EMPLOYEE SATISFACTION TOWARDS HR POLICIES : A CASE STUDY WITH REFERENCE TO TIRUMALA PRODUCTS PRIVATE LIMITED

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ABSTRACT

HR policies provide an organization with a mechanism to manage risk by staying up to date with current trends in employment standards and legislation. The policies have to be framed in a manner that the companies vision and the human resource management helps the company to achieve it or work towards it where at all the levels of the employees are benefited and at the same time not deviated from their main objective. This study therefore examines the contribution of Human resource policies to their significance relationship with the employee satisfaction. The researcher employed a case study and causal comparative research design in which self administered questionnaires were used to collect data from a sample of respondents. One hundred and fifty (125) respondents were selected to answer the questionnaire. This study reveals that there is a high degree of association between employee satisfaction and HR Policies.

Keywords: Human Resource Policies, Reward Policy, Promotional Policy, Training and Development Policy, Job Satisfaction, Compensation policy, Welfare Policy, Work life policy, , Environment created by policies and employee job satisfaction.

PROBLEM STATEMENT

The impact of human resource management (HRM) policies popularly known as HR policies on organizational performance and employee attitudes has been a leading area of research in the developed world for years (Delaney and Huselid, 1996; Huselid, 1995; Katou and Budhwar, 2007; Petrescu and Simmons, 2008)). But surprisingly, very limited number of studies have been conducted on HR policies (Schuler as cited in Budhwar and Debrah, 2001, Sing, 2004, Yeganeh and Su, 2008).
This study has been conducted to fill the existing research gap and to explore the relationship between HR policies and employee satisfaction in the context of Tirumala Products Private Limited which could benefit from this study by exploring the association between HR policies and employee satisfaction. This study would augment the contemporary research and practice of human resource management. Furthermore, it would also be useful for the organization to modify the strategies with regard to HR policies for employee satisfaction.

RESEARCH QUESTIONS

Specifically, this study was undertaken to explore the answer to the following research questions (RQ):
RQ1: Is there any association between HR policies and Employee satisfaction?
RQ2: Do HR policies have any impact on Employee satisfaction?

OBJECTIVES OF THE STUDY

The main purpose of the study was to identity the impact of HR policies on employee satisfaction. In order to materialize this objective, the following specific objectives were considered:

1. To study the HR policies in the organization.
2. To assess the opinion of employees with regard to HR policies of the organization.
3. To evaluate employee satisfaction towards HR policies in the organization.
4. To explore the factors that cause employee satisfaction & dissatisfaction and provide suggestions towards improvement.

REVIEW OF LITERATURE :HR POLICIES AND EMPLOYEE SATISFACTION

HR policies and employee satisfaction are studied widely in different parts of the world. It is assumed that HR policies are closely associated with employee satisfaction (Ting, 1997). Because many scholars and practitioners believe that sound HR polices result in better level of employee satisfaction which ultimately improves organizational performance (Appelbaum, Bailey, Berg and Kalleberg, 2000). Steijn (2004) found that HRM policies had positive effect on employee satisfaction of the employees whereas individual characteristics such as age, gender, and education had insignificant effect on employee satisfaction. Gould-William (2003) showed that use of specific HR policies are associated with a greater degree of employee satisfaction, workplace trust, commitment, effort, and perceived organizational performance.

RESEARCH DESIGN

This study is basically an exploratory study. Exploratory studies are a valuable means of finding out 'what is happening; to seek new insights; to ask questions and to assess phenomena in a new light' (Robson, 2002). It can be linked to the activities of the traveler or explorer (Adams and Schvaneveldt, 1991). Its great advantage is that it is flexible and adaptable to change (Naipul, 1989).

RESEARCH APPROACH

As this study is a business and management research, it has characteristics of positivist and interpretive approaches and it involves the deductive approach (Hussey and Hussey, 1997; Robson, 1993) as well as the inductive approach (Easterby-Smith, Thrope and Lowe (2002). Combining these two research approaches in same piece of research is perfectly possible and advantageous for a research.

