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EMPLOYEES' PERCEPTION ON HUMAN RESOURCE MANAGEMENT PRACTICES IN CEMENT INDUSTRIES WITH SPECIAL REFERENCE TO TAMIL NADU CEMENT CORPORATION LIMITED (TANCEM), ARIYALUR

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ABSTRACT

Due to increasing complexities and cut throat competition, running organizations effectively has become a challenge for employers. To gain competitive advantage, organizations need to implement unique strategies. Managing human resources is very challenging as compared to managing technology or capital and for its effective management; organization requires effective Human Resource Management (HRM) system which should be backed up by sound HRM practices. Human Resource Management has tremendous relevance to productivity of industry. Human input is the single largest that goes in the cement industry. The level of efficiency of production of this input is reflected in the quality of product provided by the industry to its customer. With the economic boom in India, the cement industry is experiencing a surge in demand. India has become the second largest producer of Cement in the world after China accounting for about 8% of the total global production. Tamil Nadu Cements Corporation Ltd., (TANCEM), a wholly owned Government of Tamil Nadu undertaking, started business from 1st April 1976 with an authorized share capital of Rs. 18 crores taking over cement plant at Alangulam and setting up another plant at Ariyalur (study unit) in the year 1979. This study is carried out to know the human resource policies and practices in the organization and the perception of the employees with respect to these practices. Suitable suggestions and measures are also stated for betterment of these practices.

Key words: Human Resource Management Practices, Cement Industry, Dimensions.

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1. INTRODUCTION

In today's highly competitive and turbulent business environment all modern organizations are operating in dynamic changing scenario. Managing human resources is highly challenging as compared to managing technology or capital and for its effective management, organization requires effective HRM system. HRM system should be backed up by sound HRM policies and practices. Organization performance is influenced by set of effective HRM practices. It gives fruitful results like enhancing employee commitment, retention and reduced employee turnover. Human resources are the source of achieving competitive advantage because of its capability to transform the other resources (money, machine, methods and material) into output (product/service).

HRM practices refer to organizational activities directed at managing the pool of human resources to ensure that the resources are employed towards the fulfillment of organizational goals. Hence the study is undertaken to determine the perception of the employees on human resource management practices in vogue in the study unit.

2. PROFILE OF TAMIL NADU CEMENT CORPORATION LIMITED (TANCEM), ARIYALUR

Tamil Nadu Cements Corporation Ltd., (TANCEM), a wholly owned Government of Tamil Nadu undertaking, started business from 1st April 1976 with an authorized share capital of Rs. 18 crores taking over cement plant at Alangulam and setting up another plant at Ariyalur (study unit) in the year 1979. TANCEM, as its expansion and conversion activities, set up Asbestos Sheet unit at Alangulam during 1981. TANCEM also took over during 1989, a Stoneware pipe plant from TACEL with a view to provide employment to the retrenched employees. TANCEM has, thus become a multi plants, multi locations and multi products company with an annual turnover of around Rs. 250 crores and the authorized capital as of now is Rs. 37.43 Crores. The company has its main objective in production of cement and cement based products and primarily cater to the needs of Government departments. Limestone being the main raw material, the company acquired and reserved enough limestone bearing lands in and around Alangulam and Ariyalur which are sufficient to run the cement plants for decades to come. Hence, the role of TANCEM in the development of state is immense.

3. REVIEW OF LITERATURE

The model of the present study had been finalized after reviewing the following research works:

- Pawan S. Buhdwar and George Boyne (2004) conducted a study on, "Human Resource Management in the Indian Public and Private Sectors: An Empirical comparison".
- Andre Luiz Fisher and Lindolfo Go De Albuquerque (2005) undertook a study on "Trends of HRM Model in British Companies – A Forecast according to Opinion Leaders from the Area".
- Cherrie Juhna Zhu et al (2005) attempted a research study on "A Problematic Transition to a Strategic Role: HRM in Industrial Enterprises in China".
- **Fiona Edar and Alan J Geare (2005)** conducted a study on "**Employee Voice on HRM**". This exploratory study examined the current views of 626 **New Zealand employees** about HRM in their organizations.
- Sandra King and Kauanui et al (2006) took a study on "Impact of HRM: SME Performance in Vietnam".
- W. Cathirne Anitha (2007) conducted a research study on Human Resource Management in Neyveli Lignite Corporation Limited.
- **Satheeshkumar L. (2008)** in his article entitled "**Payment System**" has stated that concentration on quality is increasingly a characteristic of strategic planning.
- Saxena and Tiwari (2009) examined the HRM Practices implemented by leading IT Companies such as TATA, Infosys and Wipro in India.
- Osman et al (2011) studied on the Relationship between human resource practices and firm performance: An empirical assessment of firms in Malaysia.

