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Hr Policies And Practice In Small Scale Industries

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ABSTRACT:

The human resource (HR) policies and practices of small-scale industries are examined in this study, with an emphasis on how these companies manage their workforces to support organizational growth and sustainability. In order to stay competitive in the market, small businesses frequently struggle with a lack of resources, budgetary limitations, and the requirement for efficient HR practices. This study examines important HR procedures such hiring, training, performance reviews, pay, and employee relations and evaluates how they affect worker happiness, output, and overall business performance. The study demonstrates the distinctive HR practices used by small businesses and how they modify their tactics to fit the particular requirements of their operations using qualitative and quantitative data gathered from a variety of small-scale sectors.

KEY WORD:

Small scale, Limited Resources, HR Practice, HR Policies, performance management

INTRODUCTION:

Human resource (HR) policies and procedures are essential for small businesses because they help shape the workforce, ensure compliance with labor laws, and foster a healthy work environment. Unlike large companies, small-scale enterprises often face unique challenges such as limited resources, disorganized processes, and closely-knit workforces. These characteristics necessitate tailored HR solutions in order to manage hiring, training, employee engagement, performance management, and compliance.

An HR policy: what Is it? Meaning?

HR policies are a set of rules that may be used to organize a company's human resource management. HR policy addresses all facets of human resources, including hiring, training, compensation, leave, termination, and work structure. A company's human resources policy must ensure that working conditions are conducive to the internal growth and development of its diverse staff if it is to be productive and fully contribute to the performance of the business. However, keep

in mind that HR policy should not be seen as a stand-alone strategy; rather, it must be integrated as a core component of performance. To get the most out of this medium- and long-term HR strategy, the company's overall policy must be in accordance with it in terms of the general growth and well-being of the team. It must be used in a way that honors the values, identity, and culture of the business. The HR policy will ensure optimal business operations and effectively improve the organization's HR strategy, which will ease the everyday tasks of managers and/or human resources officers.

Dr Vishal Khedekar article:

Micro, Small, and Medium-Sized Enterprises (MSMEs) are a vital component of the changing corporate landscape as they drive economic growth and stimulate innovation. Although their adaptability and resilience are frequently highlighted, the importance of human resources (HR) in these businesses also merits greater consideration. This essay examines the critical role that HR plays in MSMEs and how it enhances their overall performance. Irrespective of the size and industry of a firm, I believe that the importance of HR in the corporate world cannot be understated. In order to properly manage the staff and ensure that they are happy, productive, and aligned with the vision and objective, HR is essential. Numerous industries in our nation are derived from MSMEs category in which the customary HR procedures and policies have not yet been put into effect. Because we are all working with human beings and they are members of society, such mistakes are having an impact on society both directly and indirectly.

RIVIEW OF LITERATURE:

Sr. No	Author Name	Findings
1	DAS.B(2019)	Examined the challenges of implementing diversity and inclusion policies in small-scale Indian industries, highlighting structural and cultural barriers. The study recommended awareness and training campaigns to overcome these obstacles.
2	NAIR (2018)	Studied the impact of employee welfare initiatives on retention in small-scale industries, finding that comprehensive welfare programs significantly reduced attrition rates.
3	LEE (2019)	Explored the impact of organizational culture on HR practices in small-scale South Korean enterprises, concluding that a culture of openness, respect, and trust enhances performance, engagement, and retention.
4	Patel M 2023)	Examined the role of HR audits in small-scale Indian businesses, finding that regular audits improved HR practices, ensured labor law compliance, and identified policy gaps, enhancing organizational performance.
5	Mehta. (2021)	Studied the impact of performance appraisal systems on employee motivation in small-scale enterprises, finding that fair and transparent appraisals boosted motivation, productivity, and alignment with company goals.

RESEARCH METHODOLOGY:

SIGNIFICANT OF THE STUDY:

- **Comprehending Organizational Growth:** Many economies are based on small-scale industries. For these companies to develop, remain stable, and be sustainable, effective HR policies and procedures are crucial. This study aids in determining how HR procedures might improve worker performance, boost output, and establish a supportive workplace.
- **Optimizing Resource Allocation:** Resource limitations are a common problem for small-scale enterprises. Examining HR policy in various contexts aids in human resource optimization by guaranteeing that the best candidates are recruited, educated, and kept on staff.
- **Handling staff Issues:** Managing a staff presents special difficulties for small enterprises, including a lack of training opportunities, low employee morale, and high turnover rates. By examining HR regulations, this study may offer guidance on how small businesses can address these problems to raise employee satisfaction, engagement, and retention.

