

Human Resource Development Strategies And Practices – An Analytical Study With Reference To PEPSICO India Holdings (Pvt.) Limited

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ABSTRACT

Global and Competitive advantages of a company can be generated from Human Resources (HR) in terms of Training and Motivations are influenced by a set of effective HRM practices. In this study, intend to assess the HR practices in Pepsi Company. Primary data based on 300 respondents from Pepsi Company who are all working as Associates are different Grades were analyzed to assess HR practices being practiced by Pepsi Company in India. Ten Motivational Factors from inter Matrix Correlation was further Analyzed. 'Training and Motivation' were found highly in Practice in the Pepsi Company. ANOVA results showed that Pepsi Company is practicing HR practices in Indian standards. Compensation practices were found more competitive based in Multinational Companies standard than in Indian ones. Some aspects related to HR practices followed typically in Indian Standard. The Motivation levels of all targeted respondents were at high standards. They were fortunately part of Pepsi company HR practices and Satisfied in the Company Training and Motivation.

KEY WORDS: Globalization, Indian industries, Foreign Direct Investment.

1. INTRODUCTION

Tracing back into the history of business environment in the early years by, trading patterns and markets were stable, technology was static, customers were passive, speedily in getting to the market was secondary, the competition was limited to sectors and regions and hierarchies were generally accepted in all walks of life. No more, since 1990's India has been almost continually buffeted by change. Customers demand the businesses to do better, cheaper, faster, employees want to be control more than 'stop button' on the assembly line. The 20th century saw nations around the world becoming part of the global village with trade barriers between them reduced or removed completely. The Globalization of trade and economy has led the multinational companies has taken deep root in India. The holistic paradigm shift to a single global economy has opened up new opportunities. Multinational companies have gained ground in India after having signed many collaboration agreements with Indian companies.

2. REVIEW OF LITERATURE

When the regulations of WTO and also Indian Government policies further opened the flood gates for the multinational companies to be enter the Indian industries. The multinational companies have brought not only the technology but also new waves of business techniques into India. The Multinational Companies from the United States have the largest share of FDI [Foreign Direct Investment] in India followed by those are United Kingdom, Japan, West Germany, France, Switzerland and Canada. The Multinational Companies in India, the functioning of which is based

on certain challenges such as cross cultural behavior, competition, technology up gradation, customer driven markets etc., It's have been simultaneously capture global scale efficiency, respond to the fast driven consumer goods industry [FMCG] and develop the worldwide learning

Capability that drives continuous innovation. They are in search of foreign markets for two reasons - First, to create a market for their product which means managing the brand becomes more important, and secondly, to find quality human talent from every corner of the globe which is the key to create the latest state of the art product. The importance of human resources has been highlighted in the present era which gravitate organization to be flexible, that has strong values, a robust performance ethic and provides challenging work on the latest technology.

This has led the companies to proactively take measures on three fronts:

- Creating an organizational ambience where talent can bloom
- Putting in place systems that helps in unleashing their potential; and
- Building a reward and recognition that provides value for the people

Though the multinational companies are backed by their own marketing and publicity strategies, they can face serious challenges from the human resources sector problems like motivation, job stress, conflict management, organizational changes, upgrading the talents etc., which are causing threats to the functioning of the multinational companies. To face these challenges each MNC adopts its own strategies in human resource areas.

Under the present market its may be forces and strict competition, the multinational companies are forced to be competitive. Contemporary companies must seek ways to become more efficient, productive, flexible and innovative, under the constant pressure to improve results. The traditional ways of gaining competitive advantage have to be supplemented with organizational capability i. e. the firm's ability to manage people (Ulrich and Lake 1990). Organizational capability relates to hiring and retaining competent employees and developing competencies through effective human resource management practices (Ulrich and Lake 1991). Indeed, developing a talented workforce is essential to sustainable competitive advantage (Kundu and Vora 2004).

In course of providing training, good pay structure and high working conditions leads to High performance work practices. It can be provides a number of important sources of enhanced organizational performance (Pfeffer and Veiga 1999). HR systems have important, practical impacts on the survival and financial performance of firms, and on the productivity and quality of work life of the people in them (Cascio 2006).

STATEMENT OF THE PROBLEM

The present scenario in the industries is the optimum utilization of existing human resource. To achieve this goal by each industry to follows its own HR practices in the areas right from man power planning to the exit of the employees. In each industry concentrates its policies based upon its own environment. After the entry of multinational companies into Indian industries the dimensions of HR practices have drastically changed. MNCs introduced new techniques in their policies relating to recruitment, motivation, quality of work life, training and so on, from time to time. But the success of the policies of these organizations depends on the outlook, perception, acceptance and approval of employees who are the beneficiaries of such policies. Employees of the organization may differ in their involvement and commitment in the achievement of the organizational goals. The reason may be their approach and attitude towards the policies of the organization. So, each organization has to monitor, observe, investigate and

analyze its employees' reaction and action towards its policies so as to take remedial actions instantly. On Liberalization in the Indian Economy has opened the various sectors to private competition with

multidimensional framework. A number of multinational companies have set up representative Offices in India and have also tied up with various asset management companies (Shanker 2006). All these developments have forced the multinational companies to be competitive. What makes a firm best is not just technology, bright ideas, masterly strategy or the use of tools, but also the fact that the best firms are better organized to meet the needs of their people, to attract better people who are more motivated to do a superior job (Waterman, 1994). In this manner the management of human resources becomes very crucial. Thus, this study on HRM practices in multinational companies has taken up. Therefore, this study aims at examining employee's outlook towards the organizational policies and HR practices of PepsiCo India holdings Private limited one of the popular MNCs in India.

