

A STUDY ON ROLE OF HRM PRACTICES OF EMPLOYEE PERFORMANCE IN LARSEN & TOUBRO CONSTRUCTION

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Abstract:

The project conducted at L&T Construction aimed to understand employee views on HRM practices impacting employee performance. It examined key areas such as Recruitment and Selection, Training and Development, Performance Appraisal, Compensation, Employee Benefits and Employee Engagement Initiatives. The primary goal was to analyze how these HRM practices influence performance within Larsen and Toubro Construction. Secondary objectives included evaluating employee perceptions of the recruitment process, average selection time and talent acquisition effectiveness. Surveys were administered to L&T Construction employees in Chennai, with primary data collected via questionnaires. Secondary data was gathered from various sources. Analysis involved percentage analysis, correlation analysis, chi square tests and ANOVA using SPSS software. Results revealed that L&T utilizes several methods like merit-based systems, campus interviews, talent searches, consultancy services, language proficiency and job specific skills assessments to enhance employee performance. The study will offer recommendations based on the findings.

Keywords: HRM Practices, Employee Performance, Analysis.

INTRODUCTION

In today's competitive business landscape organizations acknowledge the crucial role of their human resources in achieving sustained success. Human Resource Management (HRM) practices have gained prominence as companies aim to maximize their workforce's potential and improve overall performance. This study explores the intricate link between HRM practices

and employee performance seeking to provide valuable insights into leveraging HRM strategies to enhance productivity, engagement and satisfaction. HRM practices encompass various activities from recruitment to performance management each shaping organizational culture and aligning with strategic goals. Understanding the factors influencing employee performance is vital for organizational success with HRM practices emerging as key drivers of employee behavior and attitudes. This study contributes to HRM and employee performance knowledge empowering organizations to navigate challenges and foster a growth oriented workplace environment.

REVIEW OF LITERATURE

Kelley Walters & Joel Rodriguez (2017)

The study on “The Importance of Training and Development in Employee Performance and Evaluation” The quantitative data was collected through questionnaire from 415 employees from almost 85 organizations in Pakistan and through semi-structured interviews. The results of the data stated statistically that there was a significant correlation between organizational climate and employee’s commitment. The recommendations given by this study states that critical difficulties and issues faced by employees during the employee development at the workplace to help the organization improve their productivity.

Liao, Toya, Lepak, & Hong (2009)

This study emphasis HR practices for service quality: extensive service training, Information sharing, self-management service teams and participation, compensation contingent on service quality, job design for quality work, service-quality based performance appraisal, internal service, selective hiring, employment security and reduced status differentiation. Multilevel survey of (a) bank branch senior managers, (b) employee supervisors, (c) customer-contact employees, (d) branch customers and (e) headquarters from a national bank in Japan. Employee overall service performance. Customer satisfaction employee direct supervisors rated Employee general service performance. Employee knowledge intensive Service performance. Branch customers rated customer satisfaction.

Dr. Faizuniah Pangil (2017)

This study measures that comprehensively on all the dimensions of employee performance that enhance organizational effectiveness are limited. This paper explored the influence of HRM practices on the employee performance in the Nigerian public sector. Using cross sectional method on 265 participants from local government areas the findings revealed that HRM practices such as job rotation, job autonomy and career planning had a significant and positive influence on all the three dimensions of employee performance (task, contextual and adaptive performance).

Faiza Manzoor (2019)

This study attempts to examine the role of sustainable Human Resource Management (HRM) practices on job performance and encompasses training as a moderator variable to further evaluate the association among HRM practices and employee’s job performance. The study seeks to measure the effect of selection, participation and employee empowerment on job performance in the publicly owned universities of Pakistan. The descriptive survey research design was utilized for this study. By using a convenient sampling technique 130 sample participants were selected from the target population.

OBJECTIVE OF THE STUDY

- To analyze the perception of the employees regarding recruitment process they have undergone.
- To identify the average time spent for selection process.
- To analyze the factors and effectiveness of talent acquisition process.

RESEARCH METHODOLOGY**STATEMENT OF THE PROBLEM**

The study aims to investigate whether the employees getting their benefits or not and to analyze what are the advantages and disadvantages were the employees are facing in L&T Construction.

SOURCES OF DATA**PRIMARY DATA**

Primary data are those which are collected a fresh and for the first time and happen to be original in character.

SECONDARY DATA

Secondary data are those which have already been collected by someone else and which have already been passed through statistical process. And this data was collected from websites and newspaper.

