Chapter 2

Review of Literature and Research Methodology

2.1 Introduction-Review of Past Research Works

This chapter deals with review of literature and research methodology. A ‘Literature Review’ is a formal survey of professional literature that is pertinent to the research area selected. Experts’ opinion, suggestions, recommendations, related to the topic gives proper direction and helps to frame and focus the research topic, hypotheses or focused question. The title of the research is ”A Study of Various Human Resource Development Policies and its Impact on Motivation and Performance of the employees With Reference to Selected Industries in Nashik.”

The purpose of review of literature is to understand what the HRD policies or practices are of many organizations, what are their impacts on motivation and performance of employees and what are the opinions of experts about this topic. Thus, this research is specially focused on the HRD Policies of many companies. In this chapter the review of various research/projects carried on HRD policies of companies, motivation and performance of employees.


Researcher has discussed the above mentioned elements of Human Resource Development and factors affecting it in logical order in this section. First section starts from views of experts’ opinion about human resource.
2.1.1 Views on Human Resource-

Mohanpatra Ashis Kumar (2001)\(^1\) assesses a human resource in his article “Don’t Waste Your Human Resource”, he observed that it is a valuable asset of each organization. Requirement right from the recruitment and continue to foster and develop it as its own needs to grow. Development of personnel is a basic management area, which is closely related to full utilization of skills, potentialities and talents. Therefore, full utilization of talent is an area, which will always pose challenges to the management as to how full potentialities of the employees can be harnessed towards the achievement of organization’s goals and the success of an organization and its progress therefore, largely depends on the full utilization of talent and potentialities of the employees.

Human Resource Development increases the skills and abilities of human resources.

2.1.2 Views on Human Resource Development

Dholakia Ravindra H. (2003)\(^2\) evaluated human development in his article “Regional disparity in economic and human development in India” over the past two decades and the direction of their causality. Planning Commission and the finance commissioners need not be unduly concerned about regional imbalance in human or economic development. The concept and measurement problems involved in Indian data on state domestic product are briefly discussed to point out the limitations of past studies on the subject. He found that the Indian regional data suggest a two-way causality between human and economic development.

Bansal Manish and KaurSukhbir (2008)\(^3\) focused HRD in their article “HRD in Banking: Emerging issues, challenges and Opportunities”. HRD is one of such force about which the banks have to think positively otherwise they will be out of competition. There are various challenges related to HRD in banking such as increased competition, low entry barriers for new players, change in job contents as banks reorganize their operations with the help of IT e.g. Virtual or techno banking etc. HRD opportunities in
banking are modernization and computerization of banking. They concluded that continuous quest for skill upgrading at all levels development of vision and mission and commitment are some of the things required in the banking industry. The same principle applies to any collective human activity such as farming, industry and business. The researcher has examined the issues relating to human resource management of selected industries in North Maharashtra in her work.

**Patil Sunil Subhash (2010)** Studied HRD Climate of Sugar co-operative in his article “An Evaluation Of HRD Climate In Sugar Cooperative Of Goa State”. He concluded that the top level employees are trying to say that there ought to be organization-wide self appraisers, attitude team spirit and problem solving attitude as well as more spontaneous initiative taking among their juniors, absence of harshness and more frankness in seniors. Middle and lower level employees are trying to convey more or less an identical message that their seniors need to be better informed about their work environment that there should be less interdepartmental and interpersonal prejudices and that good work effort should be adequately rewarded.

**Benke Suvarna (2010)** criticised Human Development in her article “Human Development In Third World Countries”. She observed that the three worlds as they were separated during the cold war era, each with its respective allies. First world The United States and its allies, Second World The Soviet Union and its allies, Third world –Non-aligned and neutral countries. The economically underdeveloped countries of Asia, Africa, Oceania and Latin America, are considered as an entity with common characteristics, such as poverty, high birth-rates, and economic dependence on the advanced countries. The third world belongs neither to the industrialized capitalist world nor to the industrialized communist bloc.

