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A Study on the Impact of HR Practices on HR Decision Making at Roots Industries India Limited, Coimbatore

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ABSTRACT

A key component of increasing an organization's sustainability and productivity is human resource management, or HRM. Investigating how HR procedures affect HR decision-making at Roots Industries India Limited in Coimbatore is the goal of this study. The study assesses important HR topics such as manpower planning, performance-based compensation, performance appraisal, and employee participation in decision-making using a descriptive research technique and a sample size of 120 employees. The findings underline the necessity of strategically aligning HR procedures with business goals and show a strong correlation between well-structured HR practices and efficient decision-making.

Keywords: HR Practices, Decision-Making, Manpower Planning, Performance Evaluation, Employee Involvement

I. INTRODUCTION

An essential and strategic role in businesses, human resource management (HRM) is in charge of maximizing human capital through a variety of techniques intended to enhance both organizational and individual results. Recruitment and selection, training and development, performance management, remuneration, employee relations, and labor law compliance are among its essential functions. HRM's transformation from a transactional support function to a strategic partner has made its impact on fundamental decision-making processes a major focus.

The impact of HR procedures on decision-making at Roots Industries India Limited, a major participant in the Indian automotive component manufacturing market, is examined in this study. Employee engagement mechanisms, performance assessments, performance-based compensation systems, and manpower planning are all included in the scope of the research since they have a big impact on corporate decision-making frameworks. Aligning HR operations with company strategy is essential for assuring agility, efficiency, and continual improvement in sectors characterized by technological innovation and talent competitiveness.

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INDUSTRY PROFILE

The Indian automobile industry is a global manufacturing hub and a significant contributor to the country's GDP. With its main office in Coimbatore, Roots Industries India Limited is a well-known producer of car parts and electric horns. Since its founding in 1970, the business has expanded into a number of industries, such as commercial furniture, engineering, and calibration. Its dedication to quality and innovation has made collaborations with top automakers possible.

Growth has also been accelerated by government programs like "Make in India" and the implementation of Production-Linked Incentive (PLI) schemes. The automobile industry is establishing itself as a key element of India's industrial sector by quickly adjusting to the new standards of sustainability, energy efficiency, and digitalization.

COMPANY PROFILE – ROOTS INDUSTRIES INDIA LTD

Origin and Overview The Roots Group's flagship business, Roots Industries India Limited (RIL), was founded in 1970 and has its main office in Coimbatore, Tamil Nadu. It is well known for its proficiency in production and precise engineering, particularly in the automotive horn market. RIL serves both OEMs and aftermarket customers and exports to more than 90 countries, giving it a substantial global footprint. Electric and air horns, disc brake pads, air compressors, reverse sensors, calibration tools, and ergonomic furniture are all part of its wide variety of products.

Through its several subsidiaries and divisions, RIL operates in a number of industries, including industrial automation, medical components, aircraft parts, and environmental cleaning solutions. To maintain technological leadership and adherence to global standards, the company's technological development and research staff is always coming up with new ideas.

Mission

To deliver high-quality, innovative goods that satisfy consumer demands and advance social, technological, and environmental advancement.

Vision

To deliver high-quality, innovative goods that satisfy consumer demands and advance social, technological, and environmental advancement.

Core Departments

Electric Horns Manufacturing, High Precision Engineering, Roots Metrology (Calibration and Inspection), Roots Multiclean (Cleaning Equipment), Roots Syona (Ergonomic Furniture), Research and Development, Human Resource Management.

OBJECTIVES OF THE STUDY

Primary Objective:

To study HR practices on HR decision-making at Roots Industries India Limited, Coimbatore.

Secondary Objectives:

- To analyze the effectiveness of manpower planning strategies adopted by the organization.
- To assess the impact of performance-based compensation on employee engagement.
- To evaluate the fairness and transparency of the performance appraisal system.
- To investigate the extent of employee involvement in organizational decision-making processes.
- To provide practical recommendations for enhancing HR practices in alignment with strategic goals.

II. REVIEW OF LITERATURE

Huselid (2016): Emphasized the relationship between high-performance HR systems and organizational outcomes like reduced turnover and improved profitability.

Isabel Silva (2017): Highlighted the importance of data-driven recruitment practices and their role in efficient HR decision-making.

MacDuffie (2017): Stressed that well-integrated HR practices align with strategic business goals and improve operational efficiency.

Truss & Gratton (2018): Proposed that motivated employees are the result of transparent HR frameworks focused on engagement.

Dyer & Reeves (2018): Categorized HR performance into employee, organizational, financial, and market outcomes, indicating comprehensive impact.

Brewster & Mayrhofer (2019): Explored the significance of international HRM in global firms, with an emphasis on cross-cultural decision-making.

Boxall & Purcell (2020): Argued that sustainable HRM practices build long-term value by focusing on employee well-being and organizational learning.

Armstrong (2021): Advocated for strategic HRM that aligns people management with evolving business needs and market dynamics.

Kaufman (2022): Examined the historical evolution of HRM, stressing the shift from administrative to strategic and evidence-based decision-making.

