



Hrd And Its Role In Ssi Units At Tuticorin District

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ABSTRACT

Human Resource Development (HRD) plays a crucial role in enhancing both individual and organizational performance. Organizations must invest in the development of employees' skills, abilities, and knowledge to improve overall productivity and competitive advantage. This study examines the implementation of HRD practices in small-scale industries (SSI) in India, with a focus on their effectiveness in enhancing employee performance and organizational outcomes. The research employs a descriptive methodology, analyzing HRD implementation in 370 SSI units in Tuticorin district using a snowball sampling technique. The study evaluates the impact of HRD practices on organizational productivity, job satisfaction, work engagement, and employee performance through multiple regression and confirmatory factor analysis. The findings indicate that HRD needs assessment and design significantly influence HRD's role in small and micro units. The study also reveals a higher rate of HRD implementation in small units compared to micro units. Overall, the results highlight the importance of HRD in fostering a positive occupational climate, improving internal service quality, and enhancing organizational productivity. The study emphasizes the need for strategic HRD initiatives to optimize human capital investments and drive sustainable growth in the small-scale industry sector.

Keywords - Human Resource Development (HRD), Small-Scale Industries (SSI), Employee Performance, Organizational Productivity, Training and Development

INTRODUCTION

The organizations have to consider the development of ability, skills and knowledge of its employees more than any times (Nolan, 2002). It requires some human capital which is invested on their human resources development in order to increase their employees' performance and finally the organizations' performance (Hitt, et al., 2006). The management and organizational development are a tool for increasing organizational competitive advantage in the context of human resource management (Olives, et al., 2007). The human resource development assists organizations to achieve social, environmental and economic goals (McGuire, 2010).

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PURPOSE OF HRD

The two major purpose of HRD are individual performance and organizational performance (Tabibi, 2011). HRD plays an important role to enrich productivity, better relations and greater profitability of an organizations (Vasantham, 2015). The significant purposes of HRD are: (i) access to organizations proficiency, (ii) increasing quality and efficiency; (iii) promotion in growth and individual development; (iv) integrating people into business (Allameh, et al., 2012). The important benefits of HRD are making human resources as more competent; committed; mutually respected; and accept the changes (Vinesh, 2014).

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HUMAN RESOURCE DEVELOPMENT IN INDIA

The origin of HRM can be traced in 1970 at India, concern for welfare shifted towards higher efficiency, a change in professional values of human resource manager was visible. During 1980s due to new technology and other environmental changes, Human Resource Development became a major issue (Basu, 1987). During 1990s' the over whelming role of human factor in an industry has been realized. Growing awareness about the significance of human side of organization has led to the development of human resource management as a distinct discipline. The human resource function in India has grown through several stages namely labour welfare, industrial relations, labour administrations, personnel management and human resource development (Chowdhury, 2003).

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NEED FOR THE STUDY

The human resource development at the organization is the need of the era. The small-scale industry is not an exceptional case. The investment on human, capital benefit the organization by two ways. Firstly, it increases the employees' performance and organizational productivity. Secondly, it enriches the job satisfaction and team spirit among the employees. The level of job satisfaction among the employees avoid unnecessary absenteeism among the employees which is a major concern in SSI units. Since the cost of recruiting and training of the new employees is higher than the cost of retaining the existing employees, the investment on human resources is inevitable to-day. Hence, the SSI units have to focus on this aspect to improve their human resources by providing appropriate training and development measures in order to increase its productivity and performance. Hence, the present study has made an attempt to study on this aspect.

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OBJECTIVES OF THE STUDY

- i) To analyse the level of implementation HRD at SSI units
- ii) To evaluate the impact of HRD practices at SSI Units.
- iii) To measure the various roles played by HRD practices at SSI units; and the association between the profile of SSI units and overall role played by HRD practices;

RESEARCH METHODOLOGY

This research work is in the form of 'Descriptive' study in which the researcher tried to study the existing perceptions of the employees regarding the implementation of HRD practices and the role of HRD practices at SSI units.

The total registered small and micro units in Tuticorin district are 1932 and 3019 units respectively.

The sample size of the present study is determined with the help of $n = \frac{N}{Ne^2 + 1}$. (Bartlett, et al., 2001). The determination of sample size is 370 units.

The allotted sample size to small and micro units are 144 and 226 units respectively. The samples are identified and selected with the help of the programme officers of DIC, Tuticorin. Hence, the applied sampling procedure of the study is snow ball sampling.

The multiple regression analysis has been executed to analyse the impact of antecedents, factors leading to successful implementation, constraints in implementation of the HRD practices on rate of implementation of HRD practices

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The multiple regression analysis has been executed to analyze the impact of antecedents, factors leading to successful implementation, and constraints in the implementation of the HRD practices on the rate of implementation of HRD practices. In the present study, the confirmatory factor analysis has been applied to test the reliability and the validity of variables in each factor. It is used to measure the reliability and the validity of variables in each concept developed for the role played by HRD in SSI units.

