

## IMPACT OF HR PRACTICES ON JOB SATISFACTION AND TALENT MANAGEMENT IN THE MANUFACTURING SECTOR

Dr. Shubha Muralidhar

### Abstract

Good HR practices can be in command of financial and performance indicators of corporations generating employee satisfaction. Recent studies confirm that most successful corporations believe that it is their employees who provide them a competitive advantage. The mission and vision statements, annual reports, value outlines and training calendars of these corporations reflect the great value that they attach to their employees. With increased research evidence of the linkages between HR practices and business development, corporations are getting more interested in establishing good HR practices. This study is an effort to study the impact of HR practices on Job Satisfaction and Talent Management among the selected sample employees in the manufacturing sector in Bangalore. Nine human resource practices namely, Recruitment and Selection, Training and Development, Compensation and Fringe Benefits, Performance Appraisal, Employee Wellness, Career Progression and Retention, Employee Engagement, Knowledge Management and Entertainment at Workplace have been taken as manifest variables and two variables – Job Satisfaction and Talent Management are taken as latent variables

**Key words:** *HR practices, Manufacturing sector, Job satisfaction, Talent management*

### Introduction

The world of Human Resources (HR) is changing swiftly and it is operating in a dynamic environment. HR today is a key contributor to solve organizational issues and achieve positive outcomes in business. HRM is a management function that helps manager's recruit, select, train, and develop member of an organization. It is concerned with the people's dimension in the organization. Several scholars have noted that managing people is more difficult than managing capital or technology (Barney, 1991; Lado and Wilson, 1994). HRM practices can be almost everything coupled with management of employment relations within organization

(Jackson & Schuler, 1995). According to Jackson and Schuler (1995), HRM practices comprise of a system that attracts, develops, motivates, and retains employees to ensure the effective implementation and the survival of the organization and its members.

### Literature Review

Literature on HRM practices reveals that HRM practices influence the organizational working both internally as well as externally. The relationship of HRM can be studied with respect to Employee-employer relationship, competitive advantage, organizational

commitment, employee performance, employee productivity, financial performance, trust, effective utilisation of employees and their management, growth and innovation, job satisfaction, reduced employee turnover and improved technology. These issues have been vividly brought out by Tiwari and Saxena (2012). Julian Gould-Williams (2003) in the research paper assesses the impact of HR practices on workplace trust, job satisfaction, commitment, effort and perceived organizational performance. The results of the paper support the hypothesis that HR practices are powerful indicators of trust and organizational performance. The results further assert that there is a need for the public sector organizations to re-evaluate their current HR practices to improve the overall performance.

Anil Kumar Singh (2005) analysed the relationship between HR Practices and the philosophy of management of the Indian business Organization. The study was conducted between both public and private organization. The findings of the study revealed that the HR practices were highly but negatively related to the philosophy of management in the private sector. There was blurred picture regarding the same issue in the public sector organizations. An excellent combination of committed people and a benevolent organization could be the way for organizations in this competitive environment in India.

Mir Mohammed Nurul Absar et al., (2010) in their paper, studied the impact of HR practices on Organizational performance. The study was conducted among 50 manufacturing firms in

Bangladesh. The only HR practice which seemed to have a significant impact on organizational performance was performance appraisal.

Tan Cheng Ling et al., (2010) in the research paper has inferred that with globalization, firms particularly in the Manufacturing sector have to continuously innovate for competitive advantage. The study was conducted to establish the relationship between human resource management practices and organizational innovation. Globalization and competitive business environment have encouraged Manufacturing-based industries to be proactive in their HRM practices in order to introduce new products and new technologies (Shipton et al., 2005). Sameer Kumar (2001) in his paper discussed the importance of emulating the existing best practice in the industry for achieving continuous improvements in business operations. Talent management policies and processes should be flexible enough to change in line with strategy (Stone, 2002). Customizations of talent management initiatives has become the order of the day, wherein each employee's needs must be assessed separately and thus ensure that talent is acquired, nurtured and retained.

Ceylan (2012), in his paper opined that commitment based HR system had a positive effect on process, organizational and marketing innovation activities. Another study revealed that in Chinese organizations four HRM practices: hiring and selection, reward, job design and teamwork, were positively relates to employee creativity while training and

performance appraisal did not reveal the same. Several other studies (Jiang, Wang & Zhao, 2012) suggested that HR practices can play an important role in managing people to promote innovation in the manufacturing concerns. This would further lead to job satisfaction and lead to talent management.

