



A STUDY OF THE HUMAN RESOURCE MANAGEMENT STRATEGY OF HR SERVICES COMPANY AND ITS IMPACT ON EMPLOYEE PRODUCTIVITY

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ABSTRACT

Human resource management strategy refers to efficiently managing staff in an organization to gain a competitive advantage in business. Human resource departments play a key role in handling various aspects such as employee benefits, recruitment, training and development, performance evaluations, and reward management, including pay and benefits systems. The project explores Human Resource Management Strategy to identify ways to maximize employee productivity by improving their happiness, motivation, and satisfaction level. The study was conducted on 30 employees of an HR Services Company. Percentage analysis and T-Test were used for data analysis and interpretation. Most respondents have agreed or strongly agreed that Human Resource Management strategies maximize employee productivity concerning employee happiness, motivation, and satisfaction.

Key Words: Human Resource Management (HRM) Strategy, Employee Productivity, Employee happiness, Employee motivation, Employee satisfaction, HR Services Company.

I INTRODUCTION

1.1 HUMAN RESOURCE MANAGEMENT STRATEGY

Human resource management strategy refers to efficiently managing staff in an organization to gain a competitive advantage in business. It is designed to optimize employee performance by strategically emphasizing policies and systems. Human resource departments play a key role in managing various aspects such as employee benefits, recruitment, training and development, performance evaluations, and reward management, including pay and benefits systems. Additionally, they are responsible for navigating organizational changes, maintaining a harmonious relationship with labor unions, and complying with regulations from the government.

Human Resource Management strategy includes:

- Human Resource Planning
- Job Analysis and Job Design
- Recruitment
- Selection
- Training
- Executive Development
- Performance Appraisal
- Salary Administration
- Compensation and Incentives
- Industrial Relations and Trade Union

1.2 PROBLEM DEFINITION

The problem is identifying ways to maximize employee productivity by improving employee happiness, motivation, and satisfaction levels. This requires analyzing the current state of employee morale and identifying factors that influence employee happiness, employee motivation, and employee satisfaction, which include:

- Identifying the factors that contribute to employee happiness, such as work-life balance, job security, recognition and reward, opportunities for growth and development, good communication and feedback, a positive work environment, and supportive colleagues and managers.
- Identifying the most effective employee motivation strategies that will work for all employees as different individuals have different motivational factors.
- Identifying and implementing strategies to improve employee satisfaction which leads to increased employee productivity.

II REVIEW OF LITERATURE

2.1 Employee Productivity

According to the study “Work Conditions and job performance,” employees provided with improved work conditions have increased job satisfaction and motivation, leading to enhanced employee performance. Aided Bashir, Mehwish Jawaad, Abeera Amir & Tania Hasan (2020).

2.2 Employee Happiness

The literature review on “What Makes Millennials Happy in their Workplace” identified six keys of workplace happiness among millennials: meaningful work, transformational leadership, workplace friendship, work autonomy, gratitude, and work-life balance. The findings revealed that all six predictors exhibited moderate to high positive relationships with workplace happiness. Yap W.M, Zainal Badri, S. K. (2020).

2.3 Employee Motivation

The research on “Effect of Motivation, Leadership, and Organizational Culture on Satisfaction and Employee Performance” highlights the importance of motivation in enhancing employee performance and satisfaction. It emphasizes that leadership is crucial in shaping the organizational environment to be more conducive and professional to support and foster employee motivation. Maartje, Jozef R. (2020).

2.4 Employee Satisfaction

The literature review “Employee Motivation, job satisfaction, and employee performance” examines the concepts of job satisfaction, employee motivation, and performance of the employees and the relationships between these variables. The findings reveal that job satisfaction and employee motivation positively impact employee performance. Imam Hidayat, Endi Supardi, Alvis Anwar, Sarfilianty Anggiani (2022)

III RESEARCH METHODOLOGY

3.1 RESEARCH DESIGN

Descriptive research design was used. The descriptive research design is concerned with studies with a focus on the characteristics of individuals. It is a quantitative method of research that collects information that can be quantified for analysis of population sample.