DATA SOURCES AND INSTRUMENTATION

The study was compiled with the help of primary data and secondary data. Primary data was collected through direct personal interview by means of the questionnaire. A total of 125 employees (i,e., on an average 50% of employees were selected from each level of the firm) responded through the questionnaire. Moreover, the desk study covered various published and unpublished materials on the subject. The questionnaire was administered to employees of Tirumala Products Private Limited, Chittoor.

A five points rating scales of questionnaire from strongly disagree (1) to strongly agree (5) were adopted to measure the variables of HR Practices. Employee satisfaction was measured by a one-item questionnaire on five-point Likert scale [where disagree (1) to strongly agree (5)], this is the single global rating approach (Davidson,1979) as it is believed to be an easier approach to collect data (Haque and Taher,2008; Yu and Egri,2005).

OPINION OF EMPLOYEES ON THE INFORMATION COMPANY PROVIDES ABOUT THE MATTERS AFFECTING THEM

S.NO	Opinion	Respondents	Percentage
1	Strongly agree	10	8%
2	Agree	77	62%
3	Moderately agree	22	18%
4	Disagree	12	09%
5	Strongly disagree	04	03%
	Total	**125**	**100%**

The above table depicts that 88% of the employees expressed satisfaction with regard to the information that the company provides about the matters that affect them where 62% agreed, 18% moderately agreed and 8% strongly agreed, only 12% of employees expressed their dissatisfaction with regard to the existing information system where 8% disagreed and 3% strongly disagreed in their opinions.

OPINION OF EMPLOYEES WHETHER THE ORGANIZATION MAKES GOOD USE OF SKILLS AND ABILITIES OF THE EMPLOYEES ON THE JOB

S.NO	Opinion	Respondents	Percentage
1	Strongly agree	06	05%
2	Agree	41	33%
3	Moderately agree	58	46%
4	Disagree	16	13%
5	Strongly disagree	04	03%
	Total	**125**	**100%**

The above table depicts that 84% of the employees expressed satisfaction with regard to the use of skills and abilities of them on the job where 46% moderately agree, 33% agreed and 5% strongly agreed, only

16% of employees expressed their dissatisfaction with regard use of skills and abilities of them on the job where 13% disagree and 3% strongly disagree in their opinions.

EMPLOYEES OPINION ON THE TOOLS AND RESOURCES THEY ARE PROVIDED TO DO THEIR JOB WELL IN THE ORGANIZATION

S.NO	Opinion	Respondents	Percentage
1	Strongly agree	12	10%
2	Agree	44	35%
3	Moderately agree	51	41%
4	Disagree	13	10%
5	Strongly disagree	05	04%
	Total	**125**	**100%**

The above table depicts that 86% of the employees expressed satisfaction with regard to the tools and resources provided by the organization to perform their job well where 41% moderately agreed, 35% agreed and 10% strongly agreed, only 14% of employees expressed their dissatisfaction with regard to the tools and resources provided to them where 10% disagreed and 4% strongly disagreed in their opinion.

OPINION OF EMPLOYEES WITH REGARD TO THE SUPPORT AND AUTHORITY THEY HAVE IN THE ORGANISAITON TO MAKE DECISIONS NECESSARY FOR ACCOMPLISHING THE ASSIGNED TASKS

S.NO	Opinion	Respondents	Percentage
1	Strongly agree	42	34%
2	Agree	55	44%
3	Moderately agree	19	15%
4	Disagree	06	05%
5	Strongly disagree	03	02%
	Total	**125**	**100%**

The above table depicts that 93% of the employees expressed satisfaction with regard to the support and authority they have to make decisions necessary for accomplishing the assigned tasks where 44% agreed, 34% strongly agreed and 15% moderately agreed, only 7% of employees expressed their dissatisfaction with regard to support and authority they get to make necessary decisions where 5% disagreed and 2% strongly disagreed in their opinions