Thus, HR today is a key contributor towards solving organizational issues and achieving relevant business outcomes. It is essential to understand the requirements of the employees in line with the HR practices and map their satisfaction level. In today's competitive scenario it is quite challenging to maintain a contented work force. The employee behaviour and their perspectives in the Manufacturing sector has changed significantly over a period of time.

### Objectives of the Study

- To study the relationship between HR practices, Job Satisfaction and Talent Management in the Manufacturing sector
- To study the impact of HR practices on Job Satisfaction and Talent management in the Manufacturing sector
- To evolve best practices in the Manufacturing sector.

### Scope and Significance of the Study

The scope of the present study is limited to the Manufacturing concerns in Bangalore, Karnataka, India. They were chosen from the list of Bangalore Chamber of Commerce and Industry, Bangalore, Karnataka, India. Given the present scenario, there is a need for every

organization to be competent in satisfying both the internal as well as the external customers. The tangible and the intangible value created by the organization in the minds of the employees play a dominant role in enhancing morale of individual employee and the productivity of the organization on the whole. This study tries to understand the impact of HR practices on Job satisfaction and talent management in the Manufacturing Sector. In turn, this would facilitate in identifying the best practices in this sector.

### Key variables considered for the study

#### Manifest Variables (Independent variables)

- Recruitment and Selection
- Training and development
- Compensation and fringe benefits
- Performance appraisal
- Employee wellness
- Career progression and retention
- Employee engagement
- Knowledge management
- Entertainment at workplace.

#### Dependent Variables (Latent Variables)

- Job satisfaction
- Talent Management

### Research Methodology

This study was conducted in two phases:

- (a) Survey of employees in the organizations dealing with manufacturing. They were drawn from all the levels of hierarchy to ensure a fair representation.

(b) Survey of HR managers/senior managers/administrative staff who handle the HR related activities in the organization.

Hence the study had a sample of 195 employees and a sample of 20 HR managers/senior managers/administrative staff. This will enable us to find out the perception of both the management as well as the employees.

### Research Instrument for Data collection

Structured questionnaire was used for primary data collection. Two questionnaires, one each for the Employees and HR managers' were developed. Discussions with the senior executives in the concerned field and the literature survey helped in generating the potential scale of items relevant for the study. The questionnaire was discussed with the senior members of the Education sector before the pilot study. The items were evolved through exploratory study. Cronbach's Alpha reliability was done to ascertain the reliability of the questionnaire. The research attempts to measure the perception of both the employees and the HR managers to understand the best practices in the manufacturing sector.

### Statistical tools used for analysis

Data analysis consisted of descriptive statistics such as mean and standard deviation. Hypotheses have been formulated and tested using Structural equation modeling. SEM analysis was conducted to study the impact of HR practices on Job Satisfaction. In the structural equation model the variable that receives a one-way directional influence from some other variable in the system is termed

“endogenous”, “manifest” or dependent. A variable that does not receive a directional influence from any other variable in the system is termed as “exogenous”, “latent” or independent. When interpreting structural equation model the values attached to one way arrows (or directional effect) are regression coefficient, whereas Two-way arrows (Non Directional relationship) are correlation coefficient; Regression coefficients and correlation comprise the “parameters” of the model. The regression coefficient and correlation measures the strength of the relationship between the variable.

## Results of Analysis

**Table 1: Demographic profile of respondents (employees)**

Demographic Characteristic		Manufacturing (N= 115)	
		Frequency	%
GENDER	Male	72	63
	Female	43	27
AGE (in years)	20-30	28	24
	30-40	14	12.
	40-50	43	38
	> 50	30	26
EXPERIENCE (in years)	< 2	16	14
	2-5	8	7
	5-10	25	22
	>10	66	57
HIERARCHICAL LEVEL	Junior	12	10
	Middle	64	56
	Senior	39	34
MARITAL STATUS	Married	83	72
	Single	32	28

The number of respondents in the Manufacturing sector was 115. Among them 72 (63%) were male respondents. Based on the age group, 43 (38%) in the age group of 40 – 50 years and only about 14 (12%) respondents are in the age group of 30-40 years. This implies there are

many employees who are in the higher age group. Based on the experience, majority of the respondents, that is 57 (66%) of them had more than 10 years' experience. From table 1, it can be inferred that majority of the respondents have more than 5 years of experience which is a fairly a good period to assess the HR practices. Further the respondents were categorised based on the hierarchical level, 64 (56%) respondents were from the middle level. Among the total number of respondents, 83(72%) respondents were married.

