SIGNIFICANCE OF HR PRACTICES IN CIVIL ORGANIZATIONS IN INDIA

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Abstract: This study is in the light of the liberal global Indian economy that has led to a competitive environment. in a changing scenario of the global business environment with a highly competitive market economy, the HRM practices and organization culture will provide an edge to an organization. This study is an attempt to understand the effect of the HRM practices and organization culture on managerial effectiveness in public sector organizations in India. This study revealed that the HRM practices and organizational culture are a strong predictor of the managerial effectiveness of the public sec- tor organizations surveyed.

Key words: human resource management; organization culture, managerial effectiveness

Introduction

Indian organizations are moving from the primarily planned economic system to the market oriented one. Particularly developing and transitional economies country like India also frequently are in an unpredictable, pitiable and social situation that makes interactions with their environment very few peculiar and often frustrating. Yet the developing economy countries are bound to be increasingly important because of their potential market as the raw material sources of production and as the strategic regional centers for the expansion in other areas. Even so, multinational enterprises entering into the Indian market pose new challenges to the functioning ofIndian organizations and their implications on the various internal HR functions are quite intricate

  This study was conducted at a time, when Indian organizations are facing a very different competitive scenario as compared to the past and also different from the developed and transitional economies. Although even among the BRIC countries, the World Bank (2001) has placed India along with Brazil, Russia and China, and Indian organizations are no lower placed

than any of the BRIC nations. Indian organizations are working better than most of the developing economies and are working in an environment that has undergone a series of important structural changes, including the liberalization of markets and the growing use of the information and communication technologies. Teece (1998) noted that the organizations are facing competition from the MNC in the new liberal and global economy in domestic markets. The competition was in terms of reduced costs, improved quality products with a better service. These environment constraints place a higher pressure on managers. More often than not these concerns were looming large on the horizons of Indian organizations.

Drucker (1967) notes that effectiveness is the foundation of success whereas efficiency is the minimum condition for survival after success. Effectiveness is doing the right things. The question of effectiveness is concerned with "performance "which means the "execution of an act". The manager is expected to get the right things done and it is simply saying that he/ she is expected to be effective (Drucker 1967). Today, the knowledge workers are the central reality of an organization. The majority of people, who have been schooled to use the knowledge theory and concept rather than the physical force or manual skill, work in an organization and are effective in only so far as they can make a contribution to the organization. Managerial Effectiveness can no longer be neglected

The idea that individuals are capable of development is founded on the conviction that people are important and their involvement is necessary for an organization to be effective. This conviction is translated into practice through the variety of programs that facilitate the individual development and lead to a better adjustment with the work environment. Thus, human resources are the company's most valuable and strategic asset. The focused involvement of the top management with institutionalizing leadership down the hierarchy is a pre-requisite to attract and retain people. The patterns of work relationships at work reflect the organization culture. The managers are encouraged to follow the role model of their seniors, to perpetuate the practices of the HRM. in the process of the organization socialization, they internalize the values and attitudes of their leaders. The entire process is thus institutionalized.

Schein(1990) indicates that people identify with the visionary leaders –how they behave and what they expect. The enterprise vision and mission will not become a real- ity unless the employees are involved and integrated with the company's goals.

ORGANISATION CULTURE

Most of the studies lack a clear theoretical conception of the nature of the culture-performance link, they may not, despite its presence, find a relationship between these two variables. Siehl and Martin (1990) elaborate this view and also suggest that culture may serve as a filter for the factors that influence the effectiveness of the organization. These factors may differ between organizations; a more thorough understanding of the mechanisms at play is essential for the research on the culture-performance link. Wilderom and Van den Berg (1998) found no direct significant zero-order relationship between culture and performance. however, taking also the perceived performance and style of leadership into account, these researchers discovered that a significant relationship existed between culture and performance. This finding illustrates the importance of the development of more elaborative theories on the

direction and contingencies in the relation between culture and performance. Without such theories, we may draw overly simple or even misleading conclusions.

The **HR** research in india and also on the international level has generally ignored the impact and influence of the **HRM** practices on managerial effectiveness. This study is an attempt to examine the impact of the **HRM** practices and organisational culture on managerial effectiveness in the public and private sector organi- sations. Managerial effectiveness is the key indicator of organisational performance; an attempt has been made to examine the relationship between the **HRM** practices and organisational culture with this outcome measure i. e. the managerial effectiveness.

METHOD

The presented chapter includes the information's about the organizations, the organizational sites; the

sample participating in the study, the measure used and the procedure for the data collection
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Objectives OF THE present STUDY

(1) To examine the impact of the HRM practices represented by planning, recruitment, selection, performance evaluation, training and development, career management and rewards and or ganisation culture represented by self-realization, status enhancement, sulphitic values and socio- economic support on managerial effectiveness in public sector organizations.

Organizations under study

Techniques of data collection

The questionnaire consists of 103 items, which regarded: (1) HRD practices of the organization consists of 69 items, (2) Organization Culture consists of 21 items
(3) Managerial effectiveness consists of 13 items.

by Judith gorden (1986) was used. This questionnaire was developed on the basis of questions asked by gorden. This questionnaire was standardized and its spilt half reliability was calculated to be 0.81.

The HRM practices questionnaire consisted of 69 items including the following variables:

Measure of organisation culture

The questionnaire used for measuring organisation culture was developed by Super and Neivell (1986) and used by Sinha (1987) for indian Organisations. The items in the questionnaire belonged to four super-ordinate factors, which are:

– **Self-realisation** consisting of the values of ability utilisation, achievement, advancement, aesthetics, personal development, and peace.
– **Status enhancement** consisting of the values of al- truism, authority, physical activity, and prestige.
– **Sulpitic values** consisting of the values of autonomy, creativity, life styles, risk taking, and variety.
– **Socio-economic support** consisting of the values of economics, social interaction, social relationships, working conditions, comforts, and tendency.

THE MODEL

This study used the moderated or interactive relationship model to study the impact of the HRM practices on organization culture. This model further analyzed the impact of the HRM practices and organization culture on managerial effectiveness. This model implies that the moderation or inter- action could be said to exist if the returns from one practice (e.g. HRMP) varied across the other practice (e.g. organization culture) at all levels. This means that the managerial effectiveness is jointly determined by the interaction of the predictor (e.g. HRMP) and moderator (e.g. organization culture) variables. The presence of interaction is establishedif the cross-product coefficient differs significantly from zero.

Training and development was found to be a significant predictor of managerial effectiveness in public sector organizations. The core competence of any organization is the individual and collective learning of all the people. in view of the importance of trainingand development, the US federal government lately invested hundreds of millions dollars, encouragingtraining partnerships between the government and private sector (Del Valle 1993). The executive training programmes were launched, in which organisations systematically attempt to develop the skills of their top managers either by bringing in outside experts to train them in-house.

CONCLUSIONS

The present study was based on the framework that the HRM practices shape the pattern of interactions between and among the managers and employees.Further, the organisations generally organise hu- man resource practices that are consistent with their organisation culture (Osteman 1987). This study clearly indicates that the HRM practices along with organisation culture play a significant role and affect the managerial effectiveness of the organisation.

Training and development, self-realisation, ca- reer management and socio-economic support were strong prerequisite of managerial effectiveness in the public sector organisations. The findings of this study are indeed significant for the HR practition- ers. however, these results cannot be generalized considering the size of the sample, but they show a definite direction.

human resource management practices are a po- tentially powerful lever for shaping the culture ofthe organisation and along with the organisation culture; they are a strong predictors of managerial effectiveness.

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