

Human Resource (HR) Policies and its Implementation at BPO in India

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ABSTRACT:

The industry is growing rapidly At present, with the approaching epidemic and the completely unforgiving business scene, it is difficult to hold back the knowledge of the professional BPO industry. The BPO industry experiences high friction or employee turnover, which not only has the side effects of reduced productivity, increased recruitment costs, avoidable time and lost sales in training new employees. , but companies with high employee turnover often experience poor morale and productivity. rates Therefore, engagement in HR policies plays a vital role in retaining, identifying and motivating suitable enthusiastic employees and ensuring that employees know their rights and feel safe and encouraged in the company environment . According to the findings of this article, the main problem emerging in the BPO sector is that employees do not understand HR policies, they only believe in positive reinforcement, and employees and HR professionals are immune to impact of HR policies on the overall performance of the company. the company. This human resources policy-related study aims to pave the way for BPO companies to change their perception and ideology of their company's employees and view them as an investment, giving them the priority they need.

1.INTRODUCTION:

1.1 Background of the Study:

Human resource policies are the formal rules and guidelines that companies use to manage their employees and work environment. On the other hand, the HR strategy is a step-by-step instruction of what needs to be done in response to the policy. So, in fact, these policies provide recommendations for a broad category of employment letters within an organization The motivation and importance of the HR policy requires little elaboration Every company you work for needs policies to ensure consistent and equal action in communications with employees HR procedures are usually in the form of standard operating procedure (SOP) documents Human Resource Management (HRM), such as recruitment, promotion, compensation, training, selection, etc Therefore, it serves as evidence when human resource management operations are proceduralized or decisions are made regarding the front line of the organization. The Acceptable Human Resources Policy provides general clarification of the different approaches employed by an organization and therefore its employees at different stages of employment This HR policy-related research aims to pave the way for BPO companies to change their perception and ideology of their company's employees and view them as an investment, giving them the priority they need. Effective HR practices make a difference in terms of business efficiency. Effective HR practices are considered those that contribute to one or more of the three Cs: the first is capability, the second is commitment, and the last is culture. They must be identified and recognized in a cost-effective way, and they must be regularly evaluated and inspected to increase their productivity and success. Human resource practices include: human resource planning, recruitment and selection, and activities beyond legal requirements, safety, health and environment policies, proposal planning, promotion and transfer, exit policies. BPO is the abbreviation of Business Process Outsourcing, which refers to the outsourcing of business processes by companies to third party (external)

companies.

The main purpose is to cut costs, free up time and focus on the essential aspects of your business Processes that work the same or similar across businesses, such as payroll or accounting, are BPO candidates. BPO was born in manufacturing. After determining that a vendor could bring more skill, speed, and lean to the process than an in-house team could provide, the manufacturer hired a third-party vendor to manage part of its supply chain. Over time, more and more organizations in other sectors have adopted this practice.

1.2 Research Gap:

Previous studies point out the impact of key variables on Human Resource Policies in the various industries. But in this paper I not only aim to explore the further fields of these policy but also its implementation in BPO's.

1.3 LITERATURE ANALYSIS:

Simmons (2003) emphasized the need to balance performance, accountability and fairness in stakeholder relations by pursuing socially responsible human resource practices. Harel and Tzafir (1999) emphasize the impact of HRM practices on perceptions of business organization and market performance. Chen, Hsin-yi (1995) studied the differences in organizational climate and HR practices between American and Chinese companies in Taiwan Jacobson, R (2006) pointed out in his research article that HR professionals consider the most widely used and effective performance appraisal tool to be the 360 degree competency assessment process He studies systems designed to improve employee performance In his opinion, the evaluation system must have the full support of senior management

Hyde and Pethe (2005) argue that in management, the current era is the era of human resource development and employee engagement. There is a direct link between the concepts of employee engagement and empowerment and the growth and development of an organization.

Ramesh, T (2005) examine the changes that have taken place in the field of human resource management in the current era He noted that today's competitive business environment presents a number of significant challenges and opportunities for the human resource management function - dramatic advances in technology, recruitment, selection, training, evaluation, rewards and other HR practices.