**Table 2: Descriptive Statistics - Employees**

Sl.No.	Variables	Manufacturing N= 115	
		Mean	Standard Deviation
1	RAS	3.50	0.44
2	TAD	3.49	0.61
3	CFB	3.45	0.85
4	PA	3.54	0.70
5	EW	3.41	0.59
6	CPR	3.56	0.50
7	EE	3.83	0.49
8	KM	3.44	0.80
9	EAW	2.66	0.64
10	JS	3.82	0.64
11	TM	3.60	0.70

Table 2 indicates the descriptive statistics for all the variables across all the three sectors. The weighted average mean and the standard deviation for all the variables have been enlisted above. These results have been used in combination with other tests for analyzing the data.

**Table 3: Demographic profile of respondents (HR Managers)**

		Manufacturing (N= 20)	
Demographic Characteristic		Frequency	%
GENDER	Male	13	65
	Female	7	35
AGE (in years)	20-30	0	0
	30-40	6	30
	40-50	9	45
	>50	5	25
EXPERIENCE (in years)	2-5	0	0
	5-10	8	40
	>10	12	60
LEVEL	Junior	4	20
	Middle	11	55
	Senior	5	25

ISSN 0973 - 919X

In the Manufacturing sector, 13(65%) respondents were males. A majority of 9(45%) respondents were in the age group of 40-50 years and based on the experience, 12 (60%) had more than 10 years of experience in the Manufacturing sector. Majority of 11(55%) respondents were from the middle level management.

### Research Model and Hypotheses

The following section discusses the impact of HR practices on job satisfaction and talent management among the employees of Manufacturing sector in Bangalore. For the purpose, the nine HR practices, namely, Recruitment and Selection, Training and Development, Compensation and Fringe Benefits, Performance Appraisal, Employee Wellness, Career Progression and Retention, Employee Engagement, Knowledge



Management and Entertainment at Workplace have been taken as manifest variables and two variables – Job Satisfaction and Talent Management are latent variables

