, training techniques itself and delivery system all need restructuring further, the training system in the organization should be greed to design innovative and highly specialized programs as a measure to improve and proved skills, knowledge and expertise in the functional areas.

3. A scientific system appraising performance of the employees should be introduced in the organization. The scientific system of appraising the performance should be based on identification of Key Performance Areas (KPA’s) and the qualitative and quantitative requirements of the job should from the bases of appraiser. Besides, a proper rating system should be evolved to give a concrete picture of the appraisal conducted.

4. Psychological atmosphere in the organization should be improved and efforts should be initiative to make it connive for the development of the employee. Besides there is an urgent need for restructuring the various personal policies in the organization. Sound personal policies that show high concern for employees and emphasizes equity and objectivity in appraisals would go a long way in creating a better SHRM in the organization.
5. The management should also take a good look at the existing SHRM policies, procedure and practices and explore the possibilities of introducing new ones.

**Recommendations for further research:**

The following important recommendations are made for further research.

The findings of the present study indicate that there is a still substantial scope for improvement in various aspects of SHRM in the organization.

The study mainly concentrated on SHRM, however there is need to have in depth study on these aspects covering various other dimensions of SHRM such as motivational (need achievement) level, aspirations and other socio-psychological dimensions.

A comparative study taking public, private and co-operative sector in respect of SHRM policies, procedure and their implementation is necessary to make specific suggestions for the development of SHRM practices.

There are many other indicators of SHRM such as Financial Performance, Employee Turnover, Market Performance, Sales Turnover, Productivity which remains unconsidered. Thus, there is a scope for further research in this area. In general, this study contributes to the literature on SHRM policies, procedures and implementation provides an additional insight to the individuals associated with the HR field.
A larger study or a series of industry level studies in respect of SHRM implementing companies in the state of Andhra Pradesh region should be undertaken to assess both the financial and non-financial impact of SHRM practices on the employees and employers.