OBJECTIVE OF THE STUDY:

- With an emphasis on maximizing recruitment and retention tactics, encouraging employee engagement, and improving organizational performance within the particular opportunities and constraints of small-scale businesses, this study attempts to explore the efficacy of HR practices in small-scale industries.
- The results will aid in the creation of customized HR frameworks that support this industry's competitiveness and long-term growth.
- To investigate the HR procedures currently used by small businesses, taking into account aspects like hiring, screening, training, performance evaluation, pay, and employee relations.
- To evaluate how well HR procedures work in small-scale enterprises to improve employee performance, satisfaction, and retention.

RESEARCH DESIGN:

For this study, a descriptive research design that combines qualitative and quantitative methods will be employed. Examining HR practices and policies in small-scale industries and their effects on worker satisfaction and organizational success will be its main focus. Furthermore, case studies from both urban and rural businesses will be carried out to offer comprehensive insights into the difficulties and efficacy of putting these HR strategies into practice.

Population and Sample Size

The population targeted by this study consists of employees in small-scale industries across diverse sectors. A **sample size of 50** respondents was established to balance the scope of the study with the available resources and time for data collection and analysis

Sampling Method

The study utilizes the simple random sampling method, which guarantees that every potential respondent has equal chance to being selected. This technique reduces sampling bias, yielding a representative dataset and improving the reliability of the results.

Data Collection Tool

Data was gathered using a Google Form, a highly accessible and user-friendly platform. The questionnaire was crafted to include 20 structured questions that cover key aspects of HR policies and practices, which consist of Demographics: Name, qualification, job title, years of experience, industry area, and department. HR Policies: Official salary policy, benefits offered to employees, and availability of health and other welfare benefits.

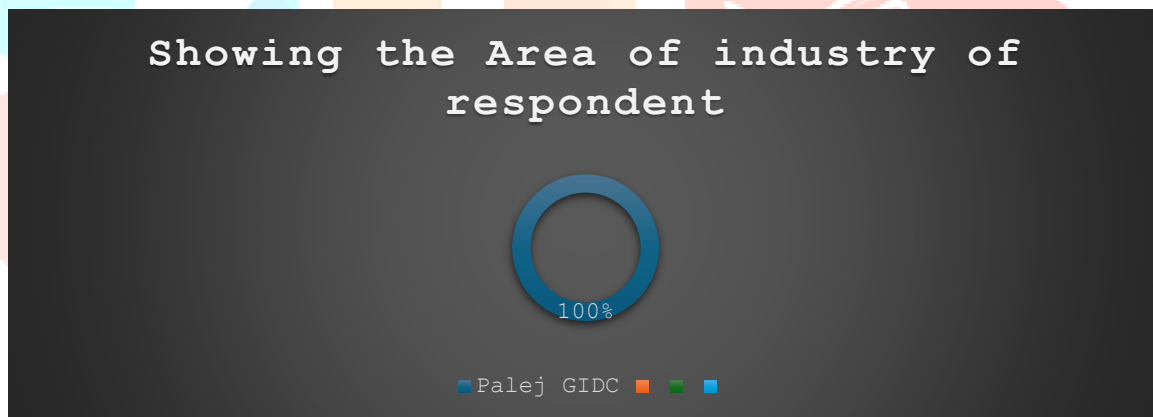
Data Collection Procedure

The Google Form link was disseminated electronically through email and professional networking platforms to connect with potential respondents. Clear instructions were provided to respondents on how to fill out the form, ensuring that responses were accurate and complete. The online format afforded convenience, anonymity, and efficiency in the data collection process.

Data Tabulation and Interpretation

6 Showing the Area of industry of respondent

SR.NO	Area of industry	Frequency	Percentage
1	Palej Gidc	50	100%
Total		50	100%



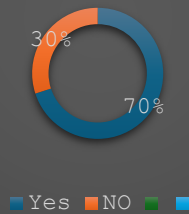
The study surveyed industrial employees within the Palej GIDC area. All respondents (100%) belong to this single industrial zone. A total of 50 participants were included in the sample, representing the entire 100% of the surveyed population.

MF: ALL THE RESPONDENTS BELONGS TO THE SINGLE INDUSTRY ZONE.

Showing the “Do applicants receive a job description as part of the hiring process?”

SR. No	Category	Frequency	Percentage
1	Yes	35	70%
2	NO	15	30%
Total		50	100%

Do applicants receive a job description as part of the hiring process?"