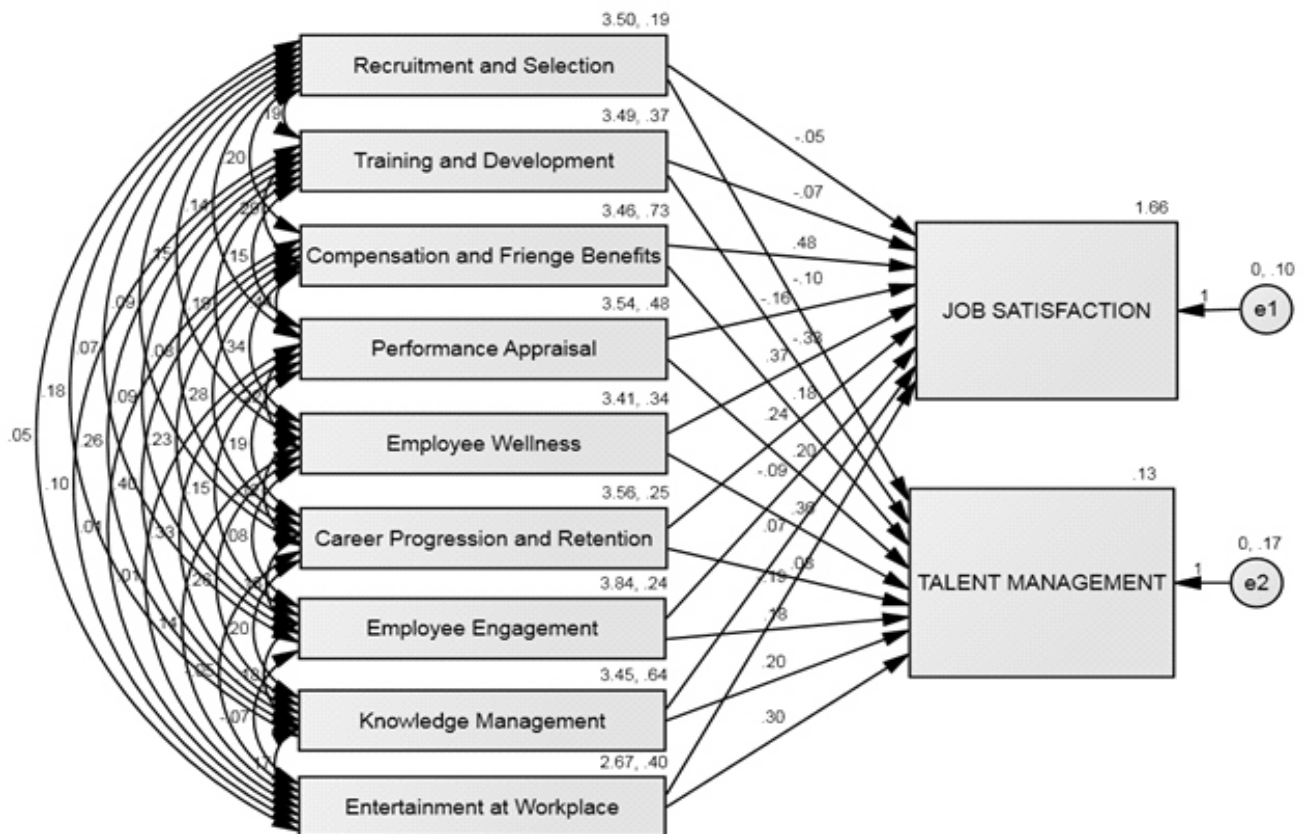
**H01:** There is significant impact of HR practices namely, (a) Recruitment and Selection, (b) Training and Development, (c) Compensation and Fringe Benefits, (d) Performance Appraisal, (e) Employee Wellness, (f) Career Progression and Retention, (g) Employee Engagement, (h) Knowledge Management and (i) Entertainment at

Workplace on Job Satisfaction.

**H02:** There is significant impact of HR practices namely, (a) Recruitment and Selection, (b) Training and Development, (c) Compensation and Fringe Benefits, (d) Performance Appraisal, (e) Employee Wellness, (f) Career Progression and Retention, (g) Employee Engagement, (h) Knowledge Management and (i) Entertainment at Workplace on Talent Management.

The Structural Equation Model and the output in the form of path diagram are presented in Fig. 1.

**Figure 1: Path diagram for factors influencing the impact of HR practices on Job satisfaction and Talent management in Manufacturing Sector**



(Note: Chi-square = 4.569, Degrees of freedom = 1 & Probability level = 0.000)

In the relationship between manifest and latent variables, the regression coefficient values of

manifest variables recruitment and selection, training and development, compensation and

fringe benefits, performance appraisal, employee wellness, career progression and retention, employee engagement, knowledge management and entertainment at workplace as -0.048, -0.069, 0.475, -0.163, 0.374, 0.239, -0.093, 0.068 and -0.188 for job satisfaction respectively for talent management, values as -0.103, -0.326, 0.176, 0.199, 0.356, 0.078, 0.182, 0.198 and 0.297 respectively. The impact of JS based on the above regression values is discussed in the subsequent paragraphs.

The result of model fit test is presented in the Table 4.

**Table 4: Model Fit Indices of Impact of HR Practices on Job Satisfaction & Talent Management in the Manufacturing Sector**

S.No.	Test Factor	Calculated Value	Criteria *
1	GFI (Goodness-of-fit index)	0.979	>=0.90 and above satisfactory fit 0.80 to <0.9 acceptable fit
2	AGFI (Adjusted goodness-of-fit index)	0.965	
3	CFI (Comparative fit index)	0.971	
4	NFI (Normed fit index)	0.971	
5	TLI (Tucker-Lewis index)	0.914	
6	RMSEA (Root mean square error of approximation)	0.042	0.05 or less would indicate a close fit of the model

Table 4 indicates that the model fit indices of impact of HR practices on job satisfaction and talent management of Manufacturing industry employees in Bangalore. The Goodness of fit index (GFI) score is 0.979, adjusted goodness of fit index (AGFI) score is 0.965, comparative fit index (CFI) score is 0.971, normed fit index (NFI) score is 0.971, Tucker Lewis index (TLI) score is 0.914. The Root Mean Squared Error of Approximation (RMSEA) secured 0.042 that indicates that the model is a moderately fit with a reasonable error of approximation.