3. OBJECTIVES OF THE STUDY

1. To analyze the inter-personal relationships and motivation among the employees and their impact on the organizational climate.
2. To Study the existing organizational culture and its contribution for training, motivation and inter-personal relationships to build organizational climate.
3. To analyze the influence of demographic variables on different HRD elements and to offer suggestions for up-grading the HRD measures in the organization.

HYPOTHESIS

There is no significant impact of training, motivation, and inter-personal relationships on the organizational climate.

1. The organization culture will not predict training aspects, motivational aspects, and inter-personal relationships to build organizational climate.
2. There is no significant correlation between overall motivational factors and the different factors of motivation.

4. LIMITATIONS OF THE STUDIES

1. It getting appointment, Meeting and collecting information from senior associates of the company for this study was a tremendous work and difficult also.
2. The study might takers into account of a small sample of 300, which may not be a good indicator of the total employees of the company (total employees 3200), but the study includes extensive interaction with associates.
3. Situational errors may arise due to situational factors affecting the associate's responses.
4. The study can relies on the information given by the associates who are having minimum five years of experience in the target company.

RESEARCH METHODOLOGY

The study is conducted using descriptive and analytical type of methodology.

DATA AND PERIOD FOR THE STUDY

The study is conducted with the help of both Primary and Secondary data. Primary data were collected from the 300 senior associates (out of 889) of the PepsiCo limited during the study period from 2012 to 2015.

QUESTIONNAIRE DESIGN

For the creation of database, two area of questionnaire were prepared; one is for the associates relating to pre and post training and another one is related to their motivation level with, organizational culture and climate.

SAMPLE UNIT

The sample for the study is drawn from the associate level with respect to the manufacturing sector situated at Mamandur near Greater Chennai in Tamil Nadu.

SAMPLE SIZE

The sample size is 300 senior associates.

SAMPLE SELECTION

The sample is selected based on stratified random sampling. The organization has 9 departments and one-sixth of the associates in each department approximately, are selected on the random sampling basis. The collected data samples in terms of associates were subjected to the reliability of distribution using Kolmogorov-Smirnov test. It was found that the variables considered for the analysis are exactly satisfying the normal probability distribution. The Statistics is a systematically significant for the entire variable at 5% level of significance.

SAMPLE COLLECTION

The primary data is collected from the selected respondents with the help of undisguised, structured, close ended questionnaire. The questionnaire is consisting of multiple choice questions using 5 point scaling technique. A questionnaire is designed for associates and divided into 7 areas - Personal, Motivation, Training, Attitude, Culture and Climate.

TABLE 2: AGE WISE DISTRIBUTION OF ASSOCIATES

AGE (YEARS)	NUMBER OF RESPONDENTS	% OF EMPLOYEES
30 - 35	55	18.33
36 - 40	106	35.33
41 – 45	46	15.33
46 – 50	68	22.67
Above 51	25	8.33
Total	300	100

Source: Primary Data

Most of the respondents fall in the age group of 35-40 years.

TABLE 3: WORK EXPERIENCE OF RESPONDENTS – ASSOCIATE

WORK EXPERIENCE (YEARS)	NUMBER OF RESPONDENTS	% OF EMPLOYEES
5 – 10	76	25.33
11 – 15	98	32.67
16 – 20	104	34.67
Above 21	22	7.33
Total	300	100

Source : Primary Data

Most of the associate respondents are of 11 to 20 years of experience. Less than 5 years' experience of the respondent's opinions are not collected.

TABLE 4: MONTHLY REMUNERATION OF RESPONDENTS – ASSOCIATES

Earnings	No. of Respondents	% of Employees
Rs.35000 - 45000	61	20.33
Rs.45001 - 55000	83	27.67
Rs.55001 - 65000	122	40.67
Rs.65000 above	34	11.33
Total	300	100

Source : Primary Data

Most of the respondents fall in the earnings of Rs.55,001 to 65,000

TABLE 5: AGE WISE CUM DEPARTMENT WISE DISTRIBUTION OF RESPONDENTS

AGE	ACCO UNTS	PURC HASE	ADMINIST RATION	PRODU CTION	QUA LITY CON TRO L	HUM AN RESO URCE	MAINT E NANCE	DES IGN	TIM E/ OFF ICE	TO TA L
30 -35	4	4	7	9	6	7	8	6	4	55
36 - 40	10	14	11	20	17	13	9	7	5	106
41 - 45	3	3	6	7	6	6	8	4	3	46
46 - 50	6	4	9	17	3	6	14	4	5	68
Ab ove 51	2	1	3	3	5	3	5	2	1	25
To tal	25	26	36	56	37	35	44	23	18	300

Source: Primary Data

100 employees of the company out of 300 allotted to production and maintenance departments. It shows the importance of human resource in these departments.