III. RESEARCH METHODOLOGY

Research Design:

This study adopts a descriptive research design. Descriptive research is used to observe and describe the behavior of a subject without influencing it in any way. It is appropriate for gathering quantifiable information that can be used for statistical inference on the population being studied.

Area of Study:

The research was conducted at Roots Industries India Limited, located in Coimbatore, Tamil Nadu. The company's premises served as the primary area for data collection and interaction with employees.

Population and Sampling:

The population comprises employees working across various departments of Roots Industries. A total of 120 employees were selected as the sample for this study. The sampling technique employed was convenience sampling, which is a non-probability method where respondents are selected based on their availability and willingness to participate.

Data Collection:

- Primary Data: Collected through structured questionnaires distributed to employees. Personal interviews and informal discussions were also conducted to enhance data reliability.
- Secondary Data: Gathered from company records, HR manuals, previous research studies, official websites, and academic journals.

Analytical Tools:

- Percentage Analysis
- Chi-Square Test
- Correlation Analysis

DATA ANALYSIS AND INTERPRETATION

PERCENTAGE ANALYSIS

GENDER OF THE RESPONDENTS

GENDER	NO OF RESPONDENTS	PERCENTAGE
Male	72	60.0%
Female	48	40.0%
TOTAL	120	100.0%

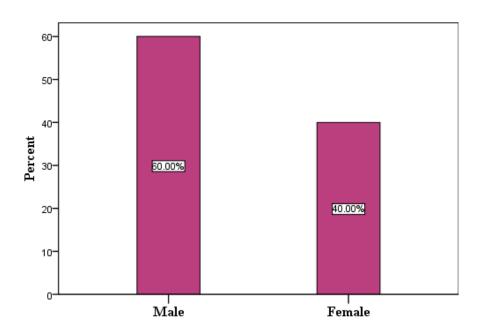
Source: Primary data

INTERPRETATION

The above table shows that 60% of respondents are male and 40% of the respondents are female.

Thus the majority of the respondents are male.

GENDER OF THE RESPONDENTS



CHI-SQUARE ANALYSIS

RELATIONSHIP BETWEEN GENDER OF THE RESPONDENTS AND EMPLOYEE INVOLVEMENT IN THE DECISION MAKING

HYPOTHESIS TESTING

Null hypothesis (Ho): There is no significant relationship between gender of the respondents and employee involvement in the decision making.

Alternative hypothesis (H1): There is some significant relationship between gender of the respondents and employee involvement in the decision making.

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	Ν	Percent	N	Percent
GENDER OF THE RESPONDENTS * EMPLOYEE INVOLVEMENT IN THE DECISION MAKING	120	100.0%	0	.0%	120	100.0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	35.561ª	14	.001
Likelihood Ratio	44.517	14	.000
Linear-by-Linear Association	1.726	1	.189
N of Valid Cases	120		

a. 23 cells (76.7%) have expected count less than 5. The minimum expected count is .80.

INTERPRETATION:

As per the above table, it is inferred that the P value is 0. 001; it is significant to 5% (0.05) significant level. The minimum expected count is 0.80. Thus alternative hypothesis is accepted and it is found that there is significant relationship between gender of the respondents and employee involvement in the decision making.

CORRELATION ANALYSIS

RELATIONSHIP BETWEEN ANNUAL SALARY OF THE RESPONDENTS AND PERFORMANCE BASED PAYMENT SYSTEM IN THE COMPANY

Correlations

		ANNUAL SALARY OF	PERFORMANCE BASED PAYMENT SYSTEM IN THE COMPANY
ANNUAL SALARY OF THE RESPONDENTS	Pearson Correlation	1	.268**
	Sig. (2-tailed)		.003
	Ν	120	120
PERFORMANCE BASED PAYMENT	Pearson Correlation	.268**	1
SYSTEM IN THE COMPANY	Sig. (2-tailed)	.003	
	Ν	120	120

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

INTERPRETATION:

The Above table indicates that out of 120 respondents, co-efficient of correlation between annual salary of the respondents and performance based payment system in the company is 0. 268. It is below 1. So there is positive relationship between annual salary of the respondents and performance based payment system in the company.

IV. FINDINGS

- The majority of employees recognized the role of structured HR practices in improving organizational decision-making.
- · Performance-based rewards were found to significantly enhance employee motivation and productivity.
- Transparent performance evaluation systems contributed to employee satisfaction and reduced bias.
- Training and manpower planning initiatives were aligned with operational goals, enhancing efficiency.

V. SUGGESTIONS

- Introduce a digital performance tracking system for real-time feedback and transparency.
- Provide ongoing leadership development programs to strengthen managerial effectiveness.
- Expand recognition programs to include peer-to-peer appreciation models.
- Periodically review compensation structures to align with industry standards and motivate employees.

VII. CONCLUSION

The study concludes that effective HR practices have a direct and measurable impact on HR decision-making at Roots Industries India Limited. The integration of structured HR systems such as manpower planning, performance-based compensation, and transparent evaluation frameworks contribute

positively to employee motivation, satisfaction, and organizational efficiency. Continuous improvement in HR strategies will be crucial to sustaining performance and competitive advantage in the long run.

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