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Impact of HRM Competencies, Organizational Culture, Organizational Climate on Employee Performance (A Study With Reference To Puducherry IT Companies)

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ABSTRACT: An organizations success is determined by the skills and motivation of its human capital. Competent employees are the greatest assets of any organization. By providing the right type of climate, individuals in an organization can be helped to give full contribution to achieve the goals of the organization. Strong cultures help organizations anticipate and adopt to changes in environment thus proactive cultures should enhance and support organizational performance on the long-run.in this study, the primary data were collected through questionnaires from 100 employees working in IT companies from puducherry. The primary aim of this paper is to examine the impact of HRM competencies, organizational culture and climate on employee performance from the perspectives of multinational companies operating especially under the information technology companies of puducherry.

KEYWORDS: HRM or HRD Competencies, Organization Culture and Climate, IT Industry, Employee Performance.

I. INTRODUCTION

HRM COMPETENCY

Human resource development has been defined as essentially consisting of three Cs: competencies, commitment and culture. It is a people-oriented concept that focuses on developing the skills, knowledge and competencies of people. Human resource development can be applies both at the organizational level as well as the national level.it may be defined as “ a continuous process to ensure the development of employee’s competencies, dynamism, motivation and effectiveness in systematic and planned way”. These are needed to make an organization function well. Without competencies organization may not be the cost effective or optimally efficient. Without an appropriate culture, organization cannot last long.

ORGANIZATIONAL CLIMATE

Organizational climate is comprised of mixture of norms, values, expectations, policies and procedures that influence work motivation, commitment and ultimately, individual and work-unit performance. Positive climate encourages, while negative climate inhibits discretionary effort organization “organization climate” refers to the quality of working environment. If people feel that they are valued and respected within the organization, they are more likely to contribute positively to the achievement of business outcomes.

ORGANIZATIONAL CULTURE

Culture is the unique dominant pattern of shared beliefs, assumptions, values and norms that shape the socialization, symbols, language and practices of a group of people. The attitudes and approaches that typify the way staff carryout

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their tasks. The basic pattern of shared assumptions, values and beliefs considered to be the correct way of thinking about and acting on problems and opportunities facing the organization.

EMPLOYEE PERFORMANCE

Performance is a broader indicator that can include productivity, quality, consistency, and so forth. On the other hand, performance measures can include results, behaviors (criterion-based) and relative (normative) measures, education and training concepts and instruments, including management development and leadership training for building necessary skills and attitudes of performance management (Richard, 2002).

II.EFFECT OF ORGANIZATIONAL CULTURE ON ORGANIZATIONAL PERFORMANCE

Organizational culture has the potential to enhance organizational performance, employee job satisfaction, and the sense of certainty about problem solving (Kotter, 2012). If an organizational culture becomes incongruent with the changing expectations of internal and/or external stakeholders, the organization's effectiveness can decline as has occurred with some organizations (Ernst, 2001). Organizational culture and performance clearly are related (Kopelman, Brief, & Guzzo, 1990), although the evidence regarding the exact nature of this relationship is mixed. Studies show that the relationship between many cultural attributes and high performance has not been consistent over time (Denison, 1990; Sorenson, 2002).

III.SOFTWARE COMPANIES BOOST IT GROWTH IN PUDUCHERRY

The last couple of years have witnessed a lot of information technology facilities and software companies opening their facility centres Pondicherry. IT Hardware giants like Lenovo, HCL, Acer, HP, and Wipro have set up their units in Pondicherry. The software industry in the Pondicherry is largely dominated by the ITeS segment with several BPOs operating in the city. The top IT software companies include Webbylogic Solutions, GPRO Technology, Prapthi Technology Service, Effendis Technologies etc. The local administration has also formed several pro IT policies to boost e governance and attract IT investment in the region.

IV.REVIEW OF LITERATURE

Organizational development has certain factors that improve sustainability on basis of effectiveness. The improvement in productivity leads to employee commitment as norms, values and objectives helps in improving culture of an organization. The system of organization was based upon effective establishment of culture that keep learning environment strong. The performance of employees improves by establishment of strong culture of an organization. The employee performance would be considered as backbone organization as it leads to its development effectively. The loyalty of employee relies upon knowledge and awareness of culture that improves behaviour of organization (Brooks, 2006) Organization culture have first time been identified by Administrative Science quarterly (Pettigrew, 1979). The value and norms of employee's basis upon management identification that help in improving employee performance. The awareness of quality helps in improving organizational and employee development. Culture is defined as a mixture of values, sets, beliefs, communications and explanation of behaviour that provides guidance to people. The main idea of culture comes from sharing in learning processes that have been based upon systematic allocation of resources (Titiev, 1959).

V.OBJECTIVES OF THE STUDY

1. To study the organizational culture in puducherry IT industries.
2. To study the organizational climate in puducherry IT industries.
3. To study the organizational HRM competency in puducherry IT industries.
4. To study the employee performance in puducherry IT industries.

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5. To study the factors influences of HRM competency, organizational culture, organizational climate and employee performance.

