

ENHANCEMENT OF ORGANIZATIONAL COMPETITIVENESS THROUGH INNOVATIVE HUMAN RESOURCE PRACTICES: A CASE STUDY ON ROURKELA STEEL PLANT, ROURKELA, ODISHA, INDIA

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Abstract-An effective Management of Human Resources has an important role to play in the performance and success of organizations. In the present business environment, Human Resource is an important input for organizational effectiveness. Competitive pressures have encouraged organizations to be proactive in diagnosing HR practices since these were no longer a matter of trend, but rather of survival. The present study attempts to explore the relationship of three dimensions of innovative Human Resource practices: That is, the extent of introduction of Innovative HR Practices, their importance for organizational goal achievement and satisfaction with implementation of innovative HR Practices with organizational commitment. The present study examines the relationship between human resource practices, trust, job satisfaction, organizational citizenship behaviour organizational commitment, motivation and perceived organizational performance, namely respondent's perceptions of service quality, value for money and organizational effectiveness. Innovative HR practices build competencies and capabilities for superior and winning performances today and simultaneously create long term fertility for innovation of business ideas and strategies for future.

I INTRODUCTION

Innovative Human Resource (HR) Practices build up competencies and capabilities for performance of today to create long term investment for innovation of business ideas and strategies for the future. Work behaviour which goes beyond the reach of organizational measures of job performance holds assurance for long term organizational success because there types of action are to improve organizational. Efficiency and effectiveness. According to Katz and Khan 1978, employees who go extra mile by performing spontaneous behaviours which goes beyond their role prescriptions are valued by the management. This phenomenon is critical for organization

effectiveness. It is because managers cannot foresee all contingencies or fully anticipates the activities which they desire from the performance from the employees. The present study investigates the effects of HR practices and leadership styles on organizational commitment and citizenship behaviors. HR practices are more important than leadership style in predicting organizational commitment of valued Human Capital.

II SAMPLE DATA COLLECT

The sample of the present study is based on convenience sampling method and consists of 150 employees of RSP belonging to all the levels in the organization.

Primary data was collected through questionnaires, observations as well as interviews in the present study.

The following variables were identified for analyzing in the organization.

- a. Values
- b. Shared Vision
- c. Performance Appraisal
- d. Training & Education
- e. Career Development
- f. Responsive To Change
- g. Welfare
- h. Structural Flexibility (Adoptiveness)
- i. Service Orientation
- j. Ethnicity
- k. Reward system
- l. Motivation
- m. Empowerment
- n. Output/Excellence Orientation
- o. communication
- p. Team Work
- q. Role Clarity
- r. Mutual Support
- s. Shared Goals/Objectives
- t. Sociability

The questionnaires were specially designed by the researcher who gains inside into the various dimensions in the organization. The questionnaire was administered to managers, supervisors and workers as well. Respondents were asked to indicate against each question the extent to which they agree or disagree with the statement describing a particular dimension, on a 5-point scale. The responses were assigned values ranging from 1 to 5 where one referred to strong agreement and 5 to disagreement. Nearly 220 questionnaires were circulated despite persuasion only 150 responses were received back.

III SHARED VISION ANALYSIS OF DATA

(a) Shared Vision

The questionnaire contained a query whether the employees are aware of the vision and mission of the company in reply to which about 55.3% of Rourkela Steel Plant employees clearly agreed that they are

Organization	Strongly Agree	Agree	Agree to Some Extent	Disagree	Strongly Disagree	Total	
R SP	Frequency	29	63	52	10	07	161
	Percentage	18	39.1	32.3	6.2	4.3	100.0

Table 1: Shared Vision

aware of the vision and mission of their respective companies. A substantial 33.5% of Rourkela Steel Plant employees agreed only to some extent about such awareness whereas about 10% stated that they are not aware about the vision and mission of Rourkela Steel Plant.

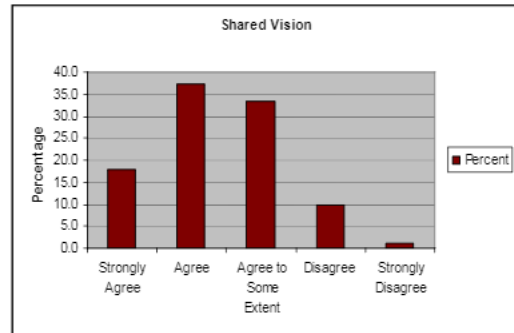


Figure 1: Shared Vision

(b) Performance Appraisal

In any organization there need to be a good performance appraisal system which is regular and impartial to be able to correctly assess the performance of its employees. It is not only essential that the performance of the employees appraised by the superiors but also by their peers, internal/external customers as well as superiors. Also, the system needs to be totally transparent one so that the motivation of the worker is not adversely affected on this count.

About 28% of Rourkela Steel Plant employees feel that performance appraisal system is transparent in their company and about 39% stating that there is no transparent performance appraisal system at Rourkela Steel Plant.

