

“an impact of human resource practices on employee performance in automobile industry with special reference to Hyundai Motor Company, Chennai”

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“AN IMPACT OF HUMAN RESOURCE PRACTICES ON EMPLOYEE PERFORMANCE IN AUTOMOBILE INDUSTRY WITH SPECIAL REFERENCE TO HYUNDAI MOTOR COMPANY, CHENNAI”

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Abstract: Industrial growth is the major important feature of current era. The drastic technical growth started since 1950s to till date though the birth of formal industrialization is from late 16th and first 17th century. Industrial/organizational growth is mainly depend on 5Ms i.e. Man, Money, Machine, Material and Management. The first important aspect of these 5Ms is Man. The term of this Man power is called as Human resource in the field of commerce. Human Resources are the most significant and valuable Resource in each and every organization as far as its employee is concern. Even at the global level, the automotive industry in India is one of the biggest markets. Human resource development is continues process of each department because it is an important aspect of production department of Industries and organizations. Talking about Indian industrial development, Chennai is the hub of Industries and industrial growth. It has lots of industrial sectors working in several branches as IT Sectors, Automobile Sectors and so on. Current research work is a case study of few an automobile company of Chennai (Hyundai) and it’s Human Resource Practices.

Key Words: India, globalization, Industries, automobiles, Chennai, human Resource Management etc.

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Introduction:

Human Resources are the foremost vital and valuable Resource in any organization within the style of its staff. The automotive trade in Asian country is one in all the larger markets within the world. HRD variables are designed to link with Human Resource designing wherever by staff contribute the utmost to the organization satisfying their own personal goals. Chennai is

nicknamed the "Detroit of India" because of its automobile manufacturing units as major units of industrial sectors and allied industries around the city. The Indian industry once being DE licensed in 1991 has been growing steady and has registered an annual rate of growth of Revolutionary Organization 17th November throughout the amount 2005-2012 providing 20 million individuals with employment. The whole human resources during this sector is predicted to be thirty five million individuals by 2022. The sustained trade approach is developing serially and continually by the governments in Tamil Nadu especially motor-assisted by a powerful engineering base and smart infrastructure and provision support facilities have attracted world machine giants to speculate in Tamil Nadu, the southern port town of urban centre as India's Motor City. Most of the MNCs have originated their units in Tamil Nadu. Presently Tamil Nadu with regarding thirty second of India's vehicles production capability has emerged as India's largest machine automobile and auto parts businessperson.

The **Hyundai Motor Company**, commonly known as **Hyundai Motors** is a South Korean company was founded in 1967. It is the third largest vehicle manufacturer in the world.

Hyundai operates the world's largest integrated automobile manufacturing facility in Ulsan, South Korea which has an annual production capacity of 1.6 million units. The company employs about 75,000 people worldwide. Hyundai vehicles are sold in 193 countries through some 5,000 dealerships and showrooms.

Hyundai Motor India Limited is currently the second largest auto exporter from India. It is making India the global manufacturing base for small cars. Hyundai sells several models in India, the most popular being the Santro Xing, i10, Hyundai EON and the i20. On 3 September 2013, Hyundai launched its much-awaited car, Grand i10 in petrol and diesel variants. Hyundai has two manufacturing plants in India located at Sriperumbudur in the Indian state of Tamil Nadu. Both plants have a combined annual capacity of 600,000 units. In the year 2007, Hyundai opened its R&D facility in Hyderabad, employing now nearly 450 engineers from different parts of the country.

Hyundai's plant near Chennai is a fully integrated state-of-the-art manufacturing plant and boasts advance production, quality and testing capabilities. Spread over a total area of 535 acres, there are two plants inside producing 6, 80,000 units between them. While Plant 1 has a production capacity of 3, 30,000 units, Plant 2 can produce 3, 50,000 units. Together, the Hyundai plant employs a total of 9,500 employees.

Human Resource Development:

Human Resource Development may be called as a continuous method to confirm the event of worker. Human Resource is one in all the foremost vital Factors of production.

Human Resource Management is a part of management, which involved with all the choices, strategies, factors, principles, operations, practices, functions, activities, and strategies associated with the management of individuals as staff in any kind of organization; all the size associated with the people in their employment relationships and every as a dynamics which result into the belief of the potential of individual staff in terms of their aspirations. All these aimed toward

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adding price to the delivery of products and services, in addition on the standard of labour life for workers and thus serving to make sure continuous structure success in transformative business environments.

Thus, HR management is an important factor of any industries. Now-a-days, Automobile producing industries of the twenty first century is globally competitive, client central, talent dependent, data based mostly, frequently ever-changing, technology driven and increasing structure vulnerability, exacting uninterrupted capital flow.

Significance of Human Resource Development:

Dynamic and growth familiarised firms need human Resource development practices to achieve a quick ever-changing atmosphere. Firms flourish solely through the efforts and competencies of their human Resources in an organization. Once staff are selected with their initiative skills, based on task risks, experimental approach, and works as a pioneer and create things happen the organization could also be same to own a ‘good’ culture, then HRD will be called as the proper one. HRD climate is associated degree and integral a part of the prevailing general structure climate which can embrace.