Singh, K (2003) studied the impact of human resource management practices on the performance of Indian companies. It studies the purpose of human resources within an organizational framework to ensure that an organization has competent, motivated and learning employees to support the achievement of its business objectives

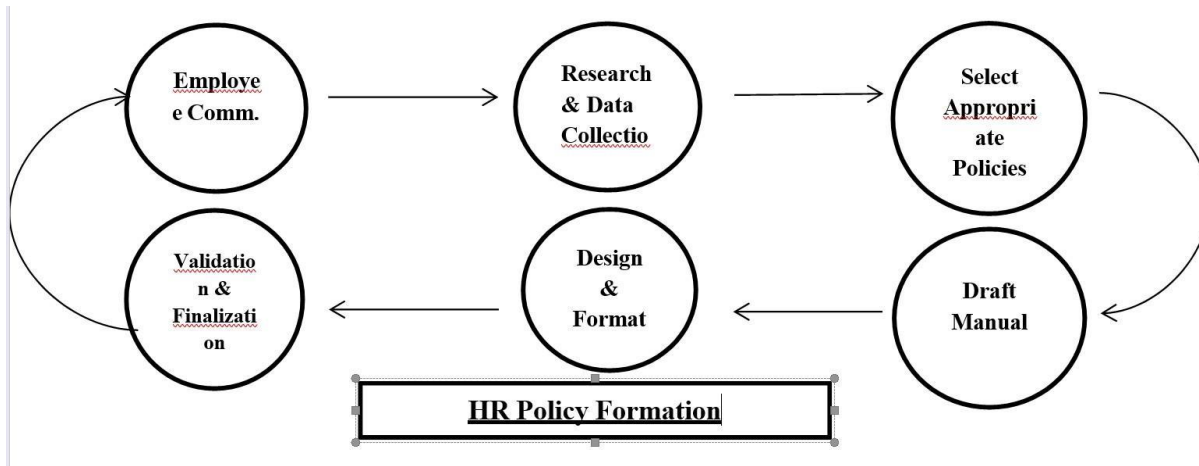
Dhawan, S.K. (2001) found in their research that job satisfaction varies by type of job, level of organizational hierarchy, personality type, etc He studied five factors of job satisfaction, namely opportunity, learning and challenge, influence on superiors, pleasure and meaning of work, satisfaction with the work team and the future ideal.

Kassahun, T (2005) According to his findings, there are significant differences in Indian employees' perception of their level of commitment to the organization Sanne G.A et al. (2005) Their article investigates the influence of human resource management (HRM) practices and background (personal variables, job and role characteristics, and work experience) on the organizational commitment of Dutch university employees .

1.4 Policy Formation :

Policy Formation : HR policies paves down the way to decision making criteria in line with the overall purpose

of the organisation in the area of Human Resource Management. These policies are procedurized by the HR manager in negotiation with the top management to guide the managers at numerous levels to deal with people at work.



1.5 Purpose:

Human resource policies and procedures facilitate the guidelines that an organization plans to adopt to manage its staff. They serve certain purposes such as they help identify clear communication between an organization and its employees regarding the terms of their employment. They form the basis for fair and equitable treatment of all employees. This is a set of similar instructions for supervisors and managers to carry out their actions with the corresponding employees working within the organization. They serve as the basis for the development of an employee manual. They established a core for the sequential review of possible changes affecting employees. They create the environment for supervisor training programs and mentorship programs for employee training.

1.6 Business Process Outsourcing (BPO):

Business Process Outsourcing (BPO), is basically a kind of outsourcing in which the company subcontracts specific business processes to a third party service provider who can accomplish or carry out those processes on the customer's behalf at a certain cost. These activities could include document processing, payroll, technical support, HR, marketing, etc. BPO permits a company to save cost and also focus on the core activities.

There was an unanticipated resonance in the outsourcing sector in India from 2004-2005, not just within the domestic market but also in the export market of BPO where foreign clients were off-shoring their back office and procedural functions to Indian BPOs due to the advantage of cost and work quality they are offered. The major factors of such increasing growth are cost- worthy telecommunications and easy inherence of English communicating workforce with monumental technicalities know-how in India. The foremost customers who are mainly make the most from the BPO services are the industries related to Pharmaceuticals, Insurance, Telecom, Healthcare, Automotive, Banking and Finance, E-commerce and Retail, and Airlines. Some of the leading BPO organizations, well known for their performance and service standards in India are Accenture, Tata Consultancy Services, Hewlett Packard, Infosys BPO, HCL, IBM- Daksh, Cap Gemini, Convergys, and Wipro to name a few.

1. RESEARCH METHODOLOGY: The current study overviews the various Human Resource Policies and their implementation at BPO's.