VI.SCOPE OF THE STUDY

The present study is aim to make an analysis of impact of HRM competency, organizational culture, climate on employee performance of selected information technology companies in puducherry. An important part of the work of human resources administrators is to determine the facilitators and inhibitors of organization effectiveness, the strengths and weaknesses that affect the climate of the corporate system. The determination of climate and culture is the forerunner of the determination of the strategies for organization's improvement generally and improvement of conditions in the workplace specifically. Work performance, like all other phases of individual behavior, is a function of both the individual and the circumstances in which he or she exists, specifically, the organization. It is also rational to anticipate, on the basis of day-to-day practice and research evidence, that the organizational climate and culture will have an impact on the human resource's performance.

VII.RESEARCH METHODOLOGY

The study is descriptive in nature. The main objective of the study is to develop a model integrating the factors of HRM competency, organizational culture, and climate and portray its relationship with employee performance. The survey method of data collection was adopted to collect primary data through the questionnaire. The respondents for this study are those whose are employed in IT companies located in puducherry union territory. About 150 questionnaires was circulated among the employees working in selected IT companies, only 100 valid questionnaires were chosen as primary data for the study after rejecting the incompleated and inconsistent questionnaire in which 50sample respondents were selected from each IT companies. Item measure was adopted Likert five-point scale. Respondents were asked to express their agreement level of the statement of each question, from 1 represent "strongly disagree" to 5 represent "strongly agree".

VIII.SAMPLE DESIGN

The present study has followed the convenient sampling method for the research work. The information was collected from 100 respondents. It is collected from all level of managerial personal i.e., top level, middle level, lower level.

IX.DATA ANALYSIS TOOLS

The data was analyzed with the help of tools like **percentage method, CHI-SQUARE, and ANNOVA techniques.**

X.LIMITATIONS OF THE STUDY

1. The sample selected for the study is very small compared to the total population of the organizations. Sample size is 100 respondents only.
2. The study is conducted only with reference to puducherry union territory IT companies.
3. An in depth study was not possible because time limit was main constraint.

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XI. DATA ANALYSIS

TABLE – I PERCENTAGE ANALYSIS (RESPONDENTS BASED ON AGE)

Age (years)	Frequency	Percentage (%)
20-25	20	20 %
26-31	34	34%
36-35	26	26%
36-40	12	12%
Above 40	8	8%
total	100	100 %

Interpretation: From the above table is inferred that is inferred that 34% of respondents are from the age of 26-30 and 8% of respondents are above 40 years.

TABLE – II PERCENTAGE ANALYSIS (RESPONDENTS BASED ON GENDER)

Gender	Frequency	Percentage (%)
Female	42	42 %
Male	58	58%
Total	100	100 %

Interpretation: From the above table is inferred that 42% of respondents are female and 58 % respondents are male.

TABLE – III PERCENTAGE ANALYSIS (RESPONDENTS BASED ON EDUCATIONAL QUALIFICATION)

Qualification	Frequency	Percentage (%)
professional	50	50%
Non-professional	30	30%
diploma	20	20%
Total	100	100 %

Interpretation: From the above table is inferred that 50% respondents are professional and 30% respondents are non-professional and 20% respondents are diploma.

TABLE – IV RELATIONSHIP BETWEEN ORGANIZATIONAL CULTURE AND TEAM WORK

Alternate Hypothesis (H1) - There Is Significant Relationship between Organization Culture and Team Work.

Null Hypothesis (H0) - There Is No Significant Relationship between Organization Culture and Team Work.

Team Work	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
Good Team Work	7 (5.75)	5 (4.75)	8 (8.5)	3 (3.5)	2 (2.5)	25
Co-Operation	4 (4.6)	5 (3.8)	6 (6.8)	2 (2.8)	3 (2)	20
Openness	6 (8.05)	5 (6.65)	15 (11.9)	5 (4.9)	4 (3.5)	35
Encouragement	6 (4.6)	4 (3.8)	5 (6.8)	4 (2.8)	1 (2)	20
Total	23	19	34	14	10	100

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Interpretation: For 12 degree of freedom from table F of Chi- Square distribution. Table value of Chi- Square = 21 at 5% level of significance. Calculated value Chi-Square =4.5. **The table value = 21 >Calculated value Chi-Square= 4.5.** The computed value of Chi-Square is less than the table value of Chi-Square at 5% level of significance. The computed value of chi-square is less than the table value of chi-square at 5% level of significance (21>4.5). The null hypothesis is accepted. Hence there is no significant relationship between organizational culture and team work.

TABLE – V RELATIONSHIP BETWEEN ORGANIZATIONAL CULTURE AND PHYSICAL WORK CONDITIONS

Alternate Hypothesis (H1) - There Is Significant Relationship between Organization Culture and Physical Work Conditions.

Null hypothesis (H0) - There Is No Significant Relationship between Organization Culture and Physical Work Conditions.