#### Regression weights of measured variables (Independent variables) and latent variable (Job Satisfaction)

Table 5 represents the regression weights of measured variables and latent variable. The results show that CFB, EW, CPR, EE and KM have a positive impact on the JS of the employees, whereas TAD, PA, EE and EAW has a negative impact on JS in the Manufacturing sector.

**Table 5: Regression Weights HR Practices V/s JS in Manufacturing Sector among employees (N=115)**

Latent Variable		Measured Variable	Estimate	S.E.	C.R.	'p' value
Job Satisfaction	↔	Recruitment and Selection (RAS)	- 0.048	0.106	- 0.454	0.650 <sup>NS</sup>
Job Satisfaction	↔	Training and Development (TAD)	- 0.069	0.078	- 7.876	0.000**
Job Satisfaction	↔	Compensation and Fringe Benefits (CFB)	0.475	0.074	6.426	0.000**
Job Satisfaction	↔	Performance Appraisal (PA)	- 0.163	0.070	- 2.329	0.020*
Job Satisfaction	↔	Employee Wellness (EW)	0.374	0.083	4.481	0.000**
Job Satisfaction	↔	Career Progression and Retention (CPR)	0.239	0.100	2.377	0.017*
Job Satisfaction	↔	Employee Engagement (EE)	- 0.093	0.094	- 5.985	0.000**
Job Satisfaction	↔	Knowledge Management (KM)	0.068	0.060	6.139	0.000 **
Job Satisfaction	↔	Entertainment at Workplace (EAW)	- 0.188	0.063	- 2.989	0.003**

Note : \*\* - Highly Significant; \* - Moderately Significant ; NS – Not Significant

Reward strategies play an important role in the organization's HR strategy. Compensation has been the key to improve productivity. Higher the production, higher is the incentives which lead to higher level of job satisfaction. Profit sharing is used as a strategic tool to improve the firm's competitiveness as it blends the interests of the workers more closely to the organizations, thus leading to a better performance. Performance based compensation is quite popular in this sector. Motivating employees through a good compensation system constitutes a difficult and a challenging task for the firms. According to the study conducted, CFB is positively affecting the employees' behaviour towards their job and increases their commitment thus ensuring their JS. As per Table 5, it can be inferred that the impact of CFB is maximum on JS, thus highlighting extrinsic motivators play an important role in enhancing JS in the Manufacturing sector.

Some of the firms have gone beyond and have provided non statutory benefits also to their employees. The employees of the Manufacturing concerns are interested in variety of wellness programs. The employees in the production floor normally work in the shift system. Employees feel maintaining good health will help in reducing absenteeism and ensure adequate incentives. Wellness programs are no good if employees cannot use it satisfactorily. It is important for the Manufacturing concerns to understand that a happy and healthy workforce create a better end product. While assessing employee views on individual HR Practices, the respondents

showed displeasure on certain aspects such as conducting awareness programs on HIV/Aids, facilities like meditation room/gym/a squash court. EW is discussed more often in the light of corporate social responsibility. Hence it implies that with better wellness programs, JS will be significant.

CPR has a positive impact on JS. Employee's career plans must be consciously aligned with the organization's strategic requirements. The study shows that most of the employees in the Manufacturing sector have vast experience in the same organization (Table 3). Employees having more than 10 years of experience (57%) continued to remain in the same organization. During discussions they revealed that they do not have any intention to change the company. The firms must draw a good career path and communicate the same to all the employees to give them clarity on career progression. Hence with better strategies towards CPR, the level of JS among the employees will increase.

Every senior employee of a Manufacturing firm is a bundle of knowledge both in tacit and explicit way, because of the vast experience they possess. Knowledge can be stored in both structured and unstructured sources. Discussion with the employees that revealed knowledge was available as unstructured sources. Most of the knowledge in the Manufacturing sector resides with the top management which is not documented. Moreover, the production floor employees are not aware of the concept of KM as it is an emerging practice. The companies are creating incubation units through which they get innovative ideas. KM shows a significant



impact on the level of JS is this sector.

