

# A Study On the Impact of Implementation of Strategic Human Resource Management On Organizational Effectivity

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## **ABSTACT**

The study is useful to understand the impact of implementation of Strategic HRM On Organizational effectivity of the firms with special reference to the IT sector, which is considered as one of the emerging sectors in the economy. Empirical data will be collected from IT sector via questionnaire. The sample size of respondents taken for this study was 75 who are highly placed HR professionals employed in various IT companies in and around Chennai. The objective of the study is to gain a deeper understanding of the relationship between SHRM implementation and organizational effectivity. To Study the objectives primary data source and secondary data source were used. In primary data the research data is collected with the help of questionnaire. The secondary data is collected from the company records and internet. The statistical tools in the study are Chi – square. From the study we found that there is impact of Implementation of SHRM on organizational performance.

**Key words-** Strategic HRM- effectivity- implementation- organizational performance

## **1. Introduction**

The evolution of HRM Management field, once called “personnel” has followed the history of business. “Human Resources” are continues evolving in every organization. “Human Resources” gained attention with the workforce and its individual members being considered as key resources playing a pivotal role in the growth and development of every organization. They contribute to the sustainable competitive advantage of an organization. HRM can and must intervene in the emergent evolution process in order to influence the speed and direction of organizational development. Many of the practices, principles and techniques developed from earlier concepts and experiences to be made use of by the modern managers. At One time, HRM was primarily an administrative function. The HRM Department focused on ‘Filling out and filing of forms’ besides processing paper work. With more organization realizing the significance of highly skilled human resources, the HR Department attuned itself to a more proactive role in supporting the organization’s strategy. An important element of this responsibility is human resource planning.

Identifying the numbers and types of employees required to meet objectives, using these estimates to forecast need for hiring, training and re-assigning employees.

## 2. METHODOLOGY OF THE STUDY

### OBJECTIVES OF THE STUDY

1. To gain a deeper understanding of the relationship between SHRM implementation and the organizational effectivity.
2. To Know If the relationship between SHRM implementation and organizational performance is affected firms size and age.

### RESEARCH METHODOLOGY

#### TYPES OF DATA

1. Primary Data
2. Secondary Data

#### Primary data:

Primary Data are measurement observe red and recorded as part of original study. The work of collecting original data by the researcher for the study is known as primary data. When the data used in a statistical study was collected under the control and supervision of the concerned researcher. Such type of data is referred as primary data. Here in this research data is collected through survey method.

#### Secondary data:

When the researcher did not collect the data, but it is derived from other sources through net and past records maintained by the company then such data is referred to secondary data. In my study data's are collected through company website and past record maintained by the company.

#### Data Collection Method

Survey Method has been used in this project.

#### Research Instrument

Here the research instrument used is a Questionnaire.

#### Type of research

Descriptive research is also called exploratory design. This is done by using demographic characteristic such as age, sex, location, occupation, income, etc., would be covered in a descriptive research. Descriptive study is undertaken in order to ascertain and be able to describe the characteristics of the variables of interest in situations.

### **Sample Size**

Sample size taken from the total population is 75.

### **3. REVIE OF LITERATURE**

**Logeshwaran (2022)**- Strategic Human Resource Manage has been defined as “ All those activities affecting the behavior of individuals in their efforts to formulate and implement the strategic needs of business”. SHRM is a complex process which is constantly evolving and being studied and discusses by academics to the strategic management on the future direction it wants to take.

**Legnick (2023)** - Strategic HRM is a Concept that integrates traditional human resource management activities within a firm’s overall strategic planning and implementation. SHRM integrates human resource considerations with other physical, financial and technological resources in the setting of goals and solving complex organizational problems . Strategic HRM is concerned with the relationship between human resource management and strategic management in the firm. Strategic HRM refers to the overall direction the organization wishes to pursue in achieving its objectives through people. It is argued that, because human capital is a major source of competitive advantage, and in the last analysis it is people who implement the strategic plan, top management must take these key considerations fully into account in developing corporate strategies. Strategic HRM is an integral part of those strategies. Strategic HRM addresses broad concerns relating to changes In structure and culture, organizational effectiveness and performance, matching resources to future requirement, the development of distinctive capabilities and the management of change. It is concerned with both human capital requirements and development of process capabilities. I.e., the ability to get things done effectively. Overall, it will consider Andy major people issues that affect or are affected by the strategic but the strategic plan of the organization.

**Geetha Sri Ragavan (2022)** remarks: ‘The critical concerns of HRM such as choice of executive leadership and formulation of positive pattern leadership and formulation of positive patterns of labor relations, are strategic in any firm.

### **Data Analysis and Interpretation**

#### **Table -1**

#### **Age of Respondents and their Opinion that Strategic HR Places New Demand on HR Functions**

H<sub>0</sub>: There is no association between age of the respondents and their opinion that Strategic HR places new demand on HR Functions

H<sub>1</sub>: There is association between age of the respondents and their opinion that Strategic HR places new demand on HR Functions

**Inference:**

Age of Respondents	Strategic HR Places New Demand on HR Functions					Total	Chi-Square Value	P-Value
	Strongly Disagree	Disagree	Slightly Agree	Agree	Strongly Agree			
<25 yrs	1	6	0	4	5	16	24.695	0.016
25-35 yrs	4	9	0	0	3	16		
35-45 yrs	1	7	0	6	3	17		
45-55 yrs	0	2	0	3	8	13		
>55 yrs	1	8	0	0	4	13		
<b>Total</b>	7	32	0	13	23	<b>75</b>		

Since the P value is less than 0.05, the null hypothesis is accepted at 5% level of confidence. Hence concluded that there exists no association between age of the respondents and their opinion that Strategic HR places new demand on HR Functions.

