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A Study On The Influence Of Hr Practices And Organisational Culture On Employee Performance With Reference To Pcbl (Tn) Limited.

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ABSTRACT:

Effective HR practices like recruitment, training, and performance management help enhance employee productivity. A strong organisational culture fosters motivation, commitment, and a positive work environment. The study demonstrates that employee outcomes can be improved by aligning HR strategies with cultural values. It aims to provide insights for organisations seeking sustainable growth through people development. The study uses a descriptive research design to examine how employee performance is affected by HR practices and organizational culture. Using a non-probability convenience sampling method, data was collected from a sample size of 144 respondents, finalized after a pilot study of 25 participants. The various statistical tools that are used are Percentage Analysis, Interval Estimation, Correlation Analysis, Weighted Average Method, Kruskal Wallis H – test, Chi-Square test and Kolmogorov Smirnov test (K-S test). The methodology ensures relevant, practical insights by focusing on easily accessible participants and descriptive analysis of current organisational practices.

Keywords: HR practices, Organisational culture and Employee performance.

1.INTRODUCTION

In today's competitive business environment, organisations increasingly recognise that employee performance is a vital determinant of overall success, and two of the most significant factors influencing it are Human Resource (HR) practices and organisational culture. Recruitment, training, performance management, and compensation are all important aspects of human resources that influence employee behavior, motivation, and job satisfaction. At the same time, organisational culture — defined by shared values, beliefs, and norms — creates the internal environment in which employees operate, influencing how they interact, make decisions, and align with organisational goals. By fostering engagement, commitment, and a sense of belonging, HR practices can significantly improve employee performance when they are effectively aligned with a supportive organizational culture. In order to provide insights that can assist businesses in developing workforces that are both resilient and high-performing, this study aims to investigate the ways in which these two factors interact with one another and contribute to employee productivity.

2.NEED FOR THE STUDY

The need for studying the influence of HR practices and organizational culture on employee performance is increasingly crucial in today's fast-evolving business landscape. Organizations are constantly seeking ways to improve productivity, engagement, and overall employee effectiveness, as these factors are directly linked to business success. By understanding how various HR practices—such as recruitment, training, development, and performance management—affect employee behavior and performance, companies can tailor their HR strategies to maximize outcomes. Furthermore, organizational culture plays a vital role in shaping employees' attitudes, values, and behaviors, which significantly influences their performance. Research on this topic can provide valuable insights into how aligning HR practices with a positive organizational culture enhances employee motivation, satisfaction, and long-term retention. Moreover, with increasing workforce diversity, the rise of remote work, and ongoing technological disruptions, organizations need to adapt their HR practices and cultural frameworks to meet new challenges. A comprehensive study on the impact of HR and culture on performance can help identify the best practices for fostering an inclusive, innovative, and performance-driven work environment.

3. OBJECTIVES OF THE STUDY

1. To study the perception of employees towards the various HR practices in the organisation.
2. To know the influence of performance appraisal and compensation on performance improvement of employees.
3. To understand the role of organizational culture in enhancing job performance.
4. To find out the interaction between HR practices and organizational culture in driving productivity.

4.HYPOTHESES

H01: There is no significant influence of income towards alignment of HR practices with employee performance.

H02: There is no significant difference in the mean reach of employees towards influence of performance appraisal and across against age group of employees.

H03: There is no significant impact of organizational culture in promoting employee performance.

H04: Organizational culture supports the implementation of HR practices effectively follows a normal distribution.

5.REVIEW OF LITERATURE

Park, S., & Kim, S. (2023). In their study on HRM and employee well-being explores the impact of HRM strategies on employee well-being and job satisfaction. Fernando, M., & Bandara, R. (2023). In their study on HR strategies for employee motivation. Janah, I. R., et.al (2023). In the study on the Competence, Job Satisfaction, and Organizational Commitment in Employee Performance. Yusuf et al. (2023). A study on the Organizational Culture, Job Satisfaction, and Employee Performance.