**Rao K.S.Srinivasa (2010)** carried out a research in his article “Is there a place for Indian B-schools in the Global Village?” He highlighted that lack of adaptability and competitiveness and inability to work in a group make it difficult for Indian B-School students to find their place in the global village. He focuses the various challenges before Indian B-schools. One is that Curriculum of Management. Courses needs to be revamped
to keep abreast organizational changes. Industry’s demands of manager are different due to LPG (liberalization, privatization and globalization). Multinationals want multi-skilled managers. Suppose there is a marketing manager he should know about finance and HRD concepts. So that he can motivate his employees to achieve the goals and targets.

**Subrahmanya Venkataraja B. (2012)** He studied about regional disparities in human development of Karnataka. Human development is a crucial process of increasing people’s knowledge, skills and capabilities and increase their attitudes. The main purpose of this paper is to analyze the trends in human development of Karnataka and also to analyze the interregional variations in human development in the study area. He explored that there is good improvement in human development of all four regions over the period of time. Specially Hyderabad and Karnataka achieved the highest improvement in human development between 1991 and 2001. Also the status of health, education and income of the people of this region are very impressive and their attainment in this region are much more than other regions. He concluded that there exists a wide gap between these regions in the achievement of human well-being. There is necessary to measures policy to reduce imbalance in human development.

Human Resource Development is an essential part of the human resource management. Views on HRM are discussed below in detail

**2.1.3. Views on HRM (Human Resource Management)**

**James Buchan (2004)** evaluated in his article “What Difference Does (“Good”) HRM Made?”, he observed that the importance of human resource management (HRM) to the success or failure of health system performance has, until recently, been generally overlooked. In recent years, it has been increasingly recognised that getting HR policy and management "right" has to be at the core of any sustainable solution to health system performance. In comparison to the evidence base on health care reform-related issues of health system finance and appropriate purchaser/provider incentive structures, there is very limited information on the HRM dimension or its impact. Considering this aspect of HRD, researcher has also probed into the issues of health care of the workers by sample organisations in her study.
Kulkarni R.M. and Auti M.D. (2013) evaluated in their article on “HRM: A Global Perceptive”, that in any other company advanced technology, new trends in business environment, changing production methods and working are continuously demanding more qualified, skilled, competent, talented, committed and devoted workforce to face the challenges in HRM in globalization era. Now-a-days, the industries have realized the importance of human resources in the organizations. The employees are valuable asset of the organization. In order to acquire and retain the competent workforce, the organizations are prepared to develop and implement the best practices by incurring heavy cost on development of the human resources to have better performance on their part so that the challenge arisen in this competitive world can be faced efficiently.

2.1.4. Views on HRM and HRD Policies-

Kumar, Deepak (2007) assessed in his article “HRM and Performance”, that HRM strategies are associated with improved employee performance. Organization can adopt the HRM practices, which achieve the best ‘internal fit’. Only some set of best practices can be identified by emulating the examples from high performing organizations. The high performing organizations adopt the best practices as like distributed responsibility of employees within flatter organizations, decentralized decision making, measuring the performance of employees related with the financial conditions, customer satisfaction etc. Combinations of HRM practices are much stronger than an individual HRM Practice.

Jagan K (2008) evaluated in his article “HR Management and Practices in Public Sector”, that the Public Enterprises have been successful in developing HR management policies and implementing HR practices. The approach of public enterprises towards personnel management provides participation of employees in the HR management business. The implementation of personnel management policies in public sector reduced indiscipline among the employees and enhanced the industrial peace in public sector management.
Katou Anastasia A., Budhwar Pawan S. (2009)\textsuperscript{12} assessed in their article “Causal Relationship between HRM Policies and Organizational Performance”, they carried out a empirical research, which is based on a sample of 178 organizations operating in the Greek Manufacturing sector using structural equation modeling. The results of the study revealed that the ability to perform HRM policy domains are moderated by business strategies and additionally, the motivation to perform is further moderated by managerial style and organizational culture. They concluded that although the motivation to perform HRM Policy domain organizational performance through employee attitudes, it may be supported that organizational performance through employee attitudes and organizational performance positively moderates the effectiveness of this HRM policy domain.

Jain, Shika (2010)\textsuperscript{13} criticized in her article “Management of Human Resources in Public Sector Banks-1991-2008”. She found that the Human Resource Reforms in the banking sector that is considering the organizational needs banks could also formulate their own HR Policies which includes recruitment, staffing policies, mobility, promotion, discipline and also design innovative policies for people development. She tries to analyze the impact of liberalization on Human Resource Management Practices in Public Sector Banks a period of almost two decades i.e. from 1991-2008. She made a research at branch level using questions, studies macro-level changes and their consequent impact on banking operations. This research gives the opportunity to research new trends in performance measurement.