Physical work conditions	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
Ventilation and lighting	6 (7.7)	5 (6.3)	15 (11.9)	5 (5.25)	4 (3.85)	35
Neatness and safety	7 (5.5)	6 (4.5)	6 (8.5)	4 (3.75)	2 (2.75)	25
Drinking water	5 (4.84)	4 (3.96)	9 (7.48)	2 (3.3)	2 (2.42)	22
canteen	4 (3.96)	3 (3.24)	4 (6.12)	4 (2.7)	3 (1.98)	18
Total	22	18	34	15	11	100

Interpretation:For 12 degree of freedom from table F of Chi- Square distribution. Table value of Chi- Square = 21 at 5% level of significance. Calculated value Chi-Square =10.32. **The table value = 21 >Calculated value Chi-Square=10.32.** The computed value of Chi-Square is less than the table value of Chi-Square at 5% level of significance. The computed value of chi-square is less than the table value of chi-square at 5% level of significance (21>10.32). The null hypothesis is accepted. Hence there is no significant relationship between organizational culture and physical work conditions.

TABLE – VI PROVIDED DIFFERENT ORGANIZATIONAL CLIMATE AND PERFORMANCE OF EMPLOYEES

Null Hypothesis

Ho: There Is No Significance Difference Between The Organizational Climates.

Ho (A): There Is No Significance Difference Between The Employee Performances.

Alternative Hypothesis

H1: There Is Significance Difference Between The Organizational Climates.

H1 (A): There Is Significance Difference between the Employee Performance.

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ANNOVA TWO- WAY TABLE

Sources of Variation	Sum of Squares (SS)	Degree Of Freedom (D.F)	Mean Square (MS)	Ratio Of F
Between Columns (Employee Performance)	314.88	2	157.44	F1= 10.42
Between Rows (Organizational Climate)	73.55	2	36.775	F2 = 2.43
Residual Errors	60.46	4	15.115	
Total	448.89	8		

F1 calculated value =10.42 f1 table value = 6.94 F2 calculated value = 2.43 f2 table value = 6.94

F1 calculated value > table value so, Ho is rejected. F2 calculated value < table value so, Ho is accepted.

Interpretation:The calculated value of F1 is greater than the table value (10.42>6.94). There is significant difference in the employee performance. The calculated value of F2 is less than the table value (2.43<6.94). Hence organizational climate do not make a significance difference.

TABLE – VII HRM COMPETENCIES AND EMPLOYEE ATTITUDES

Null Hypothesis

Ho: There Is No Significance Difference between The HRM competencies.

Ho (A): There Is No Significance Difference Between The Employee Attitudes.

Alternative Hypothesis

H1: There Is Significance Difference between the HRM competencies.

H1 (A): There Is Significance Difference between the Employee Attitude.

ANNOVA TWO- WAY TABLE

Sources Of Variation	Sum Of Squares (SS)	Degree Of Freedom (D.F)	Mean Square (MS)	Ratio Of F
Between Columns (Employee attitude)	514.89	2	257.445	F1= 13.95
Between Rows (HRM competencies)	49.56	2	24.78	F2 = 1.34
Residual Errors	73.78	4	18.445	
Total	638.23	8		

F1 calculated value =13.95 f1 table value = 6.94, F2 calculated value = 1.34 f2 table value = 6.94,

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F1 calculated value > table value so, Ho is rejected. F2 calculated value < table value so, Ho is accepted.

Interpretation: The calculated value of F1 is greater than the table value (13.95>6.94). There is significant difference in the employee attitudes. The calculated value of F2 is less than the table value (1.34<6.94). Hence HRM Competencies does not make a significance difference.

XII.SUGGESTIONS

- The majority of employees want to be a part of a compelling future, want to know what is most important at work and what excellence looks like. For targets to be meaningful and effective in motivating employees, they must be tied to larger organizational ambitions.
- You can get insight into what things are important to the employee by using surveys, suggestion boxes and team meetings. Be open-minded and encourage them to express their ideas and perspectives without criticism. This means putting into practice everything you have learned about effective listening. Address their concerns in the best way you can.
- Employees need to trust each other as well as their leadership. Employees are constantly watching leadership to see how their decisions affect the strategic direction of the organization and if their behaviors reflect what they say.
- How many of you have responded to a subordinate's idea as brilliant or even good. Success begets success. You can support employee growth by providing education and learning opportunities, cross training, coaching, and any other interactions that support employees' personal development.
- When employees get the idea that their manager or leader is the one who has to solve all the problems, it takes away from their sense of empowerment, and ultimately is likely to decrease engagement over time. Encourage team members to take responsibility, and work through problems or issues on their own, or collaboratively. It's not the manager's job to fix everyone else's problems.
- Incentives that are matched to accountability and results. Managers who want their employees to be engaged recognize that incentives must be allocated based on objective criteria and that different employees are motivated by different things.

XIII.CONCLUSION

The different values and beliefs based upon employee performance helps in organization association. The organization culture helps in internalizing joint relationship that leads to manage effective organization process. The productivity and culture of organization helps in improving performance. The positive association between culture and performance helps in improving results of organization. The employee performance of organization has a strong impact of strong organization culture as it leads to enhance productivity. The nature and power of organization culture influence upon sustainability and effective of organization. Secondly, we analyzed the relationship between HRM competencies and organizational performance. The results of this study provide some empirical evidences concerning the effects of individual competencies on organizational performance.

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