Purcell, J., & Kinnie, N. (2022). A study on the HRM policies and their impact on organizational culture. Malik, A., & Hussain, Z. (2022). A study on the impact of HR policies on employee performance investigates how HR policies influence employee performance and organizational success. Nawaz, M. S., & Islam, T. (2021). A study on the Workplace culture and employee productivity examines the role of workplace culture in shaping employee productivity and job satisfaction. Rahman, A., & Singh, P. (2021). In their study on HR strategies for enhancing workforce performance focuses on HR strategies that improve employee motivation and performance in organizations.

6.RESEARCH METHODOLOGY

The study uses a descriptive research design to examine how employee performance is affected by HR practices and organizational culture. Using a non-probability convenience sampling method, data was collected from a sample size of 144 respondents, finalized after a pilot study of 25 participants. Data collected are both primary and secondary in nature. Primary data are collected through a structured questionnaire and secondary data are collected through magazines, journals and reports. The various statistical tools that are used are Percentage Analysis, Interval Estimation, Correlation Analysis, Weighted Average Method, Kruskal Wallis H – test, ChiSquare test and Kolmogorov Smirnov test (K-S test). The methodology ensures relevant, practical insights by focusing on easily accessible participants and descriptive analysis of current organisational practices.

7.DATA ANALYSIS AND INTERPRETATION

TABLE 7.1

S. No.	Variables	No. of Respondents	Percentage
1	Age (years)	18 to 25	34
		26 to 35	29
		36 to 45	22
		46 and above	15
2	Gender	Male	58
		Female	42
3	Income Level	20,000 – 30,000	26
		30,000 – 40,000	28
		40,000 – 50,000	24
		50,000 and above	22
4	Department	Human Resources, Finance & Procurement	23
		Engineering	16
		Production	19
		Quality Assurance	17
		Warehouse & Logistics	10
		Captive Power Plant	10
5	Experience	Safety	5
		0 – 2 Years	28
		3 – 8 Years	35
		9 – 15 Years	23
		15 – Above Years	14

FINDINGS: From the above table, it is understood that 34% of the employees are 18 to 25 years old, 29% of the employees are between 26 to 35 years old, 22% of the employees are between 36 to 45 years old, and 15% of the employees are 46 and above years old. From the above table it is found that 58% of the employees are male and 42% of the employees are female. From the above table, it is understood that 26% of the employees are found to be in the income level of Rs 20,000 – 30,000, 28% of the employees are in the income level of Rs 30,000 – 40,000, 24% of the employees are in the income level of Rs 40,000 – 50,000 and 22% of the employees are in the income level of Rs 50,000 and above. From the above table, it is understood that 23% of the employees belong to the Human Resources, Finance & Procurement, 16% of the employees belong to the Engineering, 19% of the employees belong to the Production, 17% of the employees

belong to the Quality Assurance, 10% of the employees belong to the Warehouse & Logistics, 10% of the employees belong to the Captive Power Plant and 5% of the employees belong to the Safety. From the above table, it is understood that 28% of the employees have an experience of 0 – 2 Years, 35% of the employees have an experience of 3 – 8 Years, 23% of the employees have an experience of 9 – 15 Years and 14% of the employees have an experience of 15 – Above Years.

INTERPRETATION: It is inferred that 34% of the employees belong to the age group of 18 to 25 years. It is inferred that 58% of the employees are male. It is inferred that 28% of the employees are in the income level of Rs 30,000 – 40,000. It is inferred that 23% of the employees belong to the Human Resources, Finance & Procurement. It is inferred that 35% of the employees have an experience of 3 – 8 Years.

TABLE 7.2

Null hypothesis Ho: There is no significant influence of income towards alignment of HR practices with employee performance.

Alternative hypothesis H1: There is significant influence of income towards alignment of HR practices with employee performance.

