CHAPTER SIX

DIRECTION FOR FUTURE RESEARCH

6.1 Potential Areas for Future Research on SHRM

6.2 A Set of Propositions for Future Studies
The various issues or areas in which future research on SHRM can be done are discussed in this chapter. The chapter begins with outlining some of the potential areas in which future research can be done. Then a set of propositions are made where a meaningful contribution to the existing knowledge on the area of SHRM can be made.

6.1 **Potential Areas for Future Research on SHRM**

In the context of limitations of the study and to enhance the scope of the analysis, some of the potential areas where further research can be undertaken.

(i) *More representative sample can be there* : If the study could be done on more than 100 firms, generalization of the findings could be possible.

(ii) *Extensive coverage with a varied sample of industries* : Studies could be done covering a wide variety of industries in the sample including (public) corporations, MNCs etc.

(ii) *Sector-specific studies* : Sector-specific studies, such as manufacturing sector, service sector etc., could be conducted.

(iv) *Industry-specific studies* : Industry-specific studies, such as RMG industry, jute industry etc. may be undertaken.

(v) *Replication of research study in other countries* : Same kind of research studies may be conducted in other countries, or comparative studies can also be done between/among countries.

(vi) *Intensive coverage with in-depth investigation* : Intensive coverage with in-depth investigation with SHRM issues and their relationships could be explored, such as relationships among the variables of corporate strategy, business strategy, HR system, HR strategy, SHRM policies and processes etc.

(vii) *Case-based studies* : Case-based studies on SHRM could also be conducted to bring out issues that are otherwise difficult to uncover.

6.2 **A Set of Propositions for Future Studies**

Exploratory research is proper for the study in subject areas where the developed data are limited. The objective of exploration is the development of propositions/hypotheses
rather their testing. SHRM is such an area where exploratory research is needed. Below there are some propositions developed from this research study which will show the direction of future research for the researchers.

**Proposition 1**

*Business firms are developing / changing MIS and performance appraisal system*

Among the respondents of the sample firms of the present study two kinds of HR strategic changes are becoming popular -- developing / changing the MIS and performance appraisal system.

**Proposition 2**

*Business firms are using fewer (managerial hierarchical) levels in the organization structure and there is a tendency not to change these levels*

Among the sample firms, 80% have 4 to 6 levels of and 42% have 3 to 4 levels of managerial hierarchical levels. Over the last five years, 31% of the responding firms have changed their levels -- one-fourth of the responding firms have increased the levels and the rest have decreased.

**Proposition 3**

*Few business firms have created small independent units, like profit center, SBU etc.*

9% of the sample firms have created the small independent units like profit centers or SBU etc. This number is small, but seems to be encouraging.

**Proposition 4**

*HR functions are properly represented at the top level and the senior executives are more involved in this representation in the business firms*

61% of the sample firms reported that their HR functions are properly represented at the top level. 76% of the responding firms' senior executives are involved in representing the HR functions at the top-level management committees.

**Proposition 5**

*Business firms have at least some considerations about HR issues*

70% of the sample firms follow the approaches (given in the questionnaire, proposed
by Torrington and Hall 1995: 48) except Approach A. These approaches tell about different
degrees of importance on HR issues.

Proposition 6

A good number of business firms are taking external agency help for advising on HR
activities

24% of the sample firms are taking external agency help for advising on HR activities.

Some other propositions which could be developed from the HR system are:

Proposition 7

The characteristics of the HR system in business firms are tending toward autocracy,
openness and conservatism

Proposition 8

Business firms have an implicit policy regarding information sharing, they issue
circular / notices wherever there is felt need, and verbal form is the popular form of
communication

Proposition 9

The level of mid-level managers' representation in the decision making is normal.

Proposition 10

The extent of control by the headquarters over the local level units is normal and there
is a tendency to increase this extent of control

From the policies and processes of SHRM several propositions could be developed,
some of these are given in exhibit 6.1 in a summarized form. The formulation of proposition
could use the indicative statements provided in the different columns. For example,
proposition 11 could be stated as : "The means for policy changes in the SHRM area of
recruitment and selection is that of open advertisement". Similarly, proposition 14 could be
stated as "The reason for strategic change in SHRM is to meet competition". 
### Exhibit 6.1: Summary of propositions on the policies and processes of SHRM

<table>
<thead>
<tr>
<th>Category</th>
<th>Means for policy changes</th>
<th>Reasons for strategic changes</th>
<th>Modes of process changes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>12. Centralization of recruitment and selection.</td>
<td>15. To make organization profitable.</td>
<td>18. Academicians involvement in the recruitment and selection process.</td>
</tr>
<tr>
<td></td>
<td>13. Selecting competing personnel.</td>
<td>16. To make selection process systematic and to reduce cost.</td>
<td></td>
</tr>
<tr>
<td>Training and development</td>
<td>19. Starting training programs</td>
<td>21. To improve the product standard.</td>
<td>23. In-company training have increased.</td>
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<tr>
<td></td>
<td>27. Objectives of performance appraisal.</td>
<td></td>
<td>31. 360° feedback.</td>
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<tr>
<td>Compensation</td>
<td>32. Pay structure revised.</td>
<td>35. To give feeling of ownership.</td>
<td></td>
</tr>
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<td></td>
<td>33. Relationship established between performance and pay.</td>
<td>36. To increase productivity.</td>
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<tr>
<td></td>
<td>34. Profit sharing scheme introduced.</td>
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<tr>
<td>Career planning and development</td>
<td>37. Higher pay.</td>
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<td>38. Better posting.</td>
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<td></td>
<td>39. Promotion.</td>
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<td></td>
<td>40. Development opportunities.</td>
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</tbody>
</table>

Note: Number refers to the proposition number.