2.1.5. Views on HRD Practices--

Tiwari T.D. (2009)\textsuperscript{14} evaluated in his article “HR Practices in department of Co-operation, Human Resource Management Practices-concept and Cases”. He observed that the department of cooperation, Government of Gujarat is one of the non-profit making government organizations working in the area of cooperative movement at the state. All policies related to personnel and their development is formulated by the General Administration Department of the Government of Gujarat. They adopted the Human Resource Management Practices. There is no human resource planning. So that there is a
need of correct training. Individual or group incentive or rewards system for better performance is altogether absent leaving no scope for self-initiative. He suggested that better working facilities needs to be provided to the employees to feel them motivated for better performance. Researcher has investigated into the practices adopted by sample units in human resource Planning and has commented thereon.

**Poornima S.C. (2009)** Conducted a research on motivating through satisfaction: An Ongoing Effort of HR in Organizations of service sector on the IT and ITES (Information Technology Enabled Services) in Bangalore. She used information sheet to acquire data relating to the components in the compensation package worked out in the IT and ITES sector. The compensation components were grouped into eight categories. Compensation and non-compensation components are important for motivating the workforce. It suggests that human practices of the organization should be more mature, favourable not only to the organization but also to the employee. Human resources management practices should be fulfil the need of the organization, employees and the market.

**UkinkarVasant G (2011)** assessed in his article “HR Practices in Newspaper Industry in Vidarbha”, that in Vidarbha, there are 20 Newspapers. Researcher has selected four newspapers and studied about HR Practices in Vidarbha. Some good HR Practices they adopted such as HR Planning, Recruitment and selection, Placement, Replacement, Effective Communication, Compensation Plan, Actuating and HRM, A cordial Industrial Relations system, Evaluation and Appraisal System, Executive Counselling, Employee welfare, Occupational Health and Safety etc.. He concluded that an appropriate HRM process need be adopted by all the newspapers with the emergence of Newspaper as an Industry in the current era.

**Sikroria, Rajiv ET. Al (2012)** studied in his article “Shaping Employee Oriented Human Resource Policies through Analyzing Motivational Needs”. They have tried to explore the items which play key role in determining HR policies. Studied HR Practices or policies in academic sector specifically in management and engineering institution of (Mathura) India and they have taken 5 variables where related on
the 5 point Likert Scale. They concluded that HR policies in academic institutions should focus on employees. Ineffective and biased performance system is hazardous for sustainable development of persons in the organisations. HR policy should observe radical changes in their approaches and include more motivating components.

Goyal, Ruchi, Shrivastav, Madhu (2012) assessed in their article “A study of HR practices And Their Impact On Employees Job Satisfaction and Organisational Commitment of the pharmaceutical companies in India.” They studied HR practices of 6 Pharmaceutical units and their impact on job satisfaction and organizational commitment. They concluded that how appropriate HR Practices of an organization can improve the job satisfaction level of the employee and strengthen his Commitment towards his organization in the pharmaceutical units under study. A well-structured Career Planning system should be incorporated through HR Practices, which gives clarity of career progression to the employees in their organizations.

2.1.6. Views on Contents on HRD Policies and HR Practices-

(1) Human Resource Planning-

Mallela, Chandrashekar Sita Rama (2012) has analyzed in his article” Human Resource Planning: Then and now”, that the hard HRP is based on quantitative analysis in order to ensure that the right number of right sort of people are available when needed. The soft HRP is concerned with ensuring the availability of people with the right type of attitude and motivation who are committed to the organization, engaged in their work and behave accordingly. He realized that soft HRP has brought about major changes in the HRP Practices. His paper dwells on the differences between the older practices and the current practices of a HR Manager in the chief constituents of human resource planning.

(2) Recruitment and Selection-

Ongori Henry et.al (2009) criticised in their article “Recruitment and Selection Practices of SME’s: Empirical Evidence from A Developing Country Perspective” and have suggested appropriate strategies on how to improve human resource management practices to enhance organizational performance. They concluded that these practices do exist in SME’s but most of these practices are not well
documented. In this era of globalisation, SMEs need to retain qualified employees in order to have competitive advantage.