OPINION OF EMPLOYEES ON MANAGEMENT IN ENCOURAGING EMPLOYEE PROVIDING FEEDBACK TO MAKE IMPROVEMENTS

S.NO	Opinion	Respondents	Percentage
1	Strongly agree	21	17%
2	Agree	64	52%
3	Moderately agree	28	22%
4	Disagree	08	06%
5	Strongly disagree	04	03%
	Total	**125**	**100%**

The above table depicts that 91% of the employees expressed satisfaction with regard to management encouragement by providing feedback to make necessary improvements where 52% agreed, 22% moderately agreed and 17% strongly agreed, only 9% of employees expressed their dissatisfaction with

regard to providence of feedback by the management to make improvements where 6% disagreed and 3% strongly disagreed in their opinions.

OPINION OF EMPLOYEES ON WHETHER THEY UNDERSTAND THAT THEIR WORK CONTRIBUTES TO THE COMPANY'S OVERALL GOALS AND STRATEGIES.

S.NO	Opinion	Respondents	Percentage
1	Strongly agree	16	13%
2	Agree	64	52%
3	Moderately agree	28	22%
4	Disagree	13	10%
5	Strongly disagree	04	03%
	Total	**125**	**100%**

The above table depicts that 87% of the employees that they understand their work contributes to the company's overall goals and strategies where 52% agreed, 22% moderately agreed and 13% strongly agreed, only 13% of employees expressed their dissatisfaction with regard to their work contributing to the company's overall goals and strategies where 10% disagreed and 3% strongly disagreed in their opinion.

OPINION OF EMPLOYEES ON THE WORK ASSIGNMENTS ASSIGNED AND DISTRIBUTED FAIRLY/EQUITABLY AMONG THEM IN THE ORGANIZATION.

S.NO	Opinion	Respondents	Percentage
1	Strongly agree	38	30%
2	Agree	56	45%
3	Moderately agree	21	17%
4	Disagree	06	05%
5	Strongly disagree	04	03%
	Total	125	100%

The above table depicts that 92% of the employees expressed satisfaction to the work assignments assigned and distributed fairly/equally where 45% agreed, 30% strongly agreed and 17% moderately agreed, only 8% of employees expressed their dissatisfaction with regard to work assignments assigned and distributed among employees are fair/equal where 5% disagree and 3% strongly disagree with their opinion.

OPINION OF EMPLOYEES ON WHETHER THEY FEEL THEY ARE THE VALUED PART OF THE ORGANIZATION.

S.NO	Opinion	Respondents	Percentage
1	Strongly agree	24	19%
2	Agree	63	50%
3	Moderately agree	20	16%
4	Disagree	12	10%
5	Strongly disagree	06	05%
	Total	**125**	**100%**

The above table depicts that 85% of the employees expressed that feel that they are the valued part of the organization where 50% agreed, 19% strongly agreed and 16% moderately agreed, only 15% of employees expressed dissatisfaction on their opinions where 10% disagreed and 5% strongly disagreed in their opinions.

OPINION OF EMPLOYEES ON THEIR WORKLOAD AND EXPECTED COMPLETION TIMES ARE REASONABLE

S.NO	Opinion	Respondents	Percentage
1	Strongly agree	16	13%
2	Agree	68	54%
3	Moderately agree	26	21%
4	Disagree	12	10%
5	Strongly disagree	03	02%
	Total	**125**	**100%**

The above table depicts that 88% of the employees expressed satisfaction with regard to the workload and expected completion time where 54% agreed, 21% moderately agreed and 13% strongly agreed, only 12% of employees expressed their dissatisfaction with regard to their workload and expected completion time where 10% disagreed and 2% strongly disagreed in their opinions.

