CHAPTER 6

CONCLUSION

Effective HRM practices are becoming increasingly important in this competitive, dynamic and globalized knowledge based economy. The focus of organizations is in designing HRM practices that enabled them identify, recruit, retain and train their employees to remain core competent in the industry. This research was based on the perception that any business activity when performed with the consensus of all its employees was presumed to be performed to the maximum capacity of the organization. It could be viewed as the first stage in the process of achieving effectiveness in that activity. Hence, as a first step this research took the HRM function among the auto component manufacturers in Coimbatore district and attempted in evaluating the effectiveness of the HRM function.

The following were the main extraction of this research work:

- The concept of CB pervasive among non-profit organizations was extended to the HRM function of for profit organizations.

- The significant assessment areas in the activities of HRM function were deduced.

- HRCAP Score GRID-the validated and reliable instrument developed could be used for assessing the capacity of the HR function and profiling the capacity lag areas.
The statistically significant pushing practices that influenced the placement of an assessment area in the HC-HC quadrant and the pulling practices that were likely to prevent an assessment area to achieve HC-HC were identified through Binary Logistic Regression.

Similarly, the statistically significant pushing practices that influenced an assessment area to achieve HC-HC were identified through GEE which utilized the clustering concept. The seven organizations were viewed as seven heterogeneous clusters and each organization as homogenous.

Adoption of the pushing factors and avoiding the pulling factors would help organizations achieve capacity excellence in their HR function.

Among the significant practices identified through Binary Logistic Regression and GEE a set of common HRM practices were identified. Adoption of these practices by organizations would enable them achieve excellence in their HRM function.

A theoretical framework that explored the influence of Partnering and Financial Support on the activities of HRM and the alignment of the above three on the strategic goals of the organization was validated.

Model validation revealed that organizations entered into partnership with consultants and academic institutions to recruit candidates to suit their requirements in a cost
Organizations extended incessant Financial Support to the RSA and TDA which enabled them achieve effectiveness in the respective activities.

Organizations ensured that the objectives of the HRM activities were aligned with their strategic goals.

6.1 RESEARCH CONTRIBUTION

The current research provided a new platform for evaluating the extent of adoption of common HRM practices among organizations by means of a perception-based, consensus-oriented, bottom-up evaluation approach in contrast to the perception-based, top-bottom evaluation approaches. Primary focus was in assessing the capacity lag areas and later achievement of capacity enhancement. Organizations could accomplish capacity excellence by adopting the significant pushing practices in each assessment area identified through Binary Logistic Regression and GEE. Adherence of the common significant pushing practices would enable organizations to achieve capacity excellence in the activities of HRM function and consequently in their HRM function. Likewise, engaging in Partnership with consultants and rendering Financial Support for the activities of HRM function would augment achievement of the strategic objectives of the organization.

The current research aims to answer the following important questions:
What are the key assessment areas in the activities of HRM function?

How the capacity of the activities of HRM function is assessed?

What HRM practices influenced organizations achieve HC-HC in each assessment area?

What sort of association existed between Partnering, Financial support, HRM activities and their Alignment with strategic goals?

HRCAP Score GRID-the instrument developed in the course of this research was tested though a rigorous statistical methodology including criterion and content validity, purification, reliability and construct validity. Since, all the constructs of the instrument met the reliability and validity requirements researchers can use it for future research.

6.2 CONTRIBUTION TO THE AUTOMOBILE INDUSTRY

Auto component manufacturers in Coimbatore district could utilize HRCAP Score GRID the reliable and validated instrument to assess the capacity of their HRM function. Such assessment would enable these organizations identify the capacity lag areas. In addition, the above organizations could use the sectoral scores as the benchmarked scores and compare their individual scores with that of the sector. Such assessment would help these organizations to map their current capacity levels with that of the sector and later ensure that they had attained the benchmarked scores. This could be viewed as stage I in the CB exercise.

In stage II these auto components manufactures could identify the extent to which they have adopted the statistically significant pushing HRM practices and the non-adoption of the pulling practices in each assessment
area. Having identified the non-adoptions of the pushing factors these organizations should systematically plan and begin adoption of the common pushing significant practices. This would help them achieve excellence in their HRM function.

The auto component manufacturers in this region could join and form a cohort carry out the CB exercise in their respective organizations periodically and benchmark their current scores with that of the sector and their earlier scores. Periodic assessment and benchmarking would pave way for these organizations to identify the organization that had scored the highest scores in each assessment area and discuss the practices adopted by that organization among themselves. This would enable the other organizations adopt the feasible practices in their respective organizations which in turn would serve as an avenue for the adoption of contemporary practices in the HRM function. This could be viewed as stage III in the CB exercise where in the auto component manufacturers in this region would achieve capacity excellence in their HRM function.

Having achieved HRM functional excellence at regional level, stage IV could be viewed as achieving HRM functional capacity excellence at national level. Organizations in different regions throughout India could join and form regional cohorts carry out CB exercise in their respective regions and benchmark among themselves. Such an exercise would enable these auto component manufacturers gear up their HRM functional activities to their maximum capacity thereby making themselves competent in this dynamic, globalized and liberalized scenario.

Further, these auto component manufacturers could plan and establish partnerships with consultants to recruit suitable candidates to the various job positions in a cost effective way thereby enhancing the
effectiveness of their RSA. The partnership entered with academic institutions and consultants for training their employees would facilitate these organizations imbibe knowledge about the latest technological practices in their organizations. Such training programs would facilitate employees acquire and apply the viable practices and thereby combat competition. Rendering incessant financial support to the activities of HRM function would enhance the effectiveness of the activities of HRM function.

6.3 SCOPE FOR FURTHER RESEARCH

Future scope of the research involves analyzing and deriving similar CAP Score GRID’s for other functions of the organization and the organization as a whole. Such capacity assessment and enhancement would enable the organizations achieve functional capacity excellence and consequently organizational capacity excellence at regional and national level. Researchers can use HRCAP Score GRID for future research apply the same to manufacturing organizations in the other sectors and validate its suitability for organizations in the service sector.