(3) Training

**Economic Times (2012)**\(^{21}\) articles entitled ‘On-the-job training boosts employee morale: survey’. Twinset, research and knowledge arm of TimesJobs.com’, organized a survey, concerning training and development. In their survey, they found that 40 per cent employers reported on-the-job training increase productivity and 35 per cent reported it enhance employee morale in the organization. A considerable share of the surveyed employers also claimed to reduce attrition by using training and development methodology. Also some experts expressed their views that on-the-job training is a cost-effective way that helps employees gain knowledge about the latest developments in their industry. And also leads to promulgation of new ideas within an organization.

2.1.7. Motivation-

**Shane Scott, Locke A. Edwin, Collins J. Christopher (2003)**\(^{22}\) They focused on macro level environmental forces. They found that the development of entrepreneurship theory requires consideration of the motivations of people making entrepreneurial decisions. To provide a road map for researchers interested in this area, they discuss the major motivations that prior researchers have suggested should influence the entrepreneurial process, as well as suggest some motivations that are less commonly studied in this area. In addition to outlining the major reasons for exploring these motivations, they identify the major weaknesses that have limited the predictive power of previous research on this topic. They offer explicit solutions for future research to adopt to overcome these problems.

**FRONTERA, an International management and development consulting organization (2007)**\(^{23}\) Criticized in their article “Motivating Staff and Volunteers Working in NGOs in the South”. High staff turnover & poor performance have been persistent issue for both international and local non-govt. Organizations (NGOS). The issues of this been connected to the difficulties in motivating staff and
volunteers. The aim was to identify the various non-financial incentives used by NGO’s working in the south. They suggested that NGO’s use in Honduras, India, Kenya and Pakistan indicate wide variations. Practical solutions are offered such as culturally applicable activities the proactive engagement of staff and volunteers in dialogue as well as using a mix of incentives. They suggested that they are all aimed at one thing addressing the personal and professional of employees.

Nafisa, Rounok, Mohammed, Mahamuda Parvin (2011) evaluated in their article “Fostering Employee Performance.”, they stated that in any business organization human resource is an important and indispensable part in organization’s success. Qualified, skilled and motivated workforce plays a key role. Motivation is a key determinant of job performance. It stimulates the higher performance of employees. But poorly motivated employees impacts adversely as like excessive staff turnover and negative morale on employee and it increases the cost of the organization increase the performance of employees.

Chaudhry, Rashmi (2012) studied in her article “Societal Impact of special industrial package: Managerial Perceptions”, where she found that there is a major offshoot in the social and economic development of Himachal Pradesh. With the advent of industrial incentives package, infrastructural facilities like –shopping facilities, power, roads, transportation, communication, banking and insurance have improved tremendously. It provides a positive result. She concluded that in terms of social audit of industrial incentives package, the factors in order of variance extracted in factor analysis can be put as infrastructure and employment, employment and ecology, improved standard of living and infrastructural facilities, improved income level and conveyance.

Scott Leonard (Oct 3, 2012) evaluated in his article “establishing a high motivation human resources Program”. Human resource program can result in important benefits to a firm. In the first place and most obviously, such a program allows for the creation of a positive work environment in which employee morale, job satisfaction and productivity can be maximized. Also, a good HR program will enable a firm to attract the best available employees, create a positive work milieu, and build cooperation and
teamwork among the various groups in the company. They concluded that eight basic elements is establishes a high motivation human resource program for the employees.

Times of India (2012) this article focus on “money” which is the important techniques of motivation to employees. In recent years, employee retention is the core issues in the organization. In employee retention and increasing productivity motivation plays a key role. There are two types of motivation such as monetary and non-monetary motivation. Both types of motivation becomes organizations a successful. Money is includes in financial incentives. There are various factors which impacts on motivational factors. Organization should think critically which types of incentives they want to use.