**Table -2 Age of Respondents and their Opinion that Strategic HR Has Brought About Proper Alignment of HR Goals with Organizational Goals**

H<sub>0</sub>: There is no association between age of the respondents and their opinion that Strategic HR has brought about proper alignment of HR Goals with Organizational Goals.

H<sub>1</sub>: There is association between age of the respondents and their opinion that Strategic HR has brought about proper alignment of HR Goals with Organizational Goals

Age of Respondents	Strategic HR Has Brought About Proper Alignment of HR Goals with Organizational Goals					Total	Chi-Square Value	P-Value
	Strongly Disagree	Disagree	Slightly Agree	Agree	Strongly Agree			
<25yrs	1	5	6	2	2	16	28.73	0.026
25-35 yrs	0	4	4	8	0	16		
35-45 yrs	4	1	2	7	3	17		
45-55 yrs	1	5	2	5	0	13		
>55 yrs	0	1.	5	3	4	13		
<b>Total</b>	6	16	19	25	9	<b>75</b>		

**Inference:**

Since the P value is less than 0.05, the null hypothesis is accepted at 5% level of confidence. Hence concluded that there exists no association between age of the respondents and strategic HR has brought about proper alignment of HR goals with organizational goals.

**Table -3 Educational Qualification of Respondents Versus Re-Training and Re-Deployment Practices Affect Organization's Performance**

H<sub>0</sub>: There is no association between Educational Qualification of Respondents and their Opinion that Re-Training and Re-Deployment practices affect organization's performance.

H<sub>1</sub>: There is association between Educational Qualification of Respondents and their opinion that Re-Training and Re-Deployment practices affect organization's performance.

Educational Qualification	Re-Training and Re-Deployment Practices Affect Organization's Performance					Total	Chi-Square Value	P-Value
	Strongly Disagree	Disagree	Slightly Agree	Agree	Strongly Agree			
Graduate	14	0	10	2	9	35	14.61	0.067
Post Graduate	6	1	8	5	1	21		
Professional	5	0	5	1	8	19		
<b>Total</b>	25	1	23	8	18	75		

**Inference:**

Since the P value is greater than 0.05, the null hypothesis is rejected. Hence concluded that there exists 15% of association between educational Qualification of the respondents and their opinion that Re-Training and Re-Deployment Practices affect Organization's performance.

**Table -4 Educational Qualification of Respondents Versus Strategic and Innovative HR Practices Improve Interpersonal Relationship**

H<sub>0</sub>: There is no association between Educational Qualification of Respondents and their opinion that Strategic and Innovative HR practices improve Interpersonal Relationship

H<sub>1</sub>: There is association between Educational Qualification of Respondents and their opinion that Strategic and Innovative HR practices improve Interpersonal Relationship

Educational Qualification	Strategic and In Improve Inter innovative HR Practices personal Relationship					Total	Chi-Square Value	P-Value
	Strongly Disagree	Disagree	Slightly Agree	Agree	Strongly Agree			
Graduate	7	9	0	13	6	35	23.48	0.003
Post Graduate	11	3	0	6	1	21		
Professional	5	10	2	2	0	19		
<b>Total</b>	23	22	2	21	7	<b>75</b>		

## **Inference:**

Since the P value is less than 0.01, the null hypothesis is accepted at 1% level of confidence. Hence concluded that there exists no association between educational Qualification of the respondents and their opinion that Strategic and Innovative HR practices improve Interpersonal Relationship.

## **SUGGESTIONS**

Based on the study conducted, the Researcher would like to put forth the following suggestion in order to increase the effectiveness of HR functioning.

The HR Department has to play the following strategic role in the success of an organization.

1. Business Partner – working alongside business colleagues to align HR and business strategy and manage human resources strategically.
2. Innovator – developing integrated HR strategies.
3. Change Agent – the management of transformation and change.
4. Implementer – getting strategies into action.

The need for innovation should be established by processes of analysis and diagnoses that identify the business need and the issues to be addressed. “Benchmarking” can take place to identify “best practice” as adopted by other organizations. Become a partner with senior and line managers in strategy execution, helping to improve planning from the conference room to the market place. Become an expert in the way work is organized and executed, delivering administrative efficiency to ensure that costs are reduced while quality maintained. Become an agent of continuous transformation, shaping processes and a culture that together improve an organization’s capacity for change.

## **4. CONCLUSION**

The assumption underpinning the practice of HRM is that people are the Organization’s key resource and organization performance largely depend on them. If, therefore an appropriate range of HR policies and process is developed and implemented effectively, then HR will make a substantial impact on firm performance. A greater use of HR practices is associated with higher levels of employee commitment and contribution and is in turn linked to higher levels of productivity and quality of services.

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