3.2 SOURCES OF DATA

Primary data has been used for this study. It was collected by questionnaire from 30 employees of the HR Services Company using Google Forms.

3.3 HYPOTHESIS

Work-life balance

H_0 – There is no significant difference in ‘Work-life balance’ which impacts employee productivity between the two groups male and female.

H_1 – There is a significant difference in ‘Work-life balance’ which impacts employee productivity between the two groups male and female.

Employee Happiness with current job

H_0 – There is no significant difference in ‘Employee Happiness with the current job’ between the two groups male and female.

H_1 – There is a significant difference in ‘Employee Happiness with the current job’ between the two groups male and female.

Employee Motivation to achieve goals

H_0 – There is no significant difference in ‘Employee Motivation to achieve goals’ between the two groups male and female.

H_1 – There is a significant difference in ‘Employee Motivation to achieve goals’ between the two groups male and female.

Employee Satisfaction with preference given for internal recruitment

H_0 – There is no significant difference in ‘Employee Satisfaction with preference given for internal recruitment’ between the male and female groups.

H_1 – There is a significant difference in ‘Employee Satisfaction with preference given for internal recruitment’ between the male and female groups.

3.4 TOOLS FOR DATA ANALYSIS

The following tools were used to arrange and interpret the collected data,

- Percentage Method
- T - Test

Percentage Method:

Percentage method is a popular approach used in data analysis to compare and analyze data in terms of their relative frequencies or proportions. It involves converting numerical data into percentages, allowing for easier comparisons and highlighting any patterns or trends in the data.

T - Test

A t-test is a test of statistics to determine if two sets of data are different from each other, significantly based on their means and standard deviations. Specifically, it is used to test the hypothesis that the means are equal for two groups.

For this study, a two-sample t-test has been used. The t-test was conducted using MS Excel.

The formula to calculate t is:

$$\text{Test statistic: } (\bar{x}_1 - \bar{x}_2) / s_p(\sqrt{1/n_1 + 1/n_2})$$

where \bar{x}_1 and \bar{x}_2 are the sample means, n_1 and n_2 are the sample sizes, and

where s_p is calculated as:

$$s_p = \sqrt{(n_1-1)s_1^2 + (n_2-1)s_2^2 / (n_1+n_2-2)}$$

IV DATA ANALYSIS AND INTERPRETATION

4.1 Educational qualification of the respondents

S. No.	Education	Number	Percentage
1	Graduation	4	13.33
2	Post-Graduation	26	86.67
	TOTAL	30	100.00

Interpretation

86.67 % of the respondents are post-graduates, and 13.33 % are graduates. This indicates that the Company has more post-graduate employees.

4.2 Gender of the respondents

S. No.	Gender	Number	Percentage
1	Male	20	66.67
2	Female	10	33.33
	TOTAL	30	100.00

Interpretation

66.67% of the respondents are Male, and 33.33 % are Females. This indicates that the Company has more male employees.

4.3 Age of the respondents

S. No.	Age	Number	Percentage
1	18-24	13	43.33
2	25-34	16	53.34
3	35-44	1	3.33
	TOTAL	30	100.00

Interpretation

The age of 53.34% of the respondents is 25 to 34 years, 43.33% of the respondents are 18 to 24 years old, and 3.33% of the respondents are aged between 35 to 44. This indicates that the Company has all its staff below the age of 45.

4.4 Proper Work-Life Balance impacts employee productivity

S. No.	Response	Female	Male	Total	Percentage
1	Strongly Disagree	1	1	2	6.67
2	Disagree	1	1	2	6.67
3	Neutral	1	2	3	10.00
4	Agree	2	5	7	23.33
5	Strongly Agree	5	11	16	53.33
	TOTAL	10	20	30	100.00

Hypothesis

H₀ – There is no significant difference in ‘Work-Life Balance,’ which impacts employee productivity between males and females.

H₁ – A significant difference exists in ‘Work-Life Balance,’ which impacts employee productivity between male and female groups.