2.1.8. Performance and Performance Appraisal-

Ghosh P. K., Ghorpade M.B.(1999) in their article entitled “Human Performance: Engineering Psychology”. They introduced that area of industrial psychology which is mainly concerned with effects of Incentives Package”. She observed that environmental variables effects upon human abilities, performance and work. It is an area variously known as human engineering, human factor engineering or engineering psychology. They concluded that many things are involves in it as like the study of man in his working situations, his work methods, the design of the equipment and tools he uses, spacing of work and various environmental factors like temperature, illumination, noise, etc. That affects his performance.

Mohanty P.K. (2003) –In the case of government of Andhra Pradesh conducted a study on improvement through performance management. It emphasis the approach of the government of Andhra Pradesh to improve governance by using performance management system. Andhra Pradesh intends to use performance measurement as a tool to drive the state towards achieving its vision 2020 goals. He concluded that this government should develop a sound performance management system involves the careful designing of several aspects. These include- establishing profile, vision and mission, clarifying and delegating responsibilities, creating internal institutional mechanisms, preparing departments and organizations, supporting implementation, preparing for management of “change”, developing framework for innovation.
Das Sandwip Kumar, Bandyopadhayay (2003) they criticized in their article “Quality Signals and Export Performance”. They found that the relationship between quality, reputation and firm performance is a new research area, where aspects like productivity, efficiency, quality and competitiveness have to come to the forefront. They try to capture various signals of firm quality and reputation to check whether quality matters in the export market under perceived quality uncertainty. They suggest that policies should be designed to inculcate quality consciousness in the minds of the exporters as well as domestic consumers. Their studies have shown that quality as well as quality signals are important determinants of exports.

Murugan M. Sakthivel (2009) in his article entitled “A Study on Organizational Culture and Its Impact on the Performance.” In the case of Chennai, the main objectives of organizational culture influencing performance among the employees of the IT (Information Technology) industry are encouraging developments, facilities and relationships. Employees may be developing through HRD practices. Also it focuses some important points that are organizational culture practices encompass the various development activities like performance assessment, potential appraisal, training and development, job rotation and career planning.

Jabeen Maimona (2010) studied in her article “Impact of Performance Appraisal on Employees Motivation”. Appraisal is essential tool to measure the efficiency and performance of employees. The aim of the researcher is to examine the relationship between Performance appraisal and Employee motivation. Performance appraisal helps to employee by identifying the strengths and weaknesses develop him for his career development, converse directorial aims, along with nurturing optimistic associations between supervision and workforce. Researcher concluded that Performance appraisals provide a recognized, recorded, customary assessment of an individual’s routine and a sketch for potential enlargement and increases motivation.
Sanyal M.K., Biswas S.B. (2014)\textsuperscript{33}

Conducted a study in their article “employee motivation from performance appraisal implications: Test of a theory in the software industry in West Bengal (India). They studied the attitude of the employees of the software companies in West Bengal (India) towards performance appraisal. They collected primary data of 506 employees from 19 software companies of Kolkata. In their exploratory research, they found out the effects of those and results on employee motivation towards performance appraisal. They are analyzed data using factor analysis, to find out the applications of appraisal, followed by a binary regression to understand their implications on the employee motivation. Also the importance of the line managers in the practice of the appraisal process reviewed different dilemmas regarding appraisal practice and employee issues depending on company's size, business focus. They concluded that the practice of appraising and its implications are also diverse in different companies throughout the industry.

Indradevi R (2012)\textsuperscript{34} assessed in her article “Relationship between Appraisal and Organizational Performance.” Performance improvement is dependent upon sound HRD practices. So that organization should make and implement sound HRD Practices. Also performance appraisal satisfaction enhanced motivation, commitment and intention towards the organization. After analyzing data she concluded that there is a strong positive correlation between performance appraisal and employee capability and organizational performance. It is most important part of HRD Practices which motivates employees. Gives guidelines to them how to achieve standard set and analyzes the actual performance.