4. SCOPE OF THE STUDY

This study is undertaken to reveal the perception of the employees with respect to the various human resource management practices in Tamil Nadu Cement Corporation Limited in Ariyalur district and to determine the influence of the demographic variables like age, qualification, monthly income, experience and employee category on these practices.

5. OBJECTIVES OF THE STUDY

1. To identify the innovative human resource management practices in the study unit.
2. To bring out the socio economic background of the respondents taken up for the study.
3. To analyze the perception of the employees with respect to the selected dimensions of HRM practices in the study unit.
4. To suggest suitable measures for better implementation of the practices.

6. RESEARCH METHODOLOGY

- **Research Design:** The research design adopted for this study is Descriptive Method. The perception of the respondents on the selected human resource management practices namely human resource planning and policy, talent acquisition, learning and development, employee retention, employee engagement, compensation and benefit management, health safety and wellbeing measures, performance management system, succession planning and career development and exit process in Tamil Nadu Cement Corporation Limited in Ariyalur district is considered in the study.
- **Sampling Design and Size:** Stratified Random Sampling Technique was adopted with a sample size of 98 respondents consisting of 22 Officers, 43 Staff and 33 workmen out of the population size of 293, using the software sample size calculator.
- **Method of Data Collection:** The primary data needed for the analysis were collected through a structured questionnaire using Likert's five point scale. All the other relevant information for the study was collected from journals, books, magazines and relevant web sites.
- **Analysis of Data and Tools Used for Analysis:** SPSS Package was used to analyze the data collected. The tools used for analysis include Frequencies, Percentages, Karl Pearson's Coefficient of Correlation to determine the relationship between the independent variables and opinion on overall human resource management practices and One way ANOVA to determine the extent to which the demographic variables namely age, experience and category determine the opinion of the respondents on the various dimensions of human resource management practices.

7. DISCUSSION AND FINDINGS

The demographic frequencies of the respondents taken up for the study are shown in following Table 1.

Table 1 Demographic Frequency Table

Variables	Description	Frequency	Percentage
Age	Below 20 years	-	-
	21-30 years	11	11
	31-40 years	24	25
	41-50 years	42	43
	Above 50 years	21	21
	Total	98	100
Marital status	Married	69	70
	Un married	29	30
	Total	98	100
Qualification	Up to XII th Std.	21	21
	UG	15	15

Variables	Description	Frequency	Percentage
	PG	20	21
	ITI/Diploma	28	29
	Professional	14	14
	Others	-	-
	Total	98	100
Income	Below Rs.20000	41	42
	Rs.20000-Rs.30000	35	36
	Rs.30000-Rs.40000	14	14
	Above Rs.40000	8	8
	Total	98	100
Experience	Below 5 years	22	22
	5-10 years	7	7
	10-15 years	9	9
	15-20 years	30	31
	20-25 years	30	31
	Above 25 years	-	-
	Total	98	100
Designation	Officers	22	22
	Staff	43	44
	Workmen	33	34
	Total	98	100

Out of the total of 98 respondents taken up for the study, a majority of 43 per cent of them were from the age group of 41-50 years, a maximum of 70 per cent of the respondents were married, maximum of 29 per cent were ITI/Diploma holders, followed by 21 per cent Post Graduates and 21 per cent qualified up to 12th standard. A majority of 42 per cent were getting income below Rs.20000 followed by 36 per cent between Rs.20000-Rs.30000, respondents between 15-20 years and 20-25 years of experience were found to be dominant (31% each). Greater proportion of the respondents were staff which included supervisory and clerical staff (44%) followed by workmen 34 per cent.

7.1. Correlation between Independent Variables and overall opinion on Human Resource Management Practices

To explore the direction of relationship between independent variables and overall opinion on human resource management practices, Karl Pearson's correlation measure is applied.

Table 2 Correlation between Independent Variables and overall opinion on Human Resource Management Practices

Factors	Overall opinion on HRM Practices	Significance @1% level (Two tailed)
Human Resource Planning and Policy(X1)	0.032	S
Talent Acquisition(X2)	0.056	S
Learning & Development(X3)	0.177	S
Employee Engagement(X4)	0.016	S
Compensation & Benefit Management(X5)	0.027	S
Health Safety & Well-being Measures(X6)	0.328	S
Performance Management System(X7)	0.144	S
Succession Planning & Career Development(X8)	0.089	S
Employee Retention(X9)	0.132	S
Exit Process(X10)	0.173	S

S = Correlation is significant at the 0.01 level (2-tailed)

The Table 2 revealed that among the independent variables health, safety and wellbeing measures(X6) (r=0.328) had high correlation value and significant relationship. It was followed by learning and development(X3) (r=0.177), exit process(10)(r=0.173), performance management system(X7) (r=0.144), employee retention(X9)(r=0.132), succession planning and career development(X8) (r=0.089), talent acquisition(X2)(r=0.056), human resource planning and policy(X1)(r=0.032), compensation and benefit management(X5)(r=0.027) and employee engagement(X4)(r=0.016).