Correlations

			INCOME LEVEL OF THE RESPONDENT	ALIGNMENT OF HR PRACTICES WITH EMPLOYEE PERFORMANC E OF THE RESPONDENT
Spearman's rho	INCOME LEVEL OF THE RESPONDENT	Correlation Coefficient	1.000	.311**
		Sig. (2-tailed)	.	.000
		N	144	144
	ALIGNMENT OF HR PRACTICES WITH EMPLOYEE PERFORMANCE OF THE RESPONDENT	Correlation Coefficient	.311**	1.000
		Sig. (2-tailed)	.000	.
		N	144	144

** . Correlation is significant at the 0.01 level (2-tailed).

Interpretation: Since the significant value is less than 0.5 null hypothesis is rejected. Hence there is significant influence of income towards alignment of HR practices with employee performance.

TABLE 7.3

Null hypothesis Ho: There is no significant difference in the mean ranks of employees towards influence of performance appraisal and across against age group of employees.

Alternative hypothesis H1: There is significant difference in the mean ranks of employees towards influence of performance appraisal and across against age group of employees.

Test Statistics

			AGE OF THE RESPONDENT
Chi-Square			6.849
df			1
Asymp. Sig.			.009
Monte Carlo Sig.	Sig.		.007 ^a
95% Confidence Interval			
Lower Bound			.000
Upper Bound			.021

a. Based on 144 sampled tables with starting seed 2000000.

b. Grouping Variable: INFLUENCE OF PERFORMANCE APPRAISAL OF THE RESPONDENT

Interpretation: Since the null hypothesis is rejected. Hence there is significant difference in the mean ranks of employees towards influence of performance appraisal and across against age group of employees.

TABLE 7.4

Null Hypothesis H_0 : There is no significant impact of organizational culture in promoting employee performance.

Alternative Hypothesis H_1 : There is significant impact of organizational culture in promoting employee performance.

O_i	E_i	(O_i - E_i)²	(O_i - E_i)² / E_i
60	28.8	973.4	33.799
34	28.8	27	0.938
24	28.8	23	0.799
17	28.8	139.2	4.833
9	28.8	392	13.611
		TOTAL	53.98

TABLE 7.5

Null Hypothesis H_0 : Organizational culture supports the implementation of HR practices effectively follows a normal distribution.

Alternate Hypothesis H_1 : Organizational culture supports the implementation of HR practices effectively does not follow normal distribution.

Observed Frequency	Cumulative Frequency	Relative Frequency	Expected Frequency	Cumulative Frequency	Relative Frequency	KS= p-q
63	63	0.438	28.8	28.8	0.2	0.238
27	90	0.625	28.8	57.6	0.4	0.225
27	117	0.813	28.8	86.4	0.6	0.213
18	135	0.938	28.8	115.2	0.8	0.138
9	144	1	28.8	144	1	0

8. SUMMARY OF FINDINGS

- 34% of the employees belong to the age group of 18 to 25 years.
- 58% of the employees are male.
- It is found that 28% of the employees are in the income level of Rs 30,000 – 40,000.
- It is found that 23% of the employees belong to the Human Resources, Finance & Procurement.
- Majority of the employees have an experience of 3 – 8 Years (i.e.) 35%.
- Since the significant value is less than 0.5 null hypothesis is rejected. Hence there is significant influence of income towards alignment of HR practices with employee performance.
- Since the null hypothesis is rejected. Hence there is significant difference in the mean ranks of employees towards influence of performance appraisal and across against age group of employees.

9.SUGGESTIONS

To study the influence of HR practices and organisational culture on employee performance, it is helpful to focus on key HR activities such as recruitment, training, and performance appraisal, and examine how these align with the organisation's values and work environment. Getting feedback from employees and performance data can show how motivation, engagement, and productivity are affected by each other. This approach can provide insights into how organisations can enhance performance by aligning HR strategies with a positive organisational culture.

10.CONCLUSION

In conclusion, the study of how HR practices and organizational culture affect employee performance emphasizes how important they are in creating a workforce that is both productive and motivated. Higher levels of employee engagement, satisfaction, and performance can result from HR practices that are in line with a culture that is robust and supportive. Employees develop a sense of belonging and commitment as a result of the synergy between structured HR strategies and a positive work environment, which ultimately contributes to the success of the organization. In order to sustain employee growth and performance, businesses must constantly evaluate and align their HR initiatives with their cultural values.