CHAPTER 5

RESEARCH FINDINGS

5.1 INTRODUCTION

The current research represents a new research template by extending the concept of capacity building to for-profit organizations. CB is a quintessentially a non-profit phenomenon. This research opened up a whole new possibility of stretching the concept of CB to for-profit organizations. HR Capacity Building Scale, a perception based, consensus-driven, bottom up tool was developed. After collecting the data from the employees from six automotive firms at SIPCOT in Irungattukottai, the capacity of HRM function for the cluster was calculated and the GRID was calculated. Each assessment area had four to twelve practices.

Adopting all these practices would become unwieldy for the organizations. To work around the issue, GEE was employed to identify the pushing practices that contributed to the achievement of HC -HC were identified. To help move all the assessment areas to HC-HC Quadrant, AI focus group discussion was conducted and themes were generated for all the three assessment areas. The findings of the research are present in the following chapter.
5.2 CAPACITY LAG AREAS OF THE CLUSTER

The capacity assessment of the cluster would serve as benchmark for the organizations that had registered themselves with SIMA and for other automotive manufacturers in Chennai. The findings from the sectoral assessment brings home the following pointers

5.2.1 Capacity Lag in Recruitment and Selection

In the case of recruitment and selection, assessment areas Job analysis and key selection criteria, Induction, were assessed to have achieved HC-HC Quadrant.

- Assessment areas short listing and interview and additional assessment fell in to LC-LC Quadrant

5.2.2 Capacity Lags in Training and Development

- In relation to training and development, assessment areas Training needs identification and training design and implementation found its way in to HC-HC Quadrant.
- The other two assessment areas, training transfer and training evaluation fell in to LC-HC quadrant

5.2.3 Capacity Lags in Performance Management

- In the case of performance management, the assessment areas performance planning, Personal development plans, managing performance fell in to HC-HC Quadrant.
- The other two areas Performance review and Reward and Recognition HC-LC and LC-LC quadrant respectively
5.3 SIGNIFICANT PRACTICES IDENTIFIED THROUGH GENERAL ESTIMATING EQUATION

This research identified and included common practices pertaining to the assessment areas of the assessment areas of HRM function. Hence this research identified the statistically significant pushing practices in each assessment area through GEE. The regression analysis technique with GEE methodology used the clustering concept and captured the significant pushing items in each assessment area.

5.3.1 Significant Practices Identified in Recruitment and Selection

The following are the significant pushing factors identified in Recruitment and selection

a) Job analysis and Key Selection Criteria

Items like Knowledge, Skills and Attitude required to perform the role is identified, managers are involved in the process of identifying KSA and candidates are able to understand the Key selection criteria emerged as the pushing practices.

Short Listing and interview and additional Assessment –Nil.

b) Induction

In the case of induction, items like Buddy system is facilitated; Formal feedback from the new starter is obtained and Probation is closely monitored and managed emerged as the pushing practices
5.3.2 Training and Development

The following are the significant pushing factors identified in Training and Development.

a) Training needs identification

Training needs are pro-actively determined, Process in place for assessing Organizations' training needs, Process in place for assessing Individual development needs, Adequate information to device and design training programme is available, Training programs are designed after considering the need and requirements of employees and Employees are actively involved in training need identification emerged as the significant pushing practices.

b) Training Design and Implementation

Training program has measurable objectives, Training Calendar prepared in advance, Training programmes are customized, HR department in consultation with other departments is involved, were identified as the significant Pushing factors.

5.3.3 Significant Practices in Performance Management System Activity

The significant pushing practices identified in the assessment areas of performance Management were listed below

a) Performance Planning

Formal communication processes are in place, Team goals are aligned to organizational goals, Performance planning discussions are held with the direct report, Performance goals are mutually established, the
discussion about plans focuses on last year’s performance and what is needed for next year performance, Performance planning discussions relate to individual capabilities emerged as the pushing practices

b) **Personal development Plan**

Personal Development plans (PDP) exist, Personal Development plans (PDP’s) are monitored, Evidence of skill development is included, 360 degree feedback is in place to provide insight on key organizational and job specific competencies, Opportunities are provided for development, Conducive environment is created to allow development to be transferred back to the work place emerged as the pushing practices

c) **Managing performance**

Employees and managers refer to agreed goals regularly during the year, Performance is measured against the criteria previously agreed upon, Successes are discussed and documented as and when they occur, Poor performance issues are dealt with as close to the occurrence time as possible, under performance is highlighted early-on and development support is identified and provided.

This research identified the significant pushing practices in each of the assessment areas of HRM function. By adopting these practices, organizations would be able to achieve HC-HC in each of the assessment areas of their HRM function.

