



## A review on history of HRM and a study on factors of motivation in productivity in an OEM Indian Industry.

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### ABSTRACT

*Indian Industries are focusing various efforts have been put forward by different methodology for handling productivity concerns, such as end-of-pipe treatment, waste minimization, source reduction, eco-efficiency, cleaner production with help of innovative HR practices. Best HR practices promote to all-encompassing methodology for the improvement of productivity and enhance the efficiency of organisation. The holistic approach is one of the big challenge to the manufacturers because industries needs good relationship and proper understanding among the people to executive all functions peacefully. The fundamental concerns of employee's attitude and behaviour in the last 50 years, there has been a dramatic change in industries in the area of human resource utilizing practice , efficiency of human skills and knowledge . The new practice often include team work, effective participation, decision making , information sharing among employees, effective training ,education and offer in the form of welfares and motivation . These are all being considered as prime factors to the management plans, organize, co-ordinate and resources together to perform the task.*

**KEYWORDS : Original Equipment Manufacturing , Human Resource Management , Duncan Multiple Regression Test**

### Introduction

In the dynamic changing work place environment the innovative HR practice play a key role to success of organisational development. To have a competitive edge it is imperative for the organisation to devise comprehensive knowledge of employees and HR strategies and practices. In this modern era, employees skills and knowledge has been replaced by technology for improving productivity. When we look back, the organization's successful based employees knowledge and skills in one face. The employer's initiatives such as motivation and effective implementation of HR practices are in other face. Today Indian OEM industries are focusing to implement innovative HR strategies and practices effectively.

### Review of literature

Ashksom ( 2012) about Indian liberalization has caused the creation of hyper in the title of Innovative HRM responsive by Corporate during India's Liberalization. Indian corporate have realized the need to make employees more creative , innovative and keep them motivated. Creation of productive labour force , rationalize of manufacturing process, Adoption of Innovative HRM practices leads encourages team work , Outstanding work force for advanced and non – core activities for increasing productivity.

Demet Leblebici, (2012) highlighted that the work place environment plays a crucial role for the employee's involvement on work. The quality of environment in work place may simply determine the level of motivation, subsequent leads performance and productivity.

OlumideLjose,(2008) highlighted that the "Culture and the Adoption of Practices": The successful adoption of organizational practices in this key sector. He stressed an organizational culture plays vital role to improve the relationship between management and employees.

Patric Loire, Jean Facqu, (2009) described about the organisational performance, employability and skill development, Selective training, Providing employment security, higher payment retains performance, Extensive training, The future / change orientation of work force , Innovative dynamic and skill requirements. His study recommended that the team development plays a vital part in productivity.

### 3. History of HRM in early stages around the world.

Key principles and practices associated with HRM date back to the beginning of

mankind. HRM during the late 1800 and early 1990s period, the first was the industrial welfare movement, which represented a shift in the way that managers viewed employees from non-human resources to human beings. That movement resulted in the creation of medical care and educational facilities. The second factor was Frederick W. Taylor's (1856-1915) scientific management, a landmark book that out-

lined management methods for attaining greater productivity from low-level production worker.

By the end of the 1970s, virtually all medium-sized and large scale companies and institutions had some type of HRM program in place to handle recruitment, training, regulatory compliance, dismissal, and other related issues. HRM's importance continued to grow during the 1980s for several reasons. Changing workforce values, for example, required the skills of HRM professionals to adapt organizational structures to a new generation of workers with different attitudes about authority and conformity. Shifting demographics forced changes in the way workers were hired, fired, and managed. Other factors contributing to the importance of HRM during the 1980s and 1990s were increasing education levels, growth of service and white-collar job.

### 3.1 History of HRM in early stages in India

As highlighted by Indian management researchers , Indian firms focus on strategies of turnaround, diversification , expansion and internationalisation , human resources and human capital performance in India have become increasing important .Consequently, HR's role in effectively using the employer brand has tremendously expanded grown in importance for improving productivity . A brief historical snapshot provides background about the increasing role of human resource management in India and employer brand as strategic HR tool .The HR profession in India began in the 1920 with concern for labour in factories . After India's independence from great Britain in 1947, with liberalisation of the Indian economy in 1991 and subsequent reforms , the importance of the HR function dramatically increased. In the 1990s the function was on HRD as a key tool for business survival , and the method to measure effective people development activities , with arrival of many multinational corporations (MNCs) in India.

There has been increase in progressive HR practices as well as an expansion of different type of HR terminology, such as human resource management (HRM).In the past 10 years, the human resource profession in India has become increasingly sophisticated. It continues to evolve best practices needs of organisation for improving quality of work and improving productivity. Globalisation is blending of work culture. HR practices are being modified to appropriately fit Indian companies .Being observed many MNCs have a policy that enables the company employees to fire people without explanation, sometimes termination without cause, this policy goes against Indian culture and legislation. An important factor of productivity is based on employee's engagement. It has emerged as a critical driver of business success in today's global market place.