Strength of the Sample – 150

Acquired Research Data - Primary and Secondary

Statistical Tools- Percentage, Chi-Square Test, Rank
Correlation

1.1 Data Analysis:

Table1. Grasping tendency of the HR Policies among HR Professionals

S.No	Element	Density	%
1	Yes	60	22
2	No	90	78
	Total	150	100

Conclusion: 78% of HR professionals are unaware about HRA and only 30 % of the respondents are aware of theHRA.

Table2. Impact of HR Policies in Decision Making

S.No	Element	Density	%
1	Knowledge Regarding Organizational Policies	32	24
2	HR Associated Updates	45	26
3	Hiring of Personnel	26	17
4	Performance Evaluation of the Employee	47	33
	Total	150	100

Conclusion: 33% of the HR’s realizes the effects of the Performance Evaluation of the Employee and 26% of them realizes about the HR related updates. 24% and 17% of them feel its related to the organisational policies knowledge and appointment of the employees.

Table3. Essential HR Policies

S.No	Element	Density	%
1	Recruitment Policy	39	28
2	Anti-Harassment and Non-Discrimination Policy	16	12
3	Rewards & Recognition	24	9
4	Career Planning	12	19
5	Leave and Time-Off Benefits Policy	15	8

6	Compensation & Benefits	10	4
7	Timekeeping and Pay Policy	13	6
8	Employee Conduct, Attendance & Punctuality	21	14
	Total	150	100

Conclusion:28% and 19% of the respondents feel that Recruit Policy and Reward & Recognition are the best practices in the company. 14% and 12% of the respondents feel that Employee Conduct and Anti-Harassment & Non-Discrimination Policy are the best. 9%,8%,6% & 4% of the respondents are of the opinion that Career Planning, Benefit Policies, Pay Policy and Benefits are the best practices.

Table4. Threats prone to HR Personnel at BPO

S.No	Elements	Density	%
1	Changing Political Scenarios	23	15
2	Exceeding Customer Expectations	13	8
3	Shoestring Budgets	25	19
4	Health Concers	16	11
5	Customer Attrition	15	9
6	Scarcity of Talent	11	7
7	Employee Attrition	29	21
8	Communication Channels	18	10
	Total	150	100

Conclusion:21% & 19% of the respondents feel that Employee Attrition and Shoestring Budgets are the threats faced highly by the BPO. 15% & 11% of the respondents feel that it poses a threat due to Changing Political Scenarios and Health Concerns. 10%, 9%, 8% & 7% of the respondents poses a threat because of Communication Channels, Customer Attrition, Exceeding Customer Expectations and Scarcity of talent.

3.1 Chi Square Inspection:

A comparison between Respective Age and Conscious Awareness of HR Policies at HR BPO:

Professionals

2	30-35	14	7	21
3	35-45	3	11	14
4	45-50	2	40	42
5	>50	1	52	53
6	Total	35	115	150

3.2 Spearman’s Rank Correlation Co-efficient: A juxtaposition between Enlistment and Total Employee Experience towards best HR practices in the company:

S.No	Respective Age	Respective Cognizance Among HR		
		Yes	No	Total
1	25-30	15	5	20

Rank Correlation between Leave and Time-Off Benefits Policy & Employee Conduct, Attendance and Punctuality Policy.

Null Hypothesis (H0): There is no correlation between the factors of Leave and Time-Off Benefits Policy & Employee Conduct, Attendance and Punctuality Policy.

Alternative Hypothesis: There is a correlation between the factors of Leave and Time-Off Benefits Policy & Employee Conduct, Attendance and Punctuality Policy

CONCLUSION:

There is a correlation between the factors of Enlistment and Employee Conduct, Attendance & Punctuality Policy. Hence the recruitment and selection has an impact over performance management. Growth of BPO sector in India has been truly impressive in recent years, but things can get even better, according to market analysts. Growth of BPO Sector in India during most of the beginning part of 2007 was showing a adequate trend of magnification which is registered at 14%. 5 years ago, the maturation in this sector was quite shallow due to less contracts but the situation has worsened now.

However, the growth of the BPO sectors are expected to ameliorate. The HR manager takes part in a huge role in this. The walk-on part of the factory managers and the immediate superintends are proportionately important. The rudimentary responsibility extensively would lie on the top-shelf managers, for it is they who are in control of supervising the policy implementation; HR professionals can give counsel advice or guidance, but it is the front-line managers who are present on the spot, and have to make decisions about the people. So its their responsibility to look over the fact that professionals working under the BPO’s are considered as investments and have knowledge of every advantage they are entitled to.

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