The present study employs the confirmatory factor analysis to assess the reliability and validity of each factor's variables. It is used to measure the reliability and the validity of variables in each concept developed for the role played by HRD in SSI units.

Implementation of HRDP at SSI units

The level of implementation of HRDP at SSI units are examined with the help of the mean score of all of its four components and overall HRDP. The score of each component of HRD process in units are derived by the mean score of the variables in each component. The mean score of the implementation of each component of HRD process at small and micro units have been estimated separately along with its 't' values and its statistical significance. The results are shown in Table.

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TABLE - Measurement of HRD Process at SSI Units

Sl. No.	Components of HRD Process	Mean score in units		t' value	p' value
		Small	Micro		
1.	HRD needs assessment	3.0010	2.1538	2.8035	0.0172
2.	HRD Design	2.8993	2.1106	2.7341	0.0349
3.	Training/Implementation	3.1869	2.2070	2.9962	0.0102
4.	Evaluation	3.0805	2.3505	2.7604	0.0244
	HRD Process	3.0420	2.2012	2.8919	0.0139

The highly rated components of HRDP at small units are evaluation and training/implementation with the mean of 3.0805 and 3.1869 respectively. At the micro units, these two components are also the same with the mean of 2.3505 and 2.2070 respectively. The significant difference among the small and micro units have been noticed in the case of implementation of all four components of HRDP since its 't' values are significant at five per cent level. The overall mean score on HRDP is higher in small units compared to micro units since its mean scores are 3.0420 and 2.2012 respectively.

Reliability and Validity of variables in each role of HRD Practices in SSI Units

Before summarizing the score of the variables in each outcome of HRD, it is imperative to examine its reliability and validity with the help of confirmatory factor analysis. The score of the variables in each outcome of HRD practices have been included for the analysis. The overall reliability has been estimated with the help of cronbach alpha. The results are summated in Table.

TABLE Reliability and Validity of Variables in various role of HRD practices in SSI Units

Sl. No.	Role of HRD	No. of variables in	Range of Standardized factor loading	Range of 't' statistics	Cronbach alpha	Composite reliability	Average variance extracted in %
1.	Basic Role	7	0.8667-0.6217	3.7345*-2.1783*	0.7818	0.7621	52.93
2.	Enriched Occupational Values	8	0.9045-0.6218	4.1776*-2.2089*	0.8049	0.7811	54.17
3.	Development of Occupational Climate	14	0.9049-0.6041	4.0844*-2.1798*	0.8107	0.7911	55.44
4.	Internal Service Quality	10	0.8558-0.6217	3.7313*-2.3891*	0.7818	0.7602	53.04
5.	Work Performance	10	0.9028-0.6646	4.1729*-2.4887*	0.8142	0.7907	56.59
6.	Organizational Productivity	11	0.8947-0.6391	3.9144*-2.3845*	0.7944	0.7702	53.49
7.	Job Satisfaction	10	0.9143-0.6404	4.1088*-2.4148*	0.8041	0.7884	54.08
8.	Work Engagement	12	0.8803-0.6646	3.8149*-2.5549*	0.7966	0.7717	53.32
9.	Employees' Performance	10	0.9024-0.6428	4.1886*-2.3088*	0.7908	0.7646	53.98

*Significant at five per cent level.

The standardized factor loading of the variables in each outcome are greater than 0.60 which shows the content validity. The significance of 't' statistics of the standardized factor loading of the variables in each outcome reveals the convergent validity. It is also supported by the composite reliability and average variance extracted since these are greater than its minimum threshold of 0.50 and 50.00 per cent respectively. The cronbach alpha of all outcome are also greater than its standard minimum of 0.60. All these results indicate the reliability and validity of variables in each role of HRD practices at SSI units.

Various Role of HRD Practices at SSI Units

The level of view on various role of implementation of HRD practices at SSI units have been computed by the mean score of in each role. In the present study, the included role of HRD are basic role, enriched occupational values, development of organizational climate, internal service quality, work performance, organizational productivity, job satisfaction, work engagement and employees' performance. The mean score of each role of HRD at small and micro units and its 't' statistics have been computed and presented in Table.