Thus it could be seen in this study unit there existed a high positive and significant correlation between **health, safety and well-being measures(X6)** and human resource management practices(Y) than all other independent variables considered in the study. Health, safety and well-being measures improves the morale and loyalty of workers by making them happy and satisfied and help to increase employee productivity by improving their physical and mental health.

7.2. ANOVA - Impact of Age, Qualification, Monthly Income, Experience and Category of respondents on overall opinion on HRM practices

By using the statistical tool, one-way Analysis of variance, the extent to which the demographic variables namely age, experience and category determine the opinion of the respondents on the various dimensions of human resource management practices are analyzed in Table 3.

7.3. Null Hypothesis :

- The demographic variables namely age, qualification, monthly income, experience and employee category had no significant impact on the dimensions of human resource management practices in Tamilnadu Cement Corporation Limited.

In respect of the dimensions of Human Resource management practices, the F-test applied in Table 3 exhibited that age was significant in determining human resource planning and policy(X1)(F-value=4.017,p<0.01); talent acquisition(X2)(F-value=8.362,p<0.01); learning and development (X3) (F-value=2.908,p<0.05); employee engagement(X4)

(F-value=2.317,p<0.05); health, safety and well-being measures(X6)(F-value = 1.427, p<0.05); performance management system(X7)(F-value = 0.688, p<0.05); succession planning and career development(X8)(F-value=1.017, p<0.05); employee retention(X9)(F-value= 0.902,p<0.05) and exit process(X10) (F-value = 0.224, p<0.05). However age did not have a significant impact in determining the dimension, compensation and benefit management(X5)(F=0.939,p>0.05).

Qualification was significant in determining human resource planning and policy(X1)(F-value =1.668, p<0.05); talent acquisition(X2)(F-value = 2.522, p<0.05); employee engagement (X4) (F-value =1.866, p<0.05); compensation and benefit management(X5)(F-value=0.948, p<0.05); health, safety and well-being measures (X6) (F-value = 0.817, p<0.05); performance management system(X7)(F-value = 0.504, p<0.05); succession planning and career development (X8)(F-value =0.679, p<0.05); employee retention (X9) (F-value =1.444, p<0.05) and exit process (X10)(F-value =1.290, p<0.05). Qualification was not significant in determining the dimension learning and development(X3)(F-value =0.490, p>0.05) in this study unit.

Table 3 Impact of age, qualification, monthly income, experience and employee category of respondents on overall HR practices

Dimensions	Demographic Variables									
	Age		Qualification		Monthly Income		Experience		Employee Category	
	F	Sig	F	Sig	F	Sig.	F	Sig	F	Sig
Human Resource Planning and Policy(X1)	4.017	0.010*	1.668	0.016*	0.861	0.046*	1.512	0.021*	1.512	0.046*
Talent Acquisition(X2)	8.362	0.000*	2.522	0.046*	0.171	0.015*	1.141	0.034*	1.108	0.033*

Dimensions	Demographic Variables									
	Age		Qualification		Monthly Income		Experience		Employee Category	
	F	Sig	F	Sig	F	Sig.	F	Sig	F	Sig
2)										
Learning & Development(X3)	2.908	0.039*	0.490	0.143	1.752	0.026*	0.602	0.026*	5.376	0.006*
Employee Engagement(X4)	2.317	0.081*	1.866	0.012*	0.280	0.048*	0.414	0.029*	2.018	0.014*
Compensation & Benefit Management(X5)	0.939	0.425	0.948	0.040*	1.469	0.028*	0.830	0.041*	0.246	0.038*
Health, Safety & Wellbeing Measures(X6)	1.427	0.024*	0.817	0.017*	3.762	0.013*	0.633	0.046*	5.536	0.005*
Performance Management System(X7)	0.688	0.026*	0.504	0.037*	0.862	0.046*	0.760	0.045*	1.833	0.017*
Succession Planning & Career Devlpt.(X8)	1.017	0.039*	0.679	0.028*	1.099	0.035*	0.547	0.037*	2.719	0.047*
Employee Retention(X9)	0.902	0.044*	1.444	0.022*	0.735	0.035*	1.358	0.026*	0.306	0.037*
Exit Process(X10)	0.224	0.030*	1.290	0.028*	0.238	0.027*	1.423	0.023*	3.360	0.039*