(c) Training and Education

Human Resource Development should be a continuous process in any organization and to achieve best it is

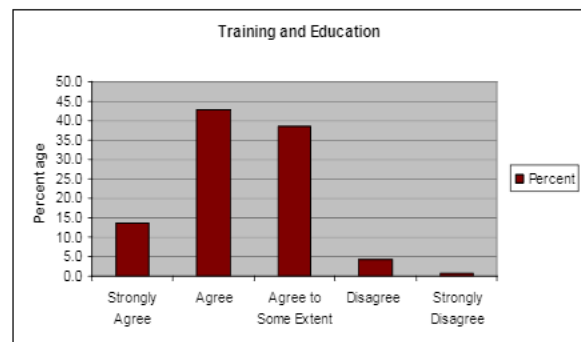


Figure 2: Training and Education

necessary that performance appraisal is used for employees training and development purposes. Also,

adequate preparation should be made in terms of education and training, more important, before any change in the programmed is introduced. Education and skill training should form a part of on going activity of the company with a long term vision for developing a qualified and competent workforce 56.6% employees agree that education and skill training is an ongoing activity in the company and forms part of a long term vision for developing a qualified and competent workforce. About 39% of employees agreed to this only to some extent.

(d) CAREER DEVELOPMENT

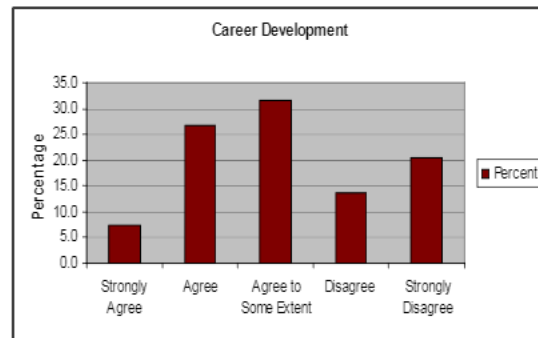
Organisation		Strongly Agree	Agree	Agree to Some Extent	Disagree	Strongly Disagree	Total
RSP	Frequency	30	51	42	21	17	161
	Percentage	18.6	31.7	26.1	13.0	10.6	100.0

Every employee attaches a lot of importance not only on the job he performs but also the prospect of having a sequence of good position and/or promotion during the course of his lifetime. The talents and abilities, motives and needs, attitudes and values, guide an employee’s career prospects besides the external factor. The organization plans on a regular basis for career development of its employees. About 34% of employees feel that their organization has plans for their career development and the approximately same percentage of employees feel that there is no such plan of Rourkela Steel Plant in place.

(e) Reward System

A well chalked out rewards system in an organization encourages co-operative efforts of the employees. When an employee is rewarded with promotion, pay raises and other form of recognition for his selfless contribution to the team, like sharing in crucial information with his team mates, helping resolve team conflicts and mastering new skills, the rest of the

employees are also encouraged to contribute in a similar manner in the process and developed a positive and responsive work culture. Majority of the employees of the plant (57.1%) agreed that employee suggestions are acted upon expeditiously and contributions rewarded promptly, whereas 32.3% of employees agreed to some extent.



Figurer No 3: Career Development

(f) Motivation

Motivation is the maintaining interest and efficiency of an employee. The degree of motivation is reflected in the amount of intrinsic satisfaction drawn from the work performed, the commitment to work and the loyalty to the job. A well designed motivational strategy of the organization that recognizes the diverse motivational requirements of professional and non-professionals by way of recognizing individual differences using goals and feedback system, participative decisions making, performance oriented reward system etc. may work wonders for developing a work culture.

Over 50.3% of Rourkela Steel Plant employees agree that good work by employees is always recognized by the management of the organization. Whereas 23.6% of the employees feel that good work is not recognized by the management.

IV CONCLUSION

Studies of liberalization and de-regulation in an emerging context are rare. Within this context, this study examined the relationship between innovative HR practices during the liberalization of one of the world's most populous emerging markets. A model,

rooted in conventional Western practices, found support and is largely consistent with results obtained in studies of HRM-firm performance conducted in different cultural and institutional environment. A contribution of the present study is to corroborate these results in the context of India's economic liberalization. The data analyzed were perceptively and measured HR practices within the organization in 2002 and also "5 years earlier" by a multi-rater respondent survey in a country undergoing macro-economic change process, so these results are highly relevant. The study contributes and adds to the general theme of HR-firm performance within an emerging market. The study adds to the literature of universalistic or the "best practice" perspective that certain independent-dependent variable relationships hold across whole populations of organizations - that is, some HR practices are better or more important than others (Colbert, 2004; Miles and Snow, 1984; Pfeffer, 1998) and these strategic (in this study "innovative") HR practices consistently lead to higher organizational performance, more dependent on the environment (Delery and Doty, 1996). The results add to the growing empirical evidence that people are key to achieving superior Performance.

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