T – Test Result using MS Excel

	Female	Male
Mean	3.90	4.20
Variance	2.10	1.33
Observations	10.00	20.00
Pooled Variance	1.58	
Hypothesized Mean Difference	0.00	
df	28.00	
t Stat	-0.62	

Interpretation

Since the calculated value of t, which is – 0.62, is less than the table value of t, which is 2.76 at df 28 and level of significance of 5%, the null hypothesis is accepted. It is concluded that there is no significant difference between the two groups, male and female, in work-life balance, which impacts employee productivity.

4.5 Employee Happiness with current job

S. No.	Response	Female	Male	Total	Percentage
1	Strongly Disagree	1	1	2	6.67
2	Disagree	1	1	2	6.67
3	Neutral	1	2	3	10.00
4	Agree	2	6	8	26.66
5	Strongly Agree	5	10	15	50.00
	TOTAL	10	20	30	100.00

Hypothesis

H₀ – There is no significant difference in ‘Employee happiness with the current job’ between the male and female groups.

H₁ – There is a significant difference in ‘Employee happiness with the current job’ between the male and female groups.

T – Test Result using MS Excel

	Female	Male
Mean	3.90	4.15
Variance	2.10	1.29
Observations	10.00	20.00
Pooled Variance	1.55	
Hypothesized Mean Difference	0.00	
Df	28.00	
t Stat	-0.52	

Interpretation

Since the calculated value of t, which is – 0.52, is less than the table value of t, which is 2.76 at df 28 and level of significance of 5%, the null hypothesis is accepted. It is concluded that there is no significant difference between the two groups, male and female, in employee happiness with their current job.

4.6 Employee Motivation to Achieve the Goals

S. No.	Response	Female	Male	Number	Percentage
1	Strongly Disagree	1	1	2	6.67
2	Disagree	1	2	3	10.00
3	Neutral	1	1	2	6.67
4	Agree	3	6	9	30.00
5	Strongly Agree	4	10	14	46.66
	TOTAL	10	20	30	100.00

Hypothesis

H₀ – There is no significant difference in ‘Employee motivation to achieve goals’ between the male and female groups.

H₁ – There is a significant difference in ‘Employee motivation to achieve goals’ between the male and female groups.

T – Test Result using MS Excel

	Female	Male
Mean	3.80	4.10
Variance	1.96	1.46
Observations	10.00	20.00
Pooled Variance	1.62	
Hypothesized Mean Difference	0.00	
df	28.00	
t Stat	-0.61	

Interpretation

Since the calculated value of t, which is -0.61 , is less than the table value of t, which is 2.76 at df 28 and level of significance of 5%, the null hypothesis is accepted, and it is concluded that there is no significant difference between the two groups male and female in employee motivation to achieve goals

4.7 Preference for internal recruitment

S. No.	Response	Female	Male	Total	Percentage
1	Very Dissatisfied	1	1	2	6.67
2	Dissatisfied	1	2	3	10.00
3	Neutral	2	1	3	10.00
4	Satisfied	2	10	12	40.00
5	Very Satisfied	4	6	10	33.33
	TOTAL	10	20	30	100.00

Hypothesis

H_0 – There is no significant difference in ‘Employee satisfaction with preference given for internal recruitment’ between the male and female groups.

H_1 – There is a significant difference in ‘Employee satisfaction with preference given for internal recruitment’ between the male and female groups.

T – Test Result using MS Excel

	Female	Male
Mean	3.70	3.90
Variance	2.01	1.25
Observations	10.00	20.00
Pooled Variance	1.50	
Hypothesized Mean Difference	0.00	
df	28.00	
t Stat	-0.42	

Interpretation

Since the calculated value of t, which is -0.42 , is less than the table value of t, which is 2.76 at df 28 and level of significance of 5%, the null hypothesis is accepted. It is concluded that there is no significant difference between the two groups, male and female, in employee satisfaction with the preference given for internal recruitment.

V CONCLUSION

It is concluded that most of the employees of the HR Services Company are satisfied with employee happiness, employee motivation, and employee satisfaction, which impacts employee productivity. The HR Services Company has made all efforts to cultivate a positive work environment that fosters employee happiness, motivation, and satisfaction to optimize employee productivity. This was achieved by offering employees meaningful work, opportunities for growth and development, fair compensation and benefits, and a supportive and inclusive organizational culture.

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