OPINION OF EMPLOYEES ON THE FAIRNESS OF COMPENSATION THE COMPANY PROVIDES WHEN COMPARED TO THE OTHER SIMILAR POSITIONS ACROSS INDUSTRY.

S.NO	Opinion	Respondents	Percentage
1	Strongly agree	22	17%
2	Agree	44	35%
3	Moderately agree	38	31%
4	Disagree	16	13%
5	Strongly disagree	05	04%
	Total	**125**	**100%**

The above table depicts that 83% of the employees expressed satisfaction with regard to the compensation the company provides compared to other similar positions across the industry where 35% agreed, 31% moderately agreed and 17% strongly agreed, only 17% of employees expressed their dissatisfaction with regard to the compensation the company provides when compared to other similar positions where 13% disagree and 4% strongly disagree with their opinion.

OPINION OF EMPLOYEES WITH REGARD TO THE KNOWLEDGE THE EMPLOYEE HAS IN TERMS OF THE TARGET QUOTAS AND GOALS OF THE ORGANIZATION.

S.NO	Opinion	Respondents	Percentage
1	Strongly agree	14	11%
2	Agree	61	48%
3	Moderately agree	36	30%
4	Disagree	08	06%
5	Strongly disagree	06	05%
	Total	**125**	**100%**

The above table depicts that 89% of the employees expressed that they have the knowledge in terms of the target quotas and goals of the organization where 48% agreed, 30% moderately agreed and 11% strongly agreed, only 11% of employees expressed dissatisfaction regarding the knowledge in terms of the target quotas and goals of the organization where 6% disagree and 5% strongly disagree in their opinions.

OPINION OF EMPLOYEES WITH REGARD TO THE KNOWLEDGE THEY HAVE ON HOW THE JOB PERFORMANCE IS BEING MEASURED

S.NO	Opinion	Respondents	Percentage
1	Strongly agree	36	29%
2	Agree	43	35%
3	Moderately agree	33	26%
4	Disagree	10	08%
5	Strongly disagree	03	02%
	Total	**125**	**100%**

The above table depicts that 90% of the employees expressed satisfaction with regard to performance appraisal system motivates an individual where 35% agreed, 29% strongly agreed and 26% moderately agreed, only 10% of employees expressed their dissatisfaction opinion with regard to performance appraisal system motivates an individual. Where 08% disagree and 02% strongly disagree with their opinion.

OPINION OF EMPLOYEES ON WHETHER THEY FEEL ENCOURAGED BY THEIR OFFICE TO PURSUE PROFESSIONAL DEVELOPMENT OPPORTUNITIES

S.NO	Opinion	Respondents	Percentage
1	Strongly agree	16	13%
2	Agree	52	42%
3	Moderately agree	47	38%
4	Disagree	07	05%
5	Strongly disagree	03	02%
	Total	**125**	**100%**

The above table depicts that 93% of the employees expressed satisfaction with regard to the encouragement they get to pursue professional development opportunities where 42% agreed, 38% moderately agreed and 13% strongly agreed, only 7% of employees expressed their dissatisfaction on the encouragement they get to pursue professional development opportunities where 5% disagree and 2% strongly disagree with their opinion.

OPINION OF EMPLOYEES ON WHETHER THE MANAGEMENT SUPPORTS THEM WHEN FACING CRITICAL SITUATIONS.

S.NO	Opinion	Respondents	Percentage
1	Strongly agree	19	15%
2	Agree	62	42%
3	Moderately agree	34	27%
4	Disagree	14	11%
5	Strongly disagree	06	05%
	Total	**125**	**100%**

The above table depicts that 84% of the employees agreed that the management provides support in critical situations where 42% agreed, 27% moderately agreed, 15% strongly agreed in their opinions and only 16% of the employees disagreed in their opinions where 11% disagreed and 5% strongly disagreed.