A firm which invests in TAD has a better market value. TAD of employees is closely coordinated in the Manufacturing concerns and training becomes vital when new skills need to be inculcated. Employees are encouraged to learn skills in-depth. Training is an essential activity in the Manufacturing concerns and the training sessions are planned only after TNA. Most of the training activities are on the job sessions and the study indicated that the employees had a positive opinion about the trainers, the duration of the training program and opined that it helps in understanding their capability. Since the individual's ability is already measured through PA, a change in this policy may not have a significant impact on job satisfaction.

Employees' performance measurement helps in assessing a fair compensation to the deserving individuals based on employee competency, ability to work in teams, initiative to work, creativity and so on. As indicated in the discussion above, it is essential to have performance based compensation. The PA method used in the Manufacturing concerns must be simple. Hence the above study indicates that the procedure of PA, if made complex and not employee friendly, may reduce the level of job satisfaction.

EAW is significant in its impact on JS but moving in the negative trend. The employees deal with huge machinery and have to take utmost care while operating the same. They must be cautious on the job as it may lead to fatal accidents or grave injuries. The employees

must concentrate on their job to be productive and produce accurate results. Moreover they do not have sufficient time when they are on the job as they have specific targets to achieve. If these targets are not met, they may lose their incentives. The study indicates that with increase in the level of EAW, the level of job satisfaction will reduce, because the employees felt instead on investing on these activities, the company can bring in better incentive scheme, increase their salary and implement better schemes through which the employees can get more monetary benefits.

A good RAS policy is a key practice which creates profits. The employees in the Manufacturing concerns are hired mostly through job knowledge tests which show their KSA on the job. The discussions with the HR managers revealed that most of the employees in the shop floor are not very keen in understanding the process of recruitment and selection. Moreover, the image of the Manufacturing sector is not very rosy in the eyes of today's youngsters. It is essential to create a positive opinion among the youngsters to get the best hires. The study indicates that there are other practices which influence JS and not RAS. Hence a change in the RAS activity will not initiate a change in the JS and thus the impact of RAS on JS is minimal.

In summary the present study it indicates that Compensation and Fringe Benefits has highest impact of on Job Satisfaction when compared to other HR practices.

**Table 6: Regression Weights HR Practices V/s TM in Manufacturing Sector among employees (N=115)**

Latent Variable		Measured Variable	Estimate	S.E.	C.R.	'p' value
Talent Management	↔	Recruitment and Selection (RAS)	-0.103	0.136	-0.755	0.450 <sup>NS</sup>
Talent Management	↔	Training and Development (TAD)	-0.326	0.1	-3.252	0.001**
Talent Management	↔	Compensation and Fringe Benefits (CFB)	0.176	0.095	1.862	0.003**
Talent Management	↔	Performance Appraisal (PA)	0.199	0.09	2.223	0.026*
Talent Management	↔	Employee Wellness (EW)	0.356	0.107	3.334	0.000**
Talent Management	↔	Career Progression and Retention (CPR)	0.078	0.129	0.603	0.546 <sup>NS</sup>
Talent Management	↔	Employee Engagement (EE)	0.182	0.12	5.511	0.000**
Talent Management	↔	Knowledge Management (KM)	0.198	0.077	2.574	0.010*
Talent Management	↔	Entertainment at Workplace (EAW)	0.297	0.08	3.693	0.000**

HR Practices V/s TM in Manufacturing Sector among employees (N=115)

\* Highly Significant; \*\* Moderately Significant; NS- Not significant

Table 6 indicates that all the HR practices except RAS and CPR did not have a significant impact on TM. Negative impact is observed in case of TAD. Hence the significant practices are TAD, CFB, PA, EW, EE, KM and EAW in the Manufacturing Sector.

In the Manufacturing sector, incentives for achieving targets have an impact on the organizational performance. An individual's talent is measured based on the kind and type of incentive received. During the discussions it was revealed that group incentive schemes and profit sharing schemes did have an impact on the employee productivity. Departmental incentives motivated them better than the entire plant level incentive. Incentives are either financial or non-financial. Normally when the wage levels are less, financial incentives tend to be of more value. Hence higher incentives and higher reward structure did have an impact on TM.