Khan Imran Ahmad (2012)\textsuperscript{35} - Carried out a research in his article “The balanced scorecard: Strategic Planning and management.” Reviewed that about half of major companies in the US, Europe and Asia are using Balanced Scorecard approaches. He concluded that Bain & Company, approximately 50 per cent of the Fortune 1000 Companies in North America and 40 per cent IN Europe use some version of the balanced scorecard. The widest use of the BSC approach can be found in the UK, Northern Europe and Japan.
Farooq Rayees (2014) conducted a survey in his article “A clever approach to measure organizational performance: An overview”. Study has provided a through view of organizational performance and focused on various approaches such as the performance prism, the balanced scorecard (BSC), the performance pyramid, and the triple bottom line. This triple bottom line is a societal and ecological agreement between the community and businesses. Second is BSC is a performance management tool for measuring whether small-scale operational activities of a company are aligned with its large-scale objectives in terms of vision and strategy and includes four perspectives: financial, customer, internal processes and innovation and learning perspective. Third tool is a performance pyramid which includes a hierarchy of financial and non-financial performance measures. Other than fourth tool is a performance prism proposes that a performance management system need to be coordinated around five different perspectives of business performance such as stakeholders’ satisfaction, strategies, processes, capabilities, stakeholders’ contributions.

2.1.9. Human Resource Development Policies and Motivation -

Satyawadi, Rachita, Ghosh, Piyali (2012) they evaluated in their article “Motivation and Work Values in Indian Public and Private Sector.” With the existence of public as well as private sector enterprises in India, a comparison between the two on various dimensions of motivation and work values has widespread implications for HR policies and practices in organizations. Results indicate that employees in the public sector enterprise are motivated to a greater extent by achievement and self-control, as compared to those in the private sector; they also value pride in work, job involvement, activity preference, and upward striving more than employees in the private sector enterprise who value earnings, and are motivated more by financial gains.

2.1.10. Human Resource Development Practices and Performance-

De Fillippi, R. (2002) he studied in his article “impact of hr practices on employee performance”. Researcher focuses to establish that human resource practices are the key to enhance the employee performance. The purpose of this research is to why Human Recourse practices are more important than any other factor to enhance employee
performance. It is necessary to implement training system & introduce proactive strategy making system to solve problems with time management in organizations. Equal Employment Opportunity & pain management techniques should be introduced by organizations to control mal-practices, mal-administration & sexual harassment.

Som Ashok (2008) criticized in his article “Innovative Human Resource Management and Corporate Performance in the Context of Economic Liberalization in India.” This study had tried to understand the role of innovative HRM practices and specifically questions how HRM practices, such as the role of HR department, recruitment, retraining and redeployment, performance appraisal and compensation, enhance corporate performance during the change process. A multiple respondent survey of 69 Indian organizations was undertaken to study the impact of innovative HRM practices on firm performance. The survey found that the innovative recruitment and compensation practices have a positive significant relationship with firm performance.

Venkataiah, Ch. (2011) carried out in his article “An Empirical Study of Select Private Engineering Colleges in Hyderabad.” The objective of his study was to test the relationship between HRD practices and employee performance in Hyderabad region among professional teachers of private engineering colleges. He found out that there is a weak correlation between Performance Evaluation Practices and teacher’s performance needs prompt attention. He suggested that there should be linkage of performance evaluation system with promotion and compensation which focuses the role of teachers. In Hyderabad’s private engineering colleges, Compensation Practices and Promotion practice is the main which impact directly on teachers’ performance.

This review has revealed a number of aspects of the HRD Policy and practices that prevailed in different parts of the country including the state of Maharashtra. However, the geographical area and the time period researcher selected are not covered by any other researcher, either by any individual researcher or by any other Institute of research. The Second part of the chapter that follows presents Research methodology as applied in the conduct of this research work.
2.2 Research Methodology-

2.2.1 Introduction

The present research is on the topic of “A Study of the Various Human Resource Development Policies and its Impact on Motivation and Performance of the Employees With Reference to Selected Industries in Nashik”. This topic is selected by the researcher who wishes to study recent developments in this area on the basis of facts and figures from the sample area. HRD Policies are mere guidelines to give direction to the possible ways for bringing about harmonious Industrial relationship in Industrial and Business organizations. How are the HRD practices developed by the organizations within the framework of policies is, perhaps, more important. Researcher is going to find the degree of coordination between HRD policies and practices in providing employees with greater motivation and better performance.