5. SUMMARY OF FINDINGS

Linear multiple regression analysis is used to find that the variable different elements of training like controlling labor turnover, balancing work flow, preventive maintenance, self-reliance for problem solving, unnecessary involvement in training activities, extending constructive team work, methods of maintaining smooth inter-personal relationships and qualities of the training program like innovative technological program, perfection in quality, in production, risk-bearing, achieving the goals with adventurous spirits and the training supportive activities in the departments are very highly explained to meet the objectives of training program [R-square = 0.593]. So it is found that the training programs are very highly effective when they possess different constructive elements, excellent quality and their execution at the departmental levels.

The existing organization culture in any organization plays a profound role in determining the elements of the training program, quality of training program, training supportive activities. The organization culture is classified into 3 categories in our study:

- [1] Values in organization
- [2] Beliefs in organization and
- [3] Practices in organization.

It is found that the value of the organization culture, beliefs in organization is not predicting any of the above mentioned dependent variables. Whereas the general practices in the organization explains quality of the training program, training supportive programs in the departments that is, when the organization aims at lot of attention to updating technology, continuous potential appraisal of the top management on the associate, profound consolidation of decisions from the top management are important factors to decide the elements, quality of the training program.

The cluster-wise multiple regression analysis revealed that the II cluster of climate in which the associate feel that the climate is acceptable after training, III cluster consist of associate who feel that the climate is very good after training. So it is inferred that the training is a very important element in an organization to build a conducive, constructive climate.

Almost all the associate feel that the training programs are significantly achieving the objectives of the organization goals. Some of the associate feel that the training program moderately achieves [63%], 34% of the associate feel that the training programs are very highly useful to predict the achievement of the organizational goals. Only 3% of associate feel that the training program are not at all significant.

It is found that the associate who feel that the training are not directly involved in developmental activities of organization, demand that the general climate changes must be taking place in the organization. There is a general view among the associate that subordinate training would not have any impact on their own performance. But the associate who feel that training is very highly successful express that the completion of the task in an organization can be achieved only by the co-operation of the subordinates who underwent the training program [t-value - 2.722].

It is found that there is an association between overall satisfaction, skill level of employee, and the three clusters of associate on the basis of their views about the training to achieve the organizational goals. So, it is inferred, unless and until the training programs possess important elements like quality, the overall satisfaction of the associate would not be reached.

It is inferred that the behavior of employees after attending the program is not significantly building the climate of the organization. So, the associate generally feel that the

overall climate changes are not depending only on training. Therefore; the climate of the organization is depending on other elements like motivation, inter-personal relationships and the organization culture.

It is found that the duration of the training program is possessing good impact on the objectives of the organization and effectiveness of the training supportive program in the

departments. As the duration of the training program increases, the associate feel it helps them to achieve the organizational objectives and also to conduct effective supportive training programs in their respective departments.

It is ascertained that the organizational culture has very good impact on the aspects of training. The values, beliefs of organization has main concentration on producing the products with good quality whereas the general practice in the organization culture has deep correlation with training programs undergone by the associate - team building, and total quality assurance. So, the associate feel when the top management continuously supports and thinks about the training program,, then only they are able to achieve productivity with good quality.

6. SUGGESTIONS

1. The organization should set up a team to execute potential appraisal, performance appraisal, and the need for training program for both associate and associates.
2. The quality of training must be improved in such a way to meet the organizational objectives directly. The training programs must be monitored by an executive/ a group of associate to give proper output of the training program and the purpose it has achieved with respect to the organizational goals.
3. Training programs must not be mechanical but it should last for considerable time so that the associate and associates can acquire skills suitable for the next job in the organization. Training must be made an important factor to make a total organizational culture change.

7. CONCLUSIONS

It is concluded that to meet the organizational objective through the training to associate, an effective training supportive program in every department, high quality in training program and certain identification of key areas for training are needed. The values and beliefs of the organization is not in favour of quality, usefulness of training and supportive training program, whereas the general practices like updating technology, changes in the organization affects the quality of the training programs, effective supportive training programs in the departments of associate. Some of the associate feel that the climate is independent of training program and some part of the associate strongly believe that training program builds good climate in the organization. The segregation of associate on the basis of the following aspects like willingness for new skills, reducing the number of errors in the work, enthusiasm to complete the assigned world, pondering for new ways to improve the skills do not create the good climate of the organization individually. So, the climate of the organization is built by all the elements of training and other elements of the organizational practices. It is concluded that satisfaction in the training program is depending upon individual satisfaction of associate. The associate do not accept the training program. Satisfaction alone would not help the organization to achieve their goals that is they expect good quality in the training program, training for the identified key areas for development are playing very important role to achieve the organizational objectives through different training programs. The skill level of associate made them to have a profound conclusion that their skills are playing very important significant role for the

achievement of the organizational goals.

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