PA has been a significant component in the

Manufacturing sector. Quantitative appraisals are possible in this sector, particularly in the shopfloor. There is a thorough transparency maintained and hence it could be one of the significant factors for managing talent. Employees feel that the appraisal is a continuous assessment process and conducted significantly well by insiders. Few Manufacturing concerns involve outsiders and have a process of partnering in performance appraisal. The employees felt that the appraisal by the insiders would add more value than the outsiders. They further felt that the appraisal by external members do not accurately reflect the employee's overall performance. The performance appraisal process would influence the employees' salary, incentives, bonus allocation etc. Performance feedback is crucial for the employees as it helps to them to improve and develop. Sharing information enhances organizational transparency thus reducing the rate of attrition and developing a synergistic

working environment. Thus PA has an impact on TM.

The problem of absenteeism is studied in the Manufacturing sector quite often. Reasons for absenteeism could be accidents at workplace, chronic problems like backache, neck problems, depression, small time illnesses like cold, cough, fever, etc. EW is a practice which helps employees to overcome these ailments. Most of the shop floor activities are bound with pay by performance and hence the employees would like to keep themselves fit and fine so that they do not lose the incentives. Moreover talented individuals would like to excel in their jobs and hence it would be important for them to manage their health. Hence EW plays an important role in TM, thus making it significant.

EE implies commitment to both the organization as well as the job. When this commitment is holistic, employees are said to be engaged. The paradigm shift in the global economy has forced organizations to find innovative ways to address the technological changes. With the benchmarking research in place, the employees in the Manufacturing sector opined that they are committed to their job. They are all proud to be part of their organizations. Engaged employees have positive attitude and EE has positive impact on TM.

Knowledge in an organization remains as an intangible asset. It is both omnipotent as well as omnipresent throughout the organization. Due to the issues of IPR, knowledge is not shared with the external partners, but within the department. Talented employees always take responsibility for their contributions and take

part in the organizational KM activities. The important criterion in identifying talented personnel is employee performance. When performance is assessed it gives fair idea about the individual's competencies and the motivation level to perform the job. KM can be visualised when the senior employees help the new recruits to understand the processes and give them adequate support in the process of on boarding. Thus identifying the knowledge, ensuring that the knowledge is shared and finally using the KM tools on the job, it does have a positive impact on TM.

The scope for listening to music or any other forms of entertainment is usually forbidden in the Manufacturing sector. The supervisors believe that it may lead to diversion thus affecting the overall productivity. But the present study indicates that there is a need for the employees to relax which have positive impact in managing talent. Though the employees' cannot opt for entertainment facility on the shop floor, the same can be provided in the factory premises like canteens/rest rooms. The study indicates that there is a significant impact of EAW on TM.

Training cannot be avoided in any industry and particularly in a Manufacturing sector. Specialised skills and know-how are required in this sector as on the job training is critical for success. A long term approach to training programs should be based on the technological forecasts and strategic plan. The firm should understand the markets it needs to penetrate and analyse the new products to be developed. The top management must identify both the short

term as well as the long term goals. Training programs should be based on these criteria. Increasing the number of training programs or the duration of the training programs will not have a significant impact on TM. This is evident in the result as presented in Table 6.

RAS is the art of attracting prospective candidates and selection involves a series of steps. The Manufacturing sector has not been popular among the new generation. Today, engineers are keen on getting into the software firms because of their elite image. In comparison the salaries are also quite handsome. The Manufacturing sector has to pick students with specific skills and specific educational background, whereas the IT sector can convert a bright Mechanical engineer into an equally good software engineer. Hence RAS did not have an impact on Talent management.

Not all the organizations are open in helping employees move organizational boundaries. Many managers hold on to talent, and they do everything they can do, even if it is detriment to individual's career growth opportunities. In most of the organizations, employees said it was easier to find job externally than to find one internally.

Hence from the above analysis it can be inferred that the hypothesis is accepted with respect to TAD, CFB, PA EW, EE, KM and EAW, whereas rejected with respect to RAS and CFB. Employee wellness is having maximum impact on talent management in comparison to other practices.

## Suggestions

Employee wellness is in its nascent stage in the manufacturing sector. Many other wellness programs can be introduced to ensure employees' health on the job. Usually the production floor employees do certifications or job oriented courses related to their work requirements and do not think of upgrading their qualifications. The employers can fund intelligent employees and thus motivate them.