This Research Methodology deals with methods and procedures of the study, which is presented under the following headings-

- Statement of the Problem
- Objectives of the study
- Statements of Hypotheses
- Research Method
- Research Design
- Population of the study
- Sample Design
- Sources and Methods of data Collection
- Tools Used in Collection of Data

2.2.2 Statement of the Problem

Human resource is an asset of any organization. Quality of Human Resource is valued by its productivity and quality of work depends on how is this resource motivated to improve its performance. An organization’s goals can be achieved only when people put in their best efforts. Any organization can be developed through proper motivated
employees. So every organization tries to develop its human resource through motivation. The research problem here in this study is associated with the impact of the HRD Policies on motivation and performance. There are a variety of factors that can influence a person’s level of motivation. Some of these factors include:

1) The level of pay and benefits,
2) The perceived fairness in promotion system within a company,
3) Quality of the working conditions provided,
4) Leadership and social relationships,
5) Employee recognition.
6) Job security and
7) Career development opportunities etc.

2.2.3 Objectives of the study

The research objectives of these studies are as follows -


2. To examine the impact of monetary and non-monetary incentives in Human Resource Development Policies affecting the employees motivation and their performance.

3. To understand the correlation between motivation and performance in development of the career of employees.

4. To evaluate the various instruments of motivation to boost employees Performance.

5. To analyse the impact of globalization on human resource development.
2.2.4 Statements of Hypotheses
The research hypotheses of these studies are as follows.

H1. There exists a positive relationship between HRD Policies and employees’ performance.

H2. Sound HRD Policy promotes motivation among employees which leads to good industrial relationship.

2.2.5 Research Method

The type of research is ‘Exploratory’ based on extensive primary and secondary data collected for the purpose. The style of presentation is mainly analytical, however, wherever necessary, descriptive style is adopted to facilitate reader in grasping the content. As per the title of the research undertaken, the research and sample designs were prepared.

2.2.6 Research Design-

Research design is an important stage in the process of conducting a ‘Research.’ It is a scheme of work to be undertaken by a researcher at various stages. Research design has gone through following phases with reference to this work at hand:

<table>
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<tr>
<th>1)</th>
<th>Writing of research plan has been finalized.</th>
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<tr>
<td>2)</td>
<td>Review of related literature including various journals, periodicals, books, reports etc. was carried out.</td>
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<tr>
<td>3)</td>
<td>Working hypotheses have been converted into precise and testable statements of hypotheses.</td>
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<td>4)</td>
<td>Sample Design, questionnaire and Interview schedules have been designed, validated and finalized.</td>
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<td>5)</td>
<td>The data requirements were estimated and finalized.</td>
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<td>6)</td>
<td>Collection of data in the industries in sample MIDC areas (Satpur and Ambad) was completed.</td>
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<td>7)</td>
<td>Tabulation and Analysis of data was completed for the received questionnaires.</td>
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<td>8)</td>
<td>Inferences were drawn and research report is finalized.</td>
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2.2.7 Population of the Study- In this study, the respondents consisted of the Managers, Supervisors and Workers in the five selected large companies in the Satpur and Ambad MIDC areas in Nashik. These two are close to urban agglomeration of Nashik in D Zone from where it is easy to locate Large Industrial units required for a comparative study. All these employees working in the companies are considered as ‘population’ for the study. **Employees total population in both MIDC area are 7313 which includes total managers are 74, total supervisors are 103 and total Workers are 7136.**

2.2.8 Sample Design- Sample Design means a definite plan for obtaining a sample unit from a given population. For the purpose of current study, the population and sample units of each type of respondents are given in Table 2.1 below:

**Table 2.1**

Sample design showing Population and Sample size of Five Selected Companies

<table>
<thead>
<tr>
<th>MDC</th>
<th>Large Units</th>
<th>Products</th>
<th>Total Population</th>
<th>Sample Units</th>
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<td></td>
<td></td>
<td></td>
<td>Total Population</td>
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<td></td>
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<td></td>
<td>Managers</td>
<td>Supervisors</td>
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<td>Satpur</td>
<td>Jyoti</td>
<td>Paste of MS</td>
<td>12</td>
<td>19</td>
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<td></td>
<td>CEAT</td>
<td>Tyre</td>
<td>10</td>
<td>26</td>
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<td></td>
<td>Bosch</td>
<td>Nuzzles</td>
<td>24</td>
<td>32</td>
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<tr>
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<td>Total</td>
<td>-</td>
<td>49</td>
<td>74</td>
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<tr>
<td>Ambad</td>
<td>Crompton Greaves.</td>
<td>Switch Gear</td>
<td>13</td>
<td>17</td>
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<td></td>
<td>Glaxo</td>
<td>Pharmaceuticals</td>
<td>11</td>
<td>15</td>
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<td>Total</td>
<td>-</td>
<td>25</td>
<td>29</td>
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<td>Grand Total</td>
<td></td>
<td></td>
<td>74</td>
<td>103</td>
</tr>
</tbody>
</table>

