



# INTERNATIONAL JOURNAL OF MULTIDISCIPLINARY RESEARCH

IN SCIENCE, ENGINEERING, TECHNOLOGY AND MANAGEMENT

Volume 10, Issue 5, May 2023



INTERNATIONAL  
STANDARD  
SERIAL  
NUMBER  
INDIA

**Impact Factor: 7.580**



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# Enhancing Organizational Performance through Effective Human Resource Management: A Case Study of Vikamshi Fabric Pvt. Ltd

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**ABSTRACT :** The role of Human Resource Management (HRM) practices in enhancing organizational performance has been a topic of interest for many researchers and practitioners. This study aimed to investigate the effective role of HRM practices in enhancing organizational performance at Vikamshi Fabric Pvt. Ltd., a textile manufacturing company located in India. The study adopted a mixed-methods approach, combining qualitative and quantitative data collection methods. The qualitative data was collected through semi-structured interviews with HR managers and employees, while the quantitative data was collected through a survey of a sample of employees at the organization. The study found that effective HRM practices had a significant impact on employee performance, job satisfaction, and overall organizational effectiveness. Specifically, the study found that employees who perceived their HRM practices to be effective reported higher levels of job satisfaction and were more likely to be engaged in their work. Additionally, effective HRM practices were found to be positively associated with employee performance and overall organizational effectiveness. Based on the study's findings, the study recommends that Vikamshi Fabric Pvt. Ltd. should focus on improving its HRM practices to enhance organizational performance. This may include initiatives such as providing regular training and development opportunities for employees, implementing fair and transparent performance appraisal systems, and ensuring effective communication between employees and management. The study's findings contribute to the literature on HRM practices and their impact on organizational performance, particularly in the manufacturing industry. The study highlights the importance of effective HRM practices in enhancing employee performance, job satisfaction, and overall organizational effectiveness. The study's recommendations may be useful for organizations in the textile manufacturing industry and other industries that rely heavily on human capital for productivity and profitability.

**KEYWORDS:** Human Resource Management, organizational performance, employee performance, job satisfaction, textile manufacturing industry.

## I. INTRODUCTION

Organizations are constantly seeking ways to improve their performance and competitiveness in the market. One key factor that can contribute to organizational success is effective human resource management. Human resource management is critical in ensuring that an organization's workforce is engaged, motivated, and equipped with the necessary skills and knowledge to achieve organizational goals. This research paper examines how Vikamshi Fabric Pvt. Ltd., a textile manufacturing company, was able to enhance its organizational performance through effective human resource management practices. Vikamshi Fabric Pvt. Ltd. is a textile manufacturing company based in India. The company specializes in the production of high-quality fabrics for domestic and international markets. The company's workforce consists of over 500 employees, including managers, supervisors, skilled workers, and support staff. The company faced several challenges in its quest to enhance its organizational performance, including high employee turnover, low employee morale, and productivity issues. The management team at Vikamshi Fabric Pvt. Ltd. recognized the need to address the challenges the company faced through effective human resource management practices. The first step was to conduct a comprehensive analysis of the company's workforce to identify the root causes of the challenges faced. The analysis revealed that the company's high employee turnover rate was due to a lack of employee engagement and recognition. The low employee morale was caused by a lack of communication and



feedback from management, and the productivity issues were a result of a lack of training and development opportunities for employees.

To address these challenges, the management team implemented the following human resource management practices:

1. **Employee Engagement and Recognition:** The company implemented a rewards and recognition program to motivate and engage employees. The program recognized employees who demonstrated outstanding performance and contributed to the company's success.
2. **Communication and Feedback:** The management team implemented an open-door policy to encourage communication between employees and management. Regular feedback sessions were conducted to address employee concerns and provide them with the support they needed.
3. **Training and Development:** The company provided employees with training and development opportunities to enhance their skills and knowledge. The training programs focused on improving employee productivity and performance.

## II. LITERATURE REVIEW

Effective human resource management is critical in enhancing organizational performance. This section provides a review of relevant literature on the relationship between human resource management and organizational performance. One key area of human resource management is employee engagement. Employee engagement is the level of commitment and involvement employees have toward their work and organization. Research has shown that employee engagement is positively associated with organizational performance (Bakker & Schaufeli, 2008; Saks, 2006). By engaging employees and creating a positive work environment, organizations can increase employee motivation, job satisfaction, and performance.

Another important aspect of human resource management is training and development. Training and development programs are essential in enhancing employee skills and knowledge, leading to improved performance and productivity (Huselid, 1995). Research has shown that organizations that invest in employee training and development have higher productivity and profitability compared to those that do not (Bassi & Van Buren, 1999; Guest, 1997).

Communication and feedback are also critical in creating a positive work environment and improving organizational performance. Research has shown that employees who receive regular feedback and communication from their managers are more engaged, satisfied, and motivated (Aguinis & Pierce, 2008; Conway & Coyle-Shapiro, 2012). Finally, recognition and reward programs are essential in motivating employees and improving organizational performance. Recognition and reward programs can increase employee motivation, job satisfaction, and performance (Cameron & Pierce, 2002; Deci & Ryan, 2000).