OPINION OF EMPLOYEES ON WORK LIFE BALANCE IN THE ORGANIZATION IN TERMS OF FLEXI-TIME

S.NO	Opinion	Respondents	Percentage
1	Strongly Agree	0	0
2	Agree	23	19
3	Moderately Agree	44	35
4	Disagree	38	30
5	Strongly Disagree	20	16
	Total	**125**	**100%**

The above table depicts that all the employees are neither satisfied nor dissatisfied with regard to work life balance in the organization in terms of flexi-time as 35% of the employees moderately agreed, 30% disagreed, 19% agreed nor 16% strongly disagreed in their opinions.

OPINION OF EMPLOYEES ON THE OPPORTUNITIES THEY HAVE IN LEARNING AND GROWING WITHIN THE ORGANIZATION

S.NO	Opinion	Respondents	Percentage
1	Strongly Agree	49	39
2	Agree	23	18
3	Moderately Agree	43	35
4	Disagree	10	8
5	Strongly Disagree	0	0
	Total	**125**	**100%**

The above table depicts that all the employees are confident that they have opportunities in leaning and growing within the organization where 39% strongly agreed, 35% moderately agreed, 18% agreed and only 8% of the employees expressed that they have any opportunity for learning and growing within the organization.

OPINION OF EMPLOYEES ON HR POLICIES IN THE ORGANIZATION

S.NO	Opinion	Respondents	Percentage
1	Strongly Agree	49	39
2	Agree	36	29
3	Moderately Agree	30	24
4	Disagree	6	5
5	Strongly Disagree	4	3
	Total	**125**	**100%**

The above table depicts that all the employees are very much satisfied with the HR policies of the organization where 39% strongly agreed, 29% agreed, 24% moderately agreed and only 8% are dissatisfied in their opinions where 5% disagreed and 3% strongly disagreed in their opinions.

FINDINGS

1. 88% of the employees expressed satisfaction with regard to the information that the company provides about the matters that affect them
2. 84% of the employees expressed satisfaction with regard to the use of skills and abilities of them on the job
3. 86% of the employees expressed satisfaction with regard to the tools and resources provided by the organization to perform their job well

4. 93% of the employees expressed satisfaction with regard to the support and authority they have to make decisions necessary for accomplishing the assigned tasks
5. 91% of the employees expressed satisfaction with regard to management encouragement by providing feedback to make necessary improvements
6. 87% of the employees that they understand their work contributes to the company's overall goals and strategies
7. 92% of the employees expressed satisfaction to the work assignments assigned and distributed fairly/equally where
8. 85% of the employees expressed that feel that they are the valued part of the organization
9. 88% of the employees expressed satisfaction with regard to the workload and expected completion time
10. 83% of the employees expressed satisfaction with regard to the compensation the company provides compared to other similar positions across the industry
11. 89% of the employees expressed that they have the knowledge in terms of the target quotas and goals of the organization
12. 90% of the employees expressed satisfaction with regard to performance appraisal system motivates an individual
13. 93% of the employees expressed satisfaction with regard to the encouragement they get to pursue professional development opportunities
14. 84% of the employees agreed that the management provides support in critical situations
15. 67% employees are neither satisfied with regard to work life balance in the organization in terms of flexi-time
16. 82% of the employees are confident that they have opportunities in leaning and growing within the organization
17. 97% of the employees are very much satisfied with the HR policies of the organization.

CONCLUSION

From the above findings it can be concluded that there is a high degree of association between employee satisfaction and HR Policies.

Although the present study was confined to identify the impact of HR policies on employee satisfaction, it may be appropriate to state briefly the policy implications for the study. In this context, the following policy actions may be considered worthwhile.

Organization should go carefully thorough HR planning, carefully conduct recruitment and selection process, offer extensive training and development programs for the employees, should introduce effective performance appraisal systems, and provide adequate and good working conditions to its employees to perform their works such as appropriate equipment, work breaks, and work sharing. Organization should design good grievance procedure, disciplinary procedure and separation procedure etc.

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