5.4 **STRATEGIES IDENTIFIED TO MOVE HRM PRACTICES TO HC-HC QUADRANT AS INDICATED BY THE AI FOCUS GROUP PARTICIPANTS**

The AI focus groups were guided through three phases of AI technique. The discussions centered on three assessment areas recruitment and selection, training and development and performance management. The
focus groups generated wide ranging themes to help push the assessment areas to HC-HC quadrants. Themes touched upon aspects which are general and specific to the study. Some of the specific strategies identified to move the HRM function to the HC-HC Quadrant by the AI Focus groups are detailed below

5.4.1 Strategies Identified to Move recruitment and selection to HC-HC Quadrant indicated by the AI focus group participants

In the case of recruitment and selection, only two constructs namely, Short listing and Interview and additional assessment criteria fell in to LC-HC Quadrant. Though different shades of suggestions emerged from the AI focus group, some of the suggestions that can help move short listing and Interview and additional assessments construct to the HC-HC Quadrant. These suggestions are listed below

- Use of standard application forms and developing a talent pool of those who have failed to make it to a particular position but who may be suitable for an alternative position can help move short listing construct to the HC-HC Quadrant
- Use of behaviorally oriented structured interview can help move Interview and additional assessment construct to the HC-HC Quadrant
- Participants advocated the use of psychometric tests (Personality and cognitive) job experience test and work sample test interview to supplement the structured behavioral interview and the result of these test should be factored in candidate selection process
- The participants advocated the use of structured approach to collecting the reference check
5.4.2 Strategies Identified to move training and development to HC-HC Quadrant as indicated by the AI focus group participants

In the case of training and development two constructs namely, training transfer and training evaluation fell in to LC-HC Quadrant. Though different shades of suggestions emerged from the AI focus group, some of the suggestions that can help move the two construct to the HC-HC Quadrant have emerged. These suggestions are listed below

- **Training transfer** - to improve training transfer the following measures were suggested which was summarized below.
  - Improve trainee motivation before training commences.
  - Designing the training program, keeping in mind on-the-job application.
  - Reward and recognize learners to induce them to apply to performance.
  - Conduct Follow up sessions to keep the learning intact
  - Allowing the learners to use the company intra net page to ask questions, offer suggestions and post best practices and materials.
  - Managers should lend tactical and mentoring support, provide feedback, get peers on board to help the learner in application, ensure the resources and tools in time and create a congenial atmosphere to drive transfer
  - Let the Training transfer be treated as a separate project. Set priorities, allocate responsibilities, wrest commitment from the participants and demonstrate the outcomes within the company
Training evaluation – to improve the effectiveness of training evaluation, the following measures were suggested which was summarized below.

- Get trainees feedback, observe trainees during the training, conduct survey to know trainees reaction.
- Employ objective measures to find out what trainees now know and can do than what they knew or could do before the training.
- Get the trainers, supervisors, peers to observe before and after the training and provide a candid feedback.
- Evaluate the results in terms of reduction in terms of cost, turnover and grievances and increase in productivity and quality.

5.4.3 Strategies Identified to move Performance management to HC-HC Quadrant as indicated by the AI focus group participants

In the case of performance management, two areas Performance review and Reward and Recognition HC-LC and LC-LC quadrant respectively. To help nudge both these assessment areas to HC-HC quadrant, following suggestions were identified as per AI Focus group participants.

- Quarterly review shall be conducted. Review will be conducted by supervisor alone. In the performance review meeting, discussion should centre around the following aspects The review of supervisor shall be final.
  - How the organization is performing.
  - Employees role and its alignment to business priorities.
• Progress against objectives.
• New targets.
• How team is performing.
• Efforts.
• Skills and competencies.
• Training and development.
• Career path.
• Reward and recognition.
  ▪ Feedback shall be both formal and informal. Feedback shall be very candid. Negatives / weakness will be communicated directly and immediately by the supervisor.
  ▪ To neutralize any possible bias creeping in to the system, Get a external person to review and study the rating system. He/she will be able to understand the intricacies of the organization requirement and validate the rating.
  ▪ Every manager should be given a training in awarding rating systems with sense of fairness and objectivity and to make ratings uniform across the organization. Every manager should be given a manual to help understand the intricacies of rating system and award ratings in unbiased manner.
  ▪ To inject further transparency and fairness in the system, set up an independent body comprising various functional heads like HR, R&D, production, quality to undertake a review after the rating is awarded and before the reward is disbursed.
Introduce quarterly increments and quarterly profit sharing scheme. Though it can be a little drag on the company finances in the immediate term, the long term spin offs are many. It can arrest the tide of employee attrition and improve the employee motivation.

The high performers shall be identified and fact tracked. They shall be eligible for promotion in every two years. They may be awarded Incentives that is 1.5 times more than the normal incentives.

Recognition for performers may include.

- Appreciation letter.
- Employees name put up on notice board.
- Good work for achievement can be included in the company’s newsletter.
- Organizing a luncheon with the CEO.
- Give gift vouchers for the top performers.
- Photo-op with CEO. Laminated photograph where best performing employee share space with the CEO shall be given as a token of appreciation.

5.5 CONCLUDING REMARKS

HRM Capacity Building Scale consisting of an extensive set of HRM practices adopted by the organization was developed on the back of rigorous review of literature. By taking recourse to HRM Capacity Building Scale, the research identified the capacity deficit areas in the three activity of HRM function. The statistically significant pushing practices in each assessment areas were identified through GEE. Strategies to push the capacity...
to HC-HC quadrant were identified through AI focus group discussion. Adopting more of these significant pushing practices and strategies laid bare by the focus group participants can help the automotive cluster to move the existing capacity deficit level to HC-HC Quadrant.