Characteristics of HR:

- A. Importance is given to human Resource and openness of communication.
- B. Encouragement should be given to risk – taking and experimentation, Feedback given to staff.
- C. Creation of the conscious of Human Resource in the strengths and weaknesses, a general climate of trust, religion in employee’s capabilities.
- D. Formation of the tendency amongst human resources to help and collaborate with one another concord,
- E. Development of the tendency to discourage stereotypes and favouritism and validate personal policies and practices.

Review of Literature:

Biswajit Mahanty and Virupaxi Bagodi (2007) over fifty five million two-wheelers are unit moving on Indian roads. Consequently, two-wheeler service sector ought to have generated revenue amounting to Bureau of Intelligence and Research 100,000 million per annum, however essentially, this has not been accomplished within the union service sector, the Bharatn two-wheeler industry has not thought-about union as a line of business and providing handily reliable services is most vital in two-wheeler services in India to capture the market.

Biswajit Mahanty associated Virupaxi Bagodi (2008) it's an era of client delight for the two-wheeler business and therefore the standard measures enforced by the service organizations tend to be inadequate to draw in customers persistently.

Gordon Fullerton (2006), “Putting relationship in CRM”, that JEEP, a division of industrialist Chrysler Automobile Company, has served a classic example of CRM program that has a substantial price to each the shoppers and therefore the firm by developing a program solely for

motorcar house owners and fostered a community that's extremely effectively committed to the merchandise, the complete and therefore the customers.

Kevin writer (2012) Caterpillar has become a number one firm by maximising the whole client price with the assistance of effective CRM, best once sales service within the business and higher trained dealer. This enables the firm to command a premium worth of 100 percent to twenty above competitors like Volvo, Komatsu etc.

Michael Cusumano, Steve Kahl and Fernaando Suarez (2008) in their analysis paper “A theory of services in product industries”, has all over that in several product oriented industries, services became progressively necessary. Just in case of vehicles, several automakers generate the overwhelming majority of their profits from a service activity closely tied to their product activity. The car business overall generates an outsized portion of its profits from different product-related service activities like insurance and repairs. The authors argued that despite the ostensible importance of services, there's not abundant theory to assist researchers or practitioners justify the conditions underneath that services matter in product industries. The overall read that emerges from the services literature is that services tend to become necessary for producing companies once their industries reach a mature stage.

Sinha TK (1982) controlled the priority and aspects of HRD like human approach, individuals as resource in organization, method of the event, Functions of HRD and coaching and team method.

Abraham (1988) studied HRD climate in it industries with the assistance of structured form. This study dealt extensively with the climate, it suffered from the limitation of the scope of the study.

Krishnamurthy element (2003) centred on the importance of HRD in PSBs. He stressed the necessity for intellectual capital of industries, worth addition, development, client support and promoting were needed with Superior social control Skills.

Statement of the Problem:

The study aims at examining the human resource practices in automobile manufacturing company (Hyundai) in Chennai. Hence, empirical study is directed towards the various practices of Human Resource Practice at Hyundai in Chennai.

Objectives of the Study:

1. To check the socioeconomic Profile of staff in Hyundai at Chennai.
2. To review the Existing Human Resource practices in Hyundai of Chennai.

Hypothesis of the Study:

1. There exists no significant impact of Human Resource practices on the productivity.
2. There exist no significant relation between profit and Human Resource Practices.

Research Methodology:

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The study is conducted with analytical and descriptive methodology. The study primarily depends on primary and secondary data. The survey is conducted in automobile manufacturing plant of Hyundai at Chennai.

Questionnaires were prepared and distributed to 150 employees of Hyundai in Sriperumbudur at Chennai with the promise of keeping their name as a secret so that it will not affect them at their workplace behaviour and further growth.

Selected Companies of Chennai:

Following table describes the name of seven topmost selected automobile companies of Chennai consisting several production of automobiles including bi-cycle to heavy vehicles.

Sr. no.	Name of the automobile industrial	Establishment
01	Ashok Leyland Ltd	1948
02	Ford India Pvt Ltd	1995
03	Isuzu Motors India Pvt Ltd	2012
04	Royal Enfield	1901
05	Renault India Pvt Ltd	2005
06	TI Cycles of India	1949
07	Tractors and Farm instrumentation Ltd (TAFE)	1960

Table 1.1 Selected Sample-size of the companies

The following parameters were considered in the questionnaire design to measure the stated objectives and test the defined hypothesis.

1. Appraisal system and Higher studies for advancement at its expenses
2. Awards and rewards to employees
3. Flexible Working Hours
4. Remuneration and Incentives
5. Involvement of employees in decision making system
6. Training
7. Promotion

Discussion and analysis: Based on these ten parameters, the questionnaire were prepared and provided to 150 selected sample size of the current study.