RESEARCH DESIGN

In this study, Descriptive Research Design is used in research topic.

POPULATION

This study is about HRM Practices of employee performance. Population of this study will be those employees working in Larsen & Toubro Construction in Chennai Region.

SAMPLE SIZE

Sample size means the number of sampling units selected from the population for investigation. It helps to achieve the objective of research. The sample size taken for the study is 110.

SAMPLING DESIGN

The method of sampling adopted to conduct survey is Convenience Sampling Method. The area of research is concentrated on employees working in Larsen & Toubro Construction in Chennai Region.

PERIOD OF STUDY

The period of the study is to determine that research process is carried out for 2 months.

STRUCTURE OF QUESTIONNAIRE

Questionnaire was divided into two sections. First part was designed to know general information about respondents and the following part contained the respondent's opinion about organizations HRM Practices.

ANALYTICAL TOOLS

The analytical tools used in SPSS are,

- Correlation
- Chi-Square
- Anova

RESULT ANALYSIS

Table showing Education Qualification of the Respondents

S No	Education Qualification	No of Respondents	Percentage
1	Under Graduate	10	9.7%
2	Post Graduate	93	84.1%
3	Diploma	7	6.2%
Total		110	100

Count of Education Qualification of the Respondents

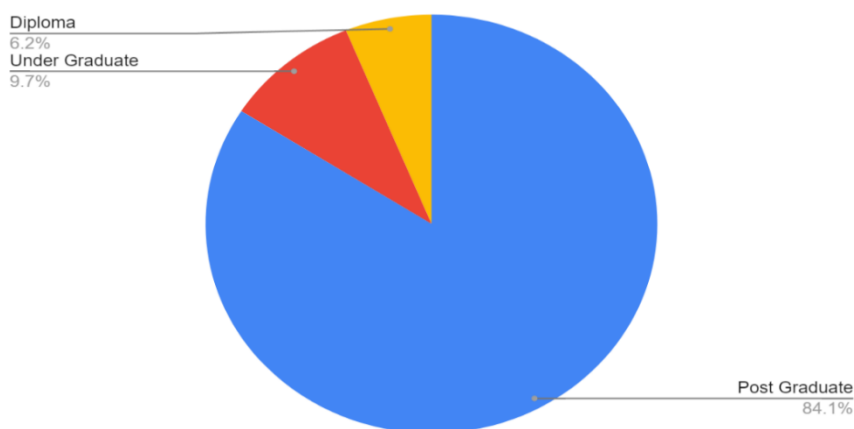


Chart showing Education Qualification of the Respondents

INTERPRETATION

It is interpreted that the Respondents Education Qualification for Under Graduate is 9.7%, Post Graduate is 84.1% and Diploma is 6.2%.

INFERENCE

Majority 84.1% of the Respondents are Post Graduate.

Table showing Rate the following factors must be considered while Selecting a Candidate

S NO	Particulars	No of Respondents	Percentage
1	Communication	55	50%
2	Good Intellectual Potential	29	26.4%
3	Work Experience	21	19.1%
4	Education Qualification	2	1.8%
5	Technical Skill	3	2.7%
Total		110	100

Count of Rate the following factors must be considered while Selecting a Candidate

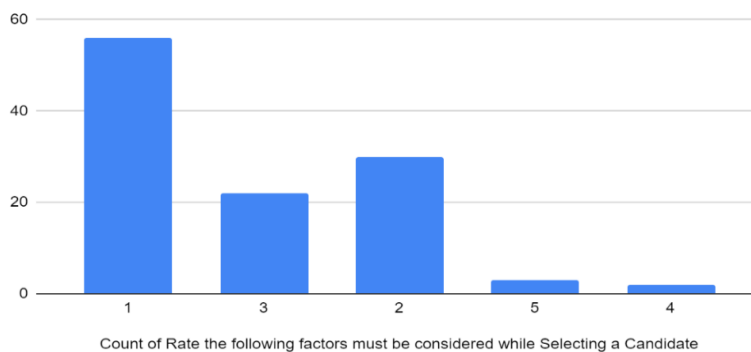


Chart showing Rate the following factors must be considered while Selecting a Candidate

INTERPRETATION

It is interpreted that the Respondents Rate for 1. Communication is 50%, 2. Good Intellectual Potential is 26.4%, 3. Work Experience is 19.1%, 4. Education Qualification is 1.8% and Technical Skill is 2.7%

INFERENCE

Majority 50% of the Respondents Rate the Communication factors must be considered while Selecting a Candidate.