TABLE - Level of View on various role of HRD Practices at SSI Units

Sl. No.	Various role of HRD	Mean Score in units		t'values	p'values
		Small	Micro		
1.	Basic Role	3.3057	2.5904	2.6886	0.0296
2.	Enriched Occupational Values	3.5981	2.8436	2.7887	0.0173
3.	Development of Occupational Climate	3.6667	2.7575	2.9093	0.0000
4.	Internal Service Quality	3.8545	3.1923	2.8044	0.0244
5.	Work Performance	3.6467	3.0073	2.6344	0.0389
6.	Organizational Productivity	3.8110	3.0906	2.7023	0.0211
7.	Job Satisfaction	3.1706	2.6041	2.5844	0.0403
8.	Work Engagement	2.9968	2.4020	2.4117	0.0501
9.	Employees' Performance	3.0577	2.5357	2.5044	0.0488

The highly rated roles of HRD at small units are internal service quality and organizational productivity since their mean scores are 3.8545 and 3.8110 reliability. In the small units, these two are internal service quality and organizational productivity but with the mean score of 3.1923 and 3.0906 respectively. Regarding the level of role of HRD practices, the significant difference among the small and micro units and PUSBs have been noticed in the case of all role of HRD practices since its 't' values are significant at five per cent level. The highly rated roles of HRD at small units are internal service quality and organizational productivity since their mean scores are 3.8545 and 3.8110 reliability. In the small units, these two are internal service quality and organizational productivity, but with the mean scores of 3.1923 and 3.0906, respectively. Regarding the level of role of HRD practices, the significant difference among the small and micro units and PUSBs has been noticed in the case of all roles of HRD practices since its 't' values are significant at five percent level.

Influence of HRD process on role played by HRD in SSI units

The implementation of HRD process in SSI units may influence the level of its role played in the units. The higher role of HRD is the expected result from the implementation of HRD practices at the SSI units. The present analysis has made an attempt to examine the relative contributions of each HRD process on the level of its role played in SSI units with the help of multiple regression model. The fitted model is

$$Y = a + b_1X_1 + b_2X_2 + \dots + b_7X_7 + e$$

Whereas

Y – Score on role played in SSI units

X₁ – Score on implementation of HRD needs assessment

X₂ – Score on the implementation of design

X₃ – Score on the implementation of training and development

X_4 – Score on the implementation of evaluation

$b_1, b_2, \dots b_4$ – regression co-efficient of independent variables

a – intercept and

e – error term

The regression co-efficient of seven components of HRD processes on its role played at small, micro units and also for pooled data. The results are presented in Table.

TABLE Impact of HRD Process on the Role played by HRD in SSI Units

Sl. No.	HRD Process	Regression co-efficient in units		
		Small Units	Micro Units	Pooled Data
1.	HRD Need assessment	0.1731*	0.1542*	0.1609*
2.	HRD Desing	0.1244*	0.1011	0.1048
3.	Training / Implementation	0.0886	0.0971	0.0879
4.	Evaluation	0.1049	0.1142	0.1097
	Content	1.8088	0.8974	1.3944
	R^2	0.7947	0.7246	0.8288
	F-statistics	17.3642*	10.3643*	21.9043*

*Significant at five per cent level.

The significantly influencing HRD process on its role played at small units are HRD Need assessment and HRD Design since its regression co-efficients are significant at five per cent level. A unit increase in the above said HRD process result in an increase in its role played by 0.1731 and 0.1244 units respectively. The changes in the HRD process explain the changes in the role played by HRD to an extent of 79.47 per cent since its R^2 is 0.7947.

At the micro units, the significantly influencing HRD process on the role played by HRD is Need Assessment only. A unit increase in the abovesaid two aspects result in an increase in the level of role played by HRD by 0.1542 units respectively. The changes in the HRD process explain the changes in the level of role played in micro units to an extent of 72.46 per cent since its R^2 is 0.7246.

The analysis of pooled data reveals the relative importance of HRD process, basic HRD Need Assessment in the determination of role played by HRD in SSI units. A unit increase in the abovesaid aspects result in an increase in the level of HRD's role at SSI units by 0.1609 units. The changes in the HRD process explain the changes in role played by HRD at SSI units to an extent of 82.88 since its R^2 is 0.8288.

The highly implemented components of HRD practices by small units are strategic HRD practices and HRD process where as in micro units, these two components are strategic HRD practices and contents of HRD. The significant difference among the small and micro units have been noticed in the case of implementation of all seven components of HRD practices. The higher rate of implementation of HRD practices is noticed in small units compared to micro units. The highly implemented components of HRD practices by small units are strategic HRD practices and HRD processes, whereas in micro units, these two components are strategic HRD practices and contents of HRD. We have observed a significant difference in the implementation of all seven components of HRD practices between small and micro units. Small units implement HRD practices at a higher rate than micro units. The highly viewed role of HRD practices at small units are internal service quality and organizational productivity whereas in the case of micro units, these two are internal service quality and organizational productivity. Regarding the level of role played by HRD practices, the significant difference among the small and micro units have been noticed in the case of view on all nine roles played by HRD practices at SSI Units. The higher overall role played by HRD practices is seen in small units compared to micro units.

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