### HRM Today

Businesses and organizations focused on three major resources such as materials, equipment and financial resources. HRM refers to the

management of all decisions within an organization that are related to people. In practice, however, HRM is a tool used to try to make optimum use of human resources, to foster individual development, and to comply with government mandates. Larger organizations typically have an HRM department and its primary objective is making company goals compatible with employee goals insofar as possible. Hence, for a company to attain its goals, it must have employees involvement effectively.

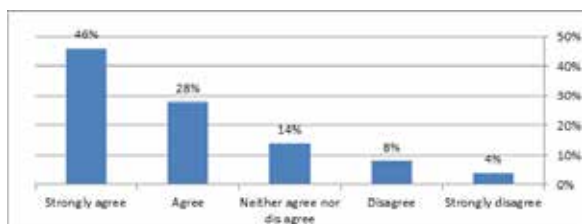
Motivation is a centre tendency of organisation, motivation, at its core, can be defined as the energy a person puts toward work related behaviour. While motivation can often be used as a tool to help predict behaviour, it varies greatly among individuals and must often be combined with ability and environmental factors to actually influence behaviour and performance. Because of motivation's role in influencing workplace behaviour and performance. The behavioural approach to work place motivation is known as organisational behavioural modification.

**4.1 Factors of Motivation**

Organisation reward systems have a significant impact on employee's level of motivation. Rewards can be either tangible or intangible. Various forms of pay, such as salary, commission, bonus, employee ownership programs and various types of profit or gain sharing programs, are all important tangible. In the same time, fringe benefits have a positive impact on attraction and retention, their direct impact on motivation. Salaries play a crucial role in the tangible reward system. Motivation plays significant role to improve the job satisfaction, particularly their emotion, behaviours, and attitudes on work. Job satisfaction has theoretical and psychological linked to important job outcomes including attitudinal variable, absenteeism, employees turnover and job performance.

**4. HR strategy and productivity in an OEM Indian Industry.**

Rating response	Finance	Quality	Production	Total	%
Strongly Agree	50	70	110	230	46
Agree	45	35	60	140	28
Neither agree nor disagree	23	23	24	70	14
Disagree	30	10	0	40	8
Strongly Disagree	10	0	10	20	4



This study has taken 3 months period in uniform interval. The sample size is 500 taken in an OEM Indian industry to find the effectiveness of HR strategies and the impact of factors of productivity. The study

shows 46% of employees strongly supported towards with respect to HR strategies and favour to productivity; again 28% of employees agree that the HR strategies influence to favour the productivity. But, 14 % of employees does not say any on this regards. The balance of 8 % employees disagree against the statement, remaining 4 % of employees strongly disagree against the relationship of department's HR strategies and productivity.

Null hypothesis: There is no relationship between factors of motivation and

**productivity**

Table : 4.1 ANOVA for significant difference between factors of motivation and productivity of department HR strategy

Factors of motivation	HR strategy of productivity in Departments			F value	P value
	Production	Quality	Finance		
Wages	17.69 <sup>b</sup> (5.34)	14.07 <sup>a</sup> (5.60)	13.47 <sup>a</sup> (5.58)	30.487	<0.001**
Incentives	18.22 <sup>b</sup> (5.24)	16.82 <sup>a</sup> (5.11)	18.53 <sup>a</sup> (5.37)	19.090	<0.001**
Gift	16.99 <sup>c</sup> (4.59)	13.81 <sup>a</sup> (4.31)	14.92 <sup>a</sup> (4.42)	22.978	<0.001**
Award	18.10 <sup>b</sup> (5.23)	14.52 <sup>a</sup> (4.84)	14.67 <sup>a</sup> (4.97)	28.593	<0.001**
Recognition	17.19 <sup>b</sup> (4.54)	15.54 <sup>a</sup> (3.69)	16.57 <sup>b</sup> (3.39)	7.868	<0.001**
Career opportunity	18.66 <sup>c</sup> (3.59)	15.80 <sup>a</sup> (3.54)	17.93 <sup>b</sup> (2.53)	34.032	<0.001**

Note : 1. The value with in bracket refers to SD  
2. \*\* Denotes significant at 1% level.

Finding : Since the P value is less than 0.01 the null hypothesis is rejected at 1% level with respect to all factors of motivation. Hence, there is significant difference between with respect to factors of motivation. Based on DMRT the employees of finance and quality department have differ with HR strategies of employees in production. Career opportunities is differ with each other. It is 18.66<sup>c</sup> which is higher followed by incentives. This study concluded that factors of motivation influences to increase the productivity which is differ with each department. The relationship of each factors of motivation is strong relationship to increase the productivity and its differ with departments.

**5. Conclusion**

This paper highlights the history of HRM practices and its development from earlier to modern stage in India and it has been concluded that factors of motivation play a significant factor to achieve the productivity in an OEM Indian industry. This paper explored that factors of motivation and its effectiveness towards productivity in each department. The successful organisation is focused about the significant factors of motivation and its impacts. Hence this study explored that the effectiveness of motivation. The HR strategy plays a dominant role to achieve result of productivity. At last, this article highlighted about the career opportunity and its effects on productivity in an OEM Indian Industry. It is concluded that the relationship of factors of motivation found positive strong relationship to align the employees towards productivity.

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