Table showing What is the average time spent for the Selection for each Candidate

S NO	Particulars	No of Respondents	Percentage
1	10 Minutes	4	3.5%
2	11-20 Minutes	17	16.8%
3	21-30 Minutes	28	25.7%
4	More than 1 Hour	61	54.0%
Total		110	100

Count of What is the average time spent for the Selection for each Candidate

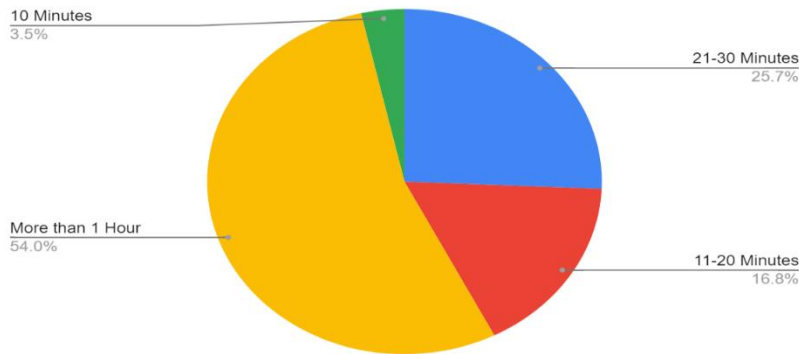


Chart showing What is the average time spent for the Selection for each Candidate

INTERPRETATION

It is interpreted that the Respondents spent for Selection of each Candidate for 10 Minutes is 3.5%, 11-20 minutes is 16.8%, 21-30 Minutes is 25.7% for More than 1 Hour is 54.0%

INFERENCE

Majority 54.0% of the Respondents Spent More than 1 Hour for the Selection of each Candidate.

Table showing What form of Interview do you Prefer (Click Any)

S NO	Particulars	No of Respondents	Percentage
1	Personal Interview	94	85.5%
2	Telephonic Interview	38	34.5%
3	Video Interview	41	37.3%
4	Panel Interview	70	63.6%
Total		110	100

Count of What form of Interview do you Prefer (Click Any 2)

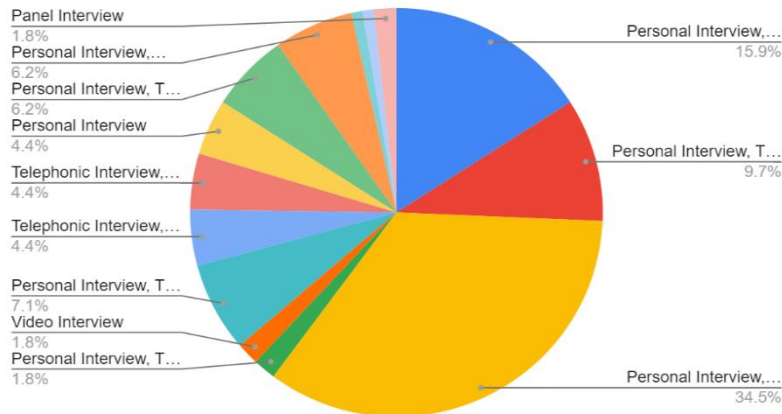


Chart showing What form of Interview do you Prefer

INTERPRETATION

It is interpreted that the Respondents Prefer for Personal Interview is 85.5%, Telephonic Interview is 34.5%, Video Interview is 37.3% for Panel Interview is 63.6%.

INFERENCE

Majority 85.5% of the Respondents Prefer Personal Interview.

DATA ANALYSIS

CORRELATION

HYPOTHESIS 1: RELATIONSHIP BETWEEN EDUCATION QUALIFICATION AND RATE OF SELECTING THE CANDIDATES

Null Hypothesis H0: There is no statistically significant difference between Education Qualification and Rate of Selecting the Candidates.

Alternate Hypothesis H1: There is statistically significant difference between Education Qualification and Rate of Selecting the Candidates.

► Correlations

[DataSet1]

Correlations

		Rate the following factors must be considered while Selecting a Candidate 1. Communication 2. Good Intellectual Potential 3. Work Experience 4. Education Qualification 5. Technical Skill	Education Qualification of the Respondents
Rate the following factors must be considered while Selecting a Candidate 1. Communication 2. Good Intellectual Potential 3. Work Experience 4. Education Qualification 5. Technical Skill	Pearson Correlation	1	-.143
	Sig. (2-tailed)		.136
	N	110	110
Education Qualification of the Respondents	Pearson Correlation	-.143	1
	Sig. (2-tailed)	.136	
	N	110	110

INTERPRETATION

The p value -0.143 which is less than the significance value (0.05) hence Alternate Hypothesis (H1) is Accepted. Therefore, there is significant difference between Education Qualification and Rate of Selecting the Candidates.