The data reveals that a significant majority, 70% (35 out of 50 respondents), answered "Yes," while 30% (15 respondents) answered "No." This indicates that most participants align with the affirmative response, suggesting a prevailing trend or preference in the given category.

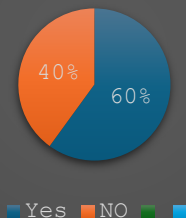
MF:

The data reveals that a significant majority, 70% (35 out of 50 respondents), answered "Yes," while 30% (15 respondents) answered "No."

Shows the "Do regular performance reviews take place?" Of Respondent

Sr. No	Category	Frequency	Percentage
1	Yes	30	60%
2	NO	20	40%
Total		50	100%

"Do regular performance reviews take place?"



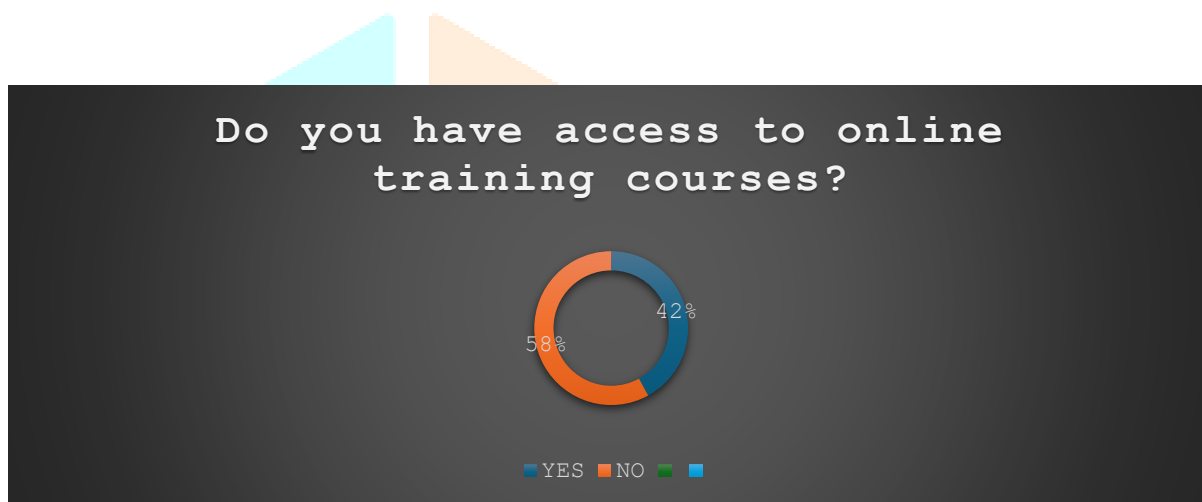
Out of a total of 50 responses, 60% (30 responses) were in favor of "Yes," while 40% (20 responses) were against it with "No." This indicates a majority preference for "Yes" in the survey, with the total number of responses equaling 100%.

MF:

Out of a total of 50 responses, 60% (30 responses) were in favour of “Yes,” while 40% (20 responses) were against it with “No.”

Shows the Do you have access to online training courses? Of Respondent

SR.NO	Category	Frequency	Percentage
1	Yes	21	42%
2	No	29	58%
Total		50	100%



The data reveals that, out of 50 responses, 29 (58%) answered "No," while 21 (42%) answered "Yes." This shows a higher proportion of participants chose "No," with 58% selecting this option, compared to 42% who chose "Yes." The total of all responses sums to 100%.

MF: The data reveals that, out of 50 responses, 29 (58%) answered “No,” while 21 (42%) answered “Yes.” This shows a higher proportion of participants chose “No,”

FINDINGS:

The workforce in rural sectors is mostly composed of younger individuals, with 52% of participants aged 26-35 and 40% aged 18-25. This reflects a strong presence of younger to mid-career professionals. Older age categories (36-45 years) account for merely 8%, and there is no representation from the 46-55 and 55+ age categories. The workforce is predominantly male, with 88% male representation, while women constitute only 14%, and 2% identify as other genders. This

considerable gender imbalance may be affected by cultural, societal, or job-specific elements that constrain female and non-binary participation in rural sectors.

SUGGESTION:

Gender Inclusion Initiatives: Given the notable gender imbalance in the workforce (88% male and 14% female), it may be advantageous to investigate methods to enhance gender inclusivity. Analyzing the obstacles women encounter in rural industries, such as cultural, social, or structural elements, could offer valuable insights. Formulating policies to promote female involvement in non-traditional fields, establishing mentorship programs for women, or designing targeted recruitment initiatives could assist in diversifying the workforce.

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