The manufacturing sector is prone to lose man hours due to accidents or some unforeseen reasons. There were few employees in the organisation who had not met with a single accident and not a single man hour was wasted due to them. It is essential for the organizations to identify such employees and reward them. Letters of appreciation may not add much value if it is not supported with an extrinsic reward.

The relationship between the superior and subordinate must be strengthened through various activities like the dinner or movies with the senior employees, get together events etc.

The image of the manufacturing sector must be changed in the eyes of the youngsters. Most of the youngsters are not inclined to join Manufacturing sector as they perceive it as 'dirty factories'. The rosy and posh life lead by the IT employees has attracted the younger generation and it is becoming difficult to get the best talent.

The awareness of employees during the PA must be enhanced. Separate rating committee can be appointed during the appraisal period thus ensuring there is no bias or prejudice.

Employee's critics must be taken positively and wherever possible should be implemented. Potential appraisal reward system can be given on a regular basis. Employees in the manufacturing sector have considerably less a freedom on the job and lesser opportunities to change their work arrangements when compared to employees in other sectors. There is a need to give them more options of Job rotation

The manufacturing companies must foster manufacturing excellence and reach out to a global outlook. These companies must be characterized by cost competitiveness, appropriate technology, continuous innovation for products and processes and ensure high quality. The leaders in the manufacturing unit must identify, train, deploy and support the employees. Government, academicians and the industry must work together to create a passion for manufacturing, facilitate its role in economy and finally lead to global excellence in all the spheres.

## References

- Anil Kumar Singh, (2005) *HRD Practices and Philosophy of management in Indian Organizations*, *Vikalpa*, 30(2), pp 71-79
- Barney, J. (1991), 'Firm resources and sustained competitive advantage', *Journal of Management*, 17 (1), pp. 99–120.
- Becker, B., & Gerhart, B. (1996), 'The impact of Human Resource Management on Organizational Performance: Progress and Prospects' *Academy of Management Journal*, 39(4), 779-801.
- Cheng Ling, Tan, Aizzat Mohd. Nasurdin, (2010) 'Knowledge Management Effectiveness and Technological Innovation: An Empirical Study in the Malaysian Manufacturing Industry', *IBIMA Publishing Journal of Mobile Technologies, Knowledge and Society*, Article ID 428053
- Ceylan, (2012), 'Commitment-based HR practices, different types of innovation activities and firm innovation performance', *The International Journal of Human Resource Management*, 24(1), 208-226
- Julian Gould-Williams, (2003), "The importance of HR practices and work place trust in achieving superior performance: A study of public sector organizations", *International Journal of Human Resource Management*, pp 28-54.
- Lado, A.A., Wilson, M.C., (1994), Human Resource Systems and Sustained Competitive Advantage: A Competency-Based Perspective. *Academy of Management Journal* 19 (4), 699–727.
- Mir Mohammed Nurul Absar, Balasundaram Nimalathasan, Munshi Muhammad Abdul Kader Jilani (2010), 'Impact of HR practices on Organizational performance in Bangladesh', *IJBIT*, 3(2)
- Sameer Kumar and Charu Chandra, (2001) 'Enhancing Effectiveness of benchmarking in Manufacturing organizations', *Industrial management and data systems*, 101(2), 80-89
- Schuler, R. S., & Jackson, S. E. (1995). 'Understanding human resource management in the context of organizations and their environment', *Annual Review of Psychology*, 46 (2), 237-264.
- Shipton, H., D. Fay, M. West, M. Patterson and 'Enhancing Effectiveness of benchmarking in Manufacturing organizations', *Industrial management and data systems*, 101(2), 80-89
- Stone, R. (2002). Human resource management (4th edn.). Milton, QLD: John Wiley & Sons.
- Tiwari & Saxena (2012), Human Resource Management Practices: A Comprehensive Review, *Pakistan Business Review*, 9 (2) pp 669-705



(2005) Managing People to Promote Innovation, *Creativity and Innovative Management*, 14 (2), pp. 118-128,.

Tiwari & Saxena (2012), Human Resource Management Practices: A Comprehensive Review, *Pakistan Business Review*, 9 (2) pp 669-705

## About the Author

**Dr. Shubha Muralidhar** is an Assistant professor in Department of Management Studies, BMS College of Engineering, Bangalore. She can be reached at [shubhamuralidhar.mba@bmsce.ac.in](mailto:shubhamuralidhar.mba@bmsce.ac.in)