CHI-SQUARE

HYPOTHESIS 2: RELATIONSHIP BETWEEN TIME SPENT FOR THE SELECTION FOR EACH CANDIDATES AND WHAT FORM OF INTERVIEW DO YOU PREFER

Null Hypothesis H0: There is no statistically significant difference time spent for the Selection for each Candidates and form of Interview do they prefer.

Alternate Hypothesis H1: There is statistically significant difference between time spent for the Selection for each Candidates and form of Interview do they prefer.

Crosstabs

[DataSet1]

Case Processing Summary						
	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
What is the average time spent for the Selection for each Candidate * What form of Interview do you Prefer (Click Any 2)	110	100.0%	0	0.0%	110	100.0%

What is the average time spent for the Selection for each Candidate * What form of Interview do you Prefer (Click Any 2) Crosstabulation

Count		What form of Interview do you Prefer (Click Any 2)														
		Personal Interview	Personal Interview, Panel Interview	Personal Interview, Telephonic Interview	Personal Interview, Telephonic Interview, Panel Interview	Personal Interview, Telephonic Interview, Video Interview	Personal Interview, Telephonic Interview, Video Interview, Panel Interview	Personal Interview, Video Interview	Personal Interview, Video Interview, Panel Interview	Telephonic Interview, Panel Interview	Telephonic Interview, Video Interview	Telephonic Interview, Video Interview, Panel Interview	Video Interview	Video Interview, Panel Interview	Total	
What is the average time spent for the Selection for each Candidate	10 Minutes	1	1	1	0	0	1	0	0	0	0	0	0	0	4	
	11-20 Minutes	2	6	2	0	2	1	3	0	1	1	0	1	0	19	
	21-30 Minutes	1	7	5	1	0	1	5	3	1	1	0	1	1	27	
	More than 1 Hour	0	25	3	7	0	4	10	4	3	3	1	0	0	60	
Total		4	39	11	8	2	7	18	7	5	5	1	2	1	110	

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	41.993 ^a	36	.227
Likelihood Ratio	41.312	36	.250
N of Valid Cases	110		

a. 47 cells (90.4%) have expected count less than 5. The minimum expected count is .04.

INTERPERTATION

The p value is 0.227 which is greater than the significance value (0.05) hence Null Hypothesis (H0) is Accepted. Therefore, there is no significant difference between time spent for Selection of each Candidates and the form of Interview do they prefer.

FINDINGS

- Majority 84.1% of the Respondents Are Post Graduate.
- Majority 50% of the Respondents Rate the Communication factors must be considered while Selecting a Candidate.
- Majority 54.0% of the Respondents Spent More than 1 Hour for the Selection of each Candidate.
- Majority 85.5% of the Respondents Prefer Personal Interview.

SUGGESTION & RECOMMENDATIONS

- Provide comprehensive training on company policies for candidates hired through consultancy to ensure clarity from the start.
- Enhance job security and provide encouragement for fresh graduate hires to foster their professional growth and commitment to the company.
- Implement clear scheduling protocols and streamline the interview process to improve efficiency and enhance the candidate experience.
- Offer skill development programs or workshops for contractors to attract and retain talented individuals and support their career advancement.
- Enhance the People Strong portal with search features tailored to the company's needs to facilitate more efficient recruitment processes.

LIMITATIONS OF THE STUDY

- The analysis of this study has been carried out based on the information has collected directly from the respondents.
- The study is an opinion survey may have to be exercised while extending the result to other areas.
- Due to time constrict only 110 numbers of respondents were considered. The result fully depends on the information given by the respondents.

CONCLUSION

L&T Construction's dedication to employee wellness is admirable, extending support not just to employees but also to their families, fostering a positive work environment. However, there's a gap in ensuring all candidates, especially

those hired through consultancy, understand company policies. Implementing training programs can bridge this gap. Addressing job security and encouragement for fresh graduates is crucial for their growth and commitment. Improving interview efficiency and offering skill development programs for contractors can attract and retain talent. Enhancing the People Strong portal with tailored search features can improve recruitment. By addressing these areas, L&T Construction can strengthen its position as an employer of choice, fostering sustainable growth and success.

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