**Significant @1% level *Significant @5% level

Monthly income was significant in determining the dimensions like human resource planning and policy(X1) (F-value =0.861, p<0.05); talent acquisition(X2) (F-value = 0.171, p<0.05); learning and development(X3)(F-value = 1.752, p<0.05); employee engagement(X4)(F-value = 0.280, p<0.05); compensation and benefit management(X5)(F-value=1.469,p<0.05); health, safety and well-being measures(X6)(F-value = 3.762, p<0.05); performance management system(X7) (F-value = 0.862 p<0.05); succession planning and career development(X8)(F-value = 1.099, p<0.05); employee retention (X9) (F-value = 0.735, p<0.05) and exit process (X10) (F-value = 0.238, p<0.05).

Experience was significant in determining human resource planning and policy(X1)(F-value = 1.512, p<0.05); talent acquisition(X2)(F-value = 1.141, p<0.05); learning and development(X3)(F-value = 0.602, p<0.05); employee engagement(X4)(F-value = 0.414, p<0.05); compensation and benefit management(X5)(F-value = 0.830, p<0.05); health, safety and well-being measures (X6)(F-value = 0.633, p<0.05); performance management system(X7)(F-value = 0.760, p<0.05); succession planning and career development(X8)(F-value = 0.547, p<0.05); employee retention (X9) (F-value = 1.358, p<0.05) and exit process (X10) (F-value = 1.423, p<0.05).

Employee Category was significant in determining human resource planning and policy(X1)(F-value = 1.512, p<0.05); talent acquisition(X2)(F-value = 1.108, p<0.05); learning and development(X3)(F-value = 5.376, p<0.01); employee engagement(X4)(F-value=2.018,p<0.05); compensation and benefit management (X5)(F-value = 0.246, p<0.05); health, safety and well-being measures(X6)(F-value = 5.536, p<0.01); performance management system(X7) (F-value = 1.833, p<0.05); career and succession planning and career development(X8)(F-value = 2.719, p<0.01); employee retention(X9)(F-value = 0.306, p<0.01) and exit process(X10) (F-value = 3.360, p<0.05).

8. INFERENCES OF THE STUDY

- A majority of 43 per cent of the respondents was from the age group of 41-50 years and a maximum of 70 per cent of the respondents were married.
- A maximum of 29 per cent were ITI/Diploma holders, followed by 21 per cent Post Graduates and 21 per cent qualified up to 12th standard.
- A majority of 42 per cent were getting income below Rs.20000 followed by 36 per cent between Rs.20000-Rs.30000.
- Respondents between 15-20 years and 20-25years of experience were found to be dominant (31% each).
- Greater proportion of the respondents were staff (44%) followed by workmen 34 percent.
- There existed a high positive and significant correlation between health, safety and well-being measures(X6) and human resource management practices(Y) than all other independent variables considered in the study.
- Analysis of Variance revealed that age was significant in determining the dimensions human resource planning and policy and talent acquisition at 1% level and employee category was significant in determining the dimensions learning and development and health, safety and well-being measures at 1 % level.
- The other dimensions were found to be significant at 5% level with respect to the demographic variables considered in the study.
- It was also revealed that age was not significant in determining compensation and benefit management and qualification was not significant in determining learning and development.

9. SUGGESTIONS

- The Company may conduct many awareness programmes related to Human Resource Policies and Practices, it will improve the proactive attitude knowledge of employees about Human Resource Policies and Practices.
- The line managers should be involved in the process of the design of the HRM practices because line managers are the people who deal with the employees in their department and they can provide valuable insights.
- The power centre and the politics that is prevailing in the organization should be properly studied. Since trade unions or works committee are existing in the organization, proper opportunity of representation should be given to them in designing HRM practices.
- The Company should encourage the culture of innovations. The techniques like mentoring, coaching should be used. Competency mapping should be done on regular basis.
- Every organization has some employees who outperform others. Such performances should be highlighted and displayed at prominent location; such as on the display boards and intranet etc. This will encourage others to give their best.

10. CONCLUSION

In the present competitive world, the cement companies are facing lot of skill shortage, talent crunch and attrition. The cement companies have felt that the internal customer is equally important with external customers. The Tamil Nadu Cement Corporation Limited (TANCEM) has devised and implemented a number of innovative human resource practices in order to attract best talent, providing them a good environment to work with and which also enables the company to retain talents. The study shows that majority of the respondents revealed positive opinion with respect to the HRM practices. Human resource policies and procedures must be evaluated from the perspective of encouraging and getting the most out of having diverse workforce.

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