CHAPTER -III

RESEARCH METHODOLOGY

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3.1 Statement of the problem

The present study attempts to understand the emerging human resource policies and practices in an era of globalization in the distillery industry of Uttar Pradesh, by raising in particular questions such as the ones given below. What is the perception of employees before the globalization and after the globalization about HRM practices? What type of HRM practices are being pursued by the organizations? What kind of human resource management policies are being applied by these global and local organizations? What are the views of employees on globalization and human resource? What are the views of employees on HRM policies and practices? Does globalization has an impact on HRM policies and practices?

3.2 Objectives of the study

The main objective of the study was to evaluate the current Human resource management system and changes that have been brought about since 1991 in distillery industry of Uttar Pradesh. To achieve the main objectives, the following sub-objectives were set -

1. To study the relationship between perception of employees before the global expansion and after the global expansion.
2. To study the perception of employees of global organization and local organization about HR practices.
3. To study the difference of perception between new and old employees in changing global scenario about HR policies in Distillery industry of Uttar Pradesh.

3.3 Hypotheses of the study

To fulfill these objectives the following hypotheses have been constructed

1. There is a significant difference in perception between the employees of global organizations and local organizations.
2. There is a significant effect of global expansion of business on HRM policies and practices.
3. There is a significant difference in perception between the new and old employees in changing global scenario.
3.4 Scope of the study

The present research is mainly focused on the HR practices and HR policies being followed in the distillery industry of Uttar Pradesh and study the impact of globalization on HRM in this industry.

3.5 Design of the Study

The present study is of empirical nature and is based on primary data gathered with the help of a questionnaire. Four sets of questionnaires were constructed in order to collect data related to study the impact of globalization on the HRM policies and HR practices in the distilleries of Uttar Pradesh either having, or not having global operations.

A portion of a questionnaire which was developed by J.M. Geringer, C.A. Frayne and J.F. Milliman (2002) in "In Search of Best Practices in International Human Resource Management: Research Design and Methodology" was modified and applied in this study.

The first section of the questionnaire comprised the demographic characteristics of the respondents such as name, age, gender, qualification, designation, department, organization and total service length in the distillery industry.

The second section contained ten general statements about the HR practices prior to 1991 i.e. pre-globalization and eighteen general statements about HR practices after 1991 i.e. post-globalization in the distillery industry of Uttar Pradesh. That was the time of emergence of globalization in India in the form of "New Industrial Policy" introduced by the then Congress government headed by Prime Minister Sh. P.V. Narasimha Rao. At that time Dr. Manmohan Singh was the finance minister and he had carried out general structural reforms known as liberalized India's economy (globalization, privatization, liberalization and deregulation).

The third section of the questionnaire consisted of statements related to HR policies viz. HR planning (8 statements), recruitment(11 statements), selection & placement (10 statements), training and development (14 statements), performance appraisal (16 statements), compensation/ reward system (11 statements), exit/separation (6 statements) and overall impact of globalization on HR practices (8 statements).

The fourth section comprised of twenty five statements about HR policies being followed in distilleries of Uttar Pradesh.
The respondents were asked to rate statements on a five point rating scale (Likert scale) where 1 indicated "not at all true", 2 indicated "rarely true", 3 indicated "sometimes true", 4 indicated "mostly true" and 5 indicated "always true" (Appendix I).

3.6 Sampling Method

The study is confined to distillery industries located in Uttar Pradesh. Uttar Pradesh has a total of sixty two distilleries of which ten distilleries were randomly selected (Fig. 3.1). A brief profile of the ten selected sample organizations is given in Appendix II.

From each sample organization, with the help of HR managers, approximately 10% of total employees were selected by using random sampling. Care was taken to select the sample of respondents. The sample covered employees in executive and above cadres. In table 3.1, numbers of sample respondents are presented by organizations.

Table 3.1: Distribution of executive level sample respondents by organization

<table>
<thead>
<tr>
<th>S.No</th>
<th>Organization</th>
<th>Total Employees</th>
<th>Sample size</th>
<th>%</th>
<th>Global /Local</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>M/s Rampur Distillery &amp; Chemicals Co Ltd, Rampur</td>
<td>350</td>
<td>46</td>
<td>13.14%</td>
<td>Global</td>
</tr>
<tr>
<td>2</td>
<td>M/s Jubilant Life Sciences Ltd. Gajraula, Moradabad (Ms/ Vam Organic Chemical Ltd.)</td>
<td>300</td>
<td>42</td>
<td>14.00%</td>
<td>Global</td>
</tr>
<tr>
<td>3</td>
<td>M/s Mohan Breweries &amp; Allied Industry, Ghaziabad</td>
<td>261</td>
<td>27</td>
<td>10.34%</td>
<td>Local</td>
</tr>
<tr>
<td>4</td>
<td>M/s Simbhauli Industries (P) LtdSimbhauli, Ghaziabad</td>
<td>198</td>
<td>20</td>
<td>10.10%</td>
<td>Global</td>
</tr>
<tr>
<td>5</td>
<td>M/s Daurala Sugar Works (Distillery unit), Meerut</td>
<td>242</td>
<td>27</td>
<td>11.16%</td>
<td>Local</td>
</tr>
<tr>
<td>6</td>
<td>M/s Ajudhya Distillery Bilari, Moradabad</td>
<td>268</td>
<td>29</td>
<td>10.82%</td>
<td>Local</td>
</tr>
<tr>
<td>7</td>
<td>M/s Pilkhani Distillery &amp; Chemical Works, Saharanpur</td>
<td>256</td>
<td>27</td>
<td>10.55%</td>
<td>Local</td>
</tr>
<tr>
<td>8</td>
<td>M/s Mohan Mekins Ltd. Lucknow</td>
<td>316</td>
<td>33</td>
<td>10.44%</td>
<td>Global</td>
</tr>
<tr>
<td>9</td>
<td>M/s Saraiya Distillery Sardar Nagar, Gorakhpur</td>
<td>291</td>
<td>30</td>
<td>10.31%</td>
<td>Local</td>
</tr>
<tr>
<td>10</td>
<td>M/s Modi Distillery Modi Nagar, Ghaziabad</td>
<td>326</td>
<td>35</td>
<td>10.74%</td>
<td>Global</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>2808</td>
<td>316</td>
<td>11.25</td>
<td></td>
</tr>
</tbody>
</table>
A total of 316 respondents were selected for the study. The questionnaire was canvassed to all the respondents. Total employees from global units were 176 while that from local units were 140. The employees were divided on the basis of service length also. Those employees who had a service period of $\geq 23$ yrs. in the present organization were considered as old employees while employees $\leq 22$ yrs. of service were considered as new employees. Total old employees from global & local units were 142, while new employees were 174. Permission was taken from the HR Manager of each unit for conducting the survey as well as consent of each employee was taken for their participation in the survey.

Figure 3.1: Location map of sample organizations
3.7 Statistical analysis of data

The collected data were analyzed using the Statistical Package for Social Science (SPSS) version 16.0. The following statistical techniques were used as per the objectives of the study -

i. Descriptive statistics
ii. Mean and standard deviation
iii. Chi-square analysis
iv. Student’s t-test

Average scores were taken and t-test was applied to test the significance between global & local units, and new and old employees. For clarity, the values were depicted through bar diagrams also.

3.8 Limitations of the study

1. The study is confined to the geographical ambit of Uttar Pradesh.
2. The study is limited to the distillery industries. The result cannot be generalized to other industries.
3. The sample size was not quite large owing to the nature of the study and difficulty in collecting data from the respondents.
4. Selected HR practices were only studied.