## III. RESEARCH METHODOLOGY

### Objectives

1. To analyze the impact of human resource management practices on the organizational performance of Vikamshi Fabric Pvt. Ltd.
2. To identify the gaps in the current human resource management practices in Vikamshi Fabric Pvt. Ltd. and suggest improvements.
3. To evaluate the effectiveness of the suggested improvements in enhancing organizational performance.

### Sampling

For the completion of this research, the researcher takes interview 50 employees of Vikamshi FABRIC Pvt. Ltd.

### Data Collection

For the above research, the data is collected through interviews with 50 employees and observation.

### Effective HRM policies:

1. **Recruitment and Selection Policies:** Organizations should have policies that guide the recruitment and selection of employees. These policies should outline the recruitment process, the selection criteria, and the qualifications required for various positions. Organizations should ensure that their recruitment and selection policies are non-discriminatory and comply with local labor laws.
2. **Training and Development Policies:** Organizations should have policies that outline the training and development opportunities available to employees. These policies should include guidelines on the types of



training provided, the criteria for eligibility, and the frequency of training. Effective training and development policies help employees acquire new skills, increase productivity, and remain motivated.

3. **Performance Management Policies:** Organizations should have policies that govern the performance management process. These policies should include guidelines on setting performance targets, monitoring progress, providing feedback, and conducting performance evaluations. An effective performance management policy helps to align employee goals with organizational objectives and identify areas where improvement is needed.
4. **Compensation and Benefits Policies:** Organizations should have policies that outline the compensation and benefits offered to employees. These policies should include guidelines on salary scales, bonuses, and other benefits such as health insurance, retirement plans, and vacation time. An effective compensation and benefits policy helps to attract and retain talented employees, increase job satisfaction, and improve employee morale.
5. **Employee Relations Policies:** Organizations should have policies that govern employee relations. These policies should include guidelines on issues such as workplace harassment, discrimination, and conflict resolution. Effective employee relations policies help to create a positive work environment and reduce the risk of legal disputes.

#### Transformation of HRM policy:

Traditional HRM policies and new policies adopted by VikamshiPvt. Ltd. differ in their approach to managing employees. Traditional HRM policies tend to focus on administrative tasks such as hiring, payroll management, and compliance with labor laws. New policies adopted by VikamshiPvt. Ltd. are designed to be more strategic and focus on employee engagement, talent management, and performance improvement.

Some of the key differences between traditional HRM policies and new policies adopted by VikamshiPvt. Ltd. are:

1. **Focus on Employee Engagement:** Traditional HRM policies tend to focus on compliance and administrative tasks, while the new policies adopted by VikamshiPvt. Ltd. place a greater emphasis on employee engagement. VikamshiPvt. Ltd. has implemented policies such as regular employee feedback sessions, flexible work arrangements, and wellness programs to increase employee engagement and promote a positive work environment.
2. **Talent Management:** New policies adopted by VikamshiPvt. Ltd. are focused on talent management, which involves identifying and nurturing the skills and abilities of employees to help them reach their full potential. VikamshiPvt. Ltd. has implemented policies such as regular training and development programs, career development plans, and mentoring programs to support employee growth and development.
3. **Performance Improvement:** New policies adopted by VikamshiPvt. Ltd. are designed to improve employee performance by providing regular feedback, setting clear expectations, and providing incentives for achieving goals. Traditional HRM policies tend to focus on performance management, which involves identifying and addressing performance issues. VikamshiPvt. Ltd. has implemented policies such as performance-based bonuses, recognition programs, and regular performance evaluations to motivate employees and improve performance.
4. **Technology and Innovation:** New policies adopted by VikamshiPvt. Ltd. leverage technology and innovation to improve HRM practices. For example, VikamshiPvt. Ltd. has implemented an online platform for performance evaluations, feedback, and goal-setting. This technology enables managers and employees to collaborate more effectively and provides real-time data on performance and progress.

#### IV. RESULTS AND DISCUSSION

The implementation of these human resource management practices had a significant impact on the company's performance. The high employee turnover rate decreased, and the company was able to retain its most talented and experienced employees. Employee morale improved, resulting in a more positive and productive work environment. Productivity also increased as employees were provided with the necessary training and development opportunities to enhance their skills.

The case study of Vikamshi Fabric Pvt. Ltd. demonstrates the importance of effective human resource management in enhancing organizational performance. The challenges the company faced were addressed through the implementation



of human resource management practices that focused on engaging employees, providing regular feedback, and offering training and development opportunities.

Employee engagement and recognition programs are essential in motivating employees to contribute to the company's success. By recognizing outstanding employee performance, the company can create a culture of achievement, leading to increased motivation and productivity. Communication and feedback are also critical in creating a positive work environment. By establishing an open-door policy, employees feel comfortable expressing their concerns and suggestions, leading to improved morale and job satisfaction.

Training and development programs are essential in equipping employees with the necessary skills and knowledge to enhance their performance. The training programs provided by Vikamshi Fabric Pvt. Ltd. focused on improving employee productivity and performance, leading to increased efficiency and effectiveness.

## V. CONCLUSION

Effective human resource management is crucial for enhancing organizational performance, as demonstrated by Vikamshi Fabric Pvt. Ltd. The company was able to address the challenges it faced by implementing human resource management practices that focused on engaging employees, providing regular feedback, and offering training and development opportunities. As a result, the company was able to retain its talented employees, improve employee morale, and increase productivity. The case study serves as an excellent example of how effective human resource management can drive organizational success.

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