Source- DIC (District Information Centre) of Nashik in 2011-12

51
The researcher has picked up sample units using simple random sampling method. This ensures every unit in the population and equal opportunity of being picked up as sample unit. This method enables the researcher to pick up sample units free from bias and ensure fairly representative sample from population.

Managers, two each of five sample companies were randomly selected out of total population to make a total of 10. Supervisors, 5 from each of the sample company are randomly selected to make their number 25, and 5 per cent of the Workers are selected out of the population of workers in sample companies.

2.2.9 Sources and Methods of data Collection-

The sources of data used were different for primary and secondary data through which, the researcher has collected primary data.

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**Sources and Methods of data Collection**

![Diagram showing primary and secondary sources]

**Primary Sources**

1. Questionnaires
2. Observation
3. Field Visit
4. Interview

**Secondary Sources**

1. Various Websites
2. Records
3. Reference books
4. Annual Reports
5. Journals
6. Magazines’

2.2.10 Tools Used in Collection of Data

Researcher used various methods for collecting Primary data such as **Structured Questionnaire, Observations, Field visits and Interview** was used to collect data from the three types of respondents; namely, Managers, supervisors and Workers from five selected sample companies. The Inquiry of Managers was mainly focussed on framework of HRD Policy and a part of practices designed. Supervisors were supposed to know little of the policy and more of HRD Practices and that workers are supposed to know actual
practices followed in their companies.

On the other hand, for collecting secondary data, researcher used various methods such as various related Websites, Reference books, Annual Reports of the selected units, Journals and Magazines etc.

Also Simple statistical tools of percentage distribution, mean distribution have been used to analyse the collected data. *Chi-square test* has been used to testing of hypothesis.

**2.3 Scope of the Study:**

The study is intended to cover various HRD Policies of large scale organizations in Satpur and Ambad MIDC areas in Nashik. HRD Policies includes recruitment and selection, training and development, performance appraisal, compensation package, discipline and grievance redress system, promotion, leave and travel and employee benefits. Researcher concentrated on elements of this policies and their impact on motivation and performance of employees through collecting primary and secondary sources of information. The analysis also focused on various techniques of motivation and methods of evaluating performance of employees and HRD Practices of the organization. These HRD Policies and Practices create and maintain healthy relationship between employer and employees.

**2.4 Limitations:**

Limitations of the research study are as following:

1. Researcher selected only large companies for study. 2. Data on crucial issues in the industry could not be available due to unwillingness of the respondents. 3. Some managers in sample companies had not given more time to discuss some issues related to their companies HRD Policies due to their limitations of time. 4. Some sample companies had not given detailed information to their supervisors and workers about their companies HRD Policies or Practices. Some of them were ignorant about some elements of HRD Policies or practices. 5. Under the circumstances, oral answers given by the respondents could be a rough estimate rather than actual situation in their respective companies.
The researcher was fully aware of such likely limitations and therefore, tried her best to overcome them.

2.5 Summary:

This chapter composed of two major sections, namely Review of related literature and Research Methodology. Sections 2.1 are devoted to Review of related literature. This review presented literature on researches conducted and works published earlier on topics related to the theme of researcher’s work. This review has helped her to a great extent in planning her research design and the type of analysis required in her research work. On the basis of this knowledge, she could find that the area in which she is working is totally distinct from earlier works published so far. No individual or Institute has worked so far on the theme she has worked on and therefore, this is likely to be her original contribution to the existing fund of knowledge.

The Second part of the chapter presents Research methodology applied in the conduct of this research work, specifying the scope and limitations of her research. This methodology has been strictly observed while the process of research was completed and transformed into a research report that will be presented in the chapters that follow. Chapter 3 presents the Profile of Maharashtra vis-a-vis Nashik in detailed.
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Map of Nashik

Source: https://www.google.co.in