Parameters	Response and effect
Appraisal system and Higher studies for advancement at its	80%

expenses	
Awards and rewards to employees	70%
Flexible Working Hours	50%
Remuneration and Incentives	90%
Involvement of employees in decision making system	50%
Training	75%
Promotion	70%

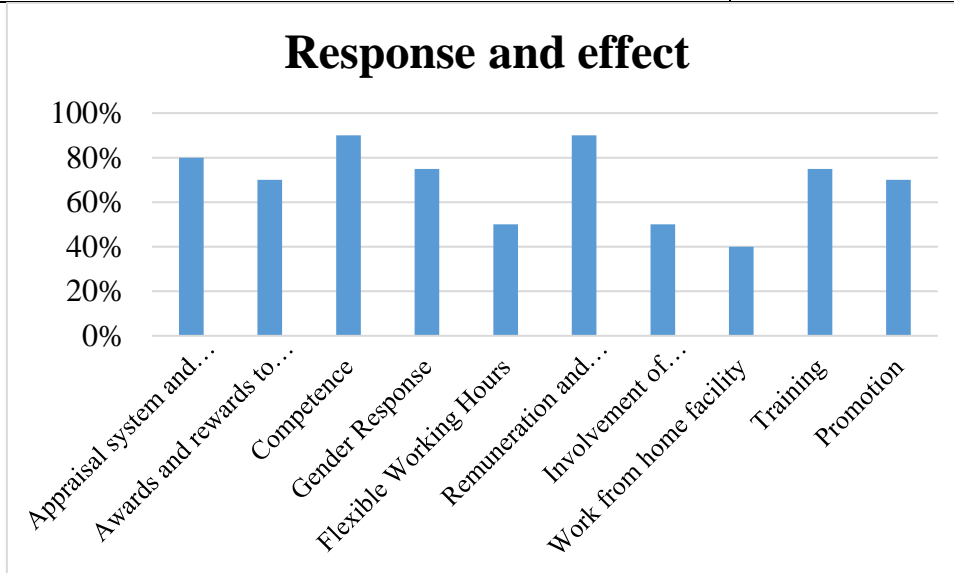


Table 1.2 and Graph 1.1

Graphical Representation of Research Result

Thus, the result shows that the above mentioned parameters effect on the quality and production of the automobiles companies of the Chennai. The Appraisal based system is used and effect of in-service education gives better incentives to the employees working in the automobiles companies of Chennai, as per their skill and devotion, dedication towards the company. Effect of it is found around 80% on the quality of production and profit. Asper defined by Maslow in his hierarchy theory, the impact of awards and rewards is seen around 70% on the quality of production and profit. Competence of employee is an important tool in the quality of production and profit at any industry. Here, for the automobile companies its effect is found around 90%. Gender response is around 75% because out of 225/300 male are working in the automobile companies, it clearly indicates the male dominance is the major factor in the automobiles companies of the Chennai. Few factors have not much more effect on the automobiles companies of the Chennai as flexibility in work hours, involvement of employees in decision making system and work at home as it is not possible every time to manage the work with these parameters.

Findings and Suggestions of the Study:

1. The employees are extremely glad with relevance qualification prescribed for the post and also the technique adopted for choosing the executives.

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2. It is additionally found that employees are discontented over the non-participation of senior executives throughout induction method.
3. The employees are happy with the time period of coaching and development programmes, performance within the job once the coaching and development and strategies adopted for straightforward understanding by the participants throughout the coaching of the executives.
4. The employees are very happy with content and connectedness of the coaching programs, ability of the trainer, expertise sharing and interaction of the participants.
5. The chief staff area unit moderately glad with the strategies of presentation of rewards, feedback and support from the superiors, quality of performance appraisal throughout and at the tip of the year, rewards and recognition policy of the auto firms.
7. The employees are satisfied towards the Strategic HRM practices of transfer and promotional policies, administration of transfer and promotion policies, basis of transfer, promotional advantages and promotional opportunities.

Suggestion:

1. Human Resource Management should base on the hierarchy of the employees to get desire goal of the organization.
2. Since the core conception of Strategic HRM is integration of HRM functions with the structure objectives and also the external atmosphere, the hour heads in consultation with staff ought to sporadically introduce new innovative HRM practices to encourage the workers for superior performance.
3. If employees are asked for their decisions, then management should take that decisions into consideration and informed them also about these consideration. One in every of necessary Strategic HRM factors, which may have a bigger influence on the motivation and satisfaction of staff within the industry is implementation of a clear performance appraisal system. The individual staff ought to be concerned in target finalisation.
4. The trade normally ought to focus a lot of on Strategic HRM biological process activities like performance assessment, coaching and development, job rotation and career progressing to scale back job attrition.
5. One in every of the necessary options of Strategic HRM is identification of the potential Leadership Talent. There ought to be an ardent target this space right from junior management level according the work should be allotted.

Conclusion:

The automobile sector of Chennai city has to grow harmonized with world trade to remain competitive within the automotive market. The management of automobile firms ought to produce awareness among staff relating to performance appraisal system to boost their performance and competition levels within the market. HRM is moderately sensible by firms in operation in city.

Staff are happy with their jobs; they're happy with alternative aspects mechanically. Hence, steps ought to be taken by the management to satisfy the workers in their jobs by providing internal and external atmosphere that ensures healthy and happy work place.

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