

UNDERSTANDING THE ROLE OF HRD INTERVENTIONS AND ITS IMPACT ON MANAGERIAL EFFECTIVENESS IN IT & ITES SECTOR

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Abstract *The study is mainly focused on human resource intervention impact on managerial effectiveness in the IT and ITES sector. Managerial efficacy denotes the ability to effectively manage a competent manager in his/her job efficiently. This involves doing the proper things at the proper time. Most of the individuals believe that successful managers are intelligent, innovative, and well-informed. In this study, we used the first-person narrative with a quantitative research approach. The most critical information was obtained directly from employees using a well-planned interview schedule. Incomplete and incorrect schedules were discarded, and only fully completed schedules were considered for inclusion in the research. The research was motivated by the impact of human resource development interventions on managerial effectiveness. The study concentrated on large-scale information technology organisations with a large workforce where managers implemented HRD interventions. We have applied the EFA to extract the key factors among the HRD dimensions. The extracted or high-loaded dimensions were considered to study the impact on the managerial effectiveness in information technology and IT-enabled services organisations. The study result stated that, under the range of role development, firms capable of giving adequate performance assessment and successful in paying their workers based on their performance seem to be highly important elements.*

Keywords: *HRD Interventions, Managerial Effectiveness, Efficacy, Exploratory Factor Analysis*

INTRODUCTION

In recent years, human resource development has become more important. The development of human resources is essential for the efficient and effective operation of any business organisation, bank, or office. To meet the larger and newer challenges of improving the quality of life for all its citizens, a developing economy cannot afford to ignore the necessity of developing its human resources. General human quality improvement, as well as development of human skills, standards, comprehension, and application in specific manufacturing enterprises are addressed by human resources development (HRD). Because of this, HRD has become an essential part of every company's strategy, not only for increasing productivity, but also for improving the quality of workers at all levels.

Businesses are increasingly making investments in their employees to improve their competitiveness (Jones,

2002). A company's long-term competitive advantage and improved organisational effectiveness both depend on investing in its people. Individual and group competencies can be improved through training, career development, and organisational development practices to achieve superior performance. Human resource development is a systematic process (Garavan, 2007; Nadler, 2012). In Simonds and Pederson (2006), HRD is defined as a set of both structured and unstructured learning and performance-based activities that enhance individual and organisational competencies in response to changes within the business environment.

Human resources development (HRD) and human resources management (HRM) have a positive impact on an organisation's ability to learn and adapt. Employee commitment, as well as knowledge, skill, and ability, are all influenced by HRD's primary theory, as outlined by Khan (2004). It is HRD's primary objective, according to Loose (1999), to improve and develop the competencies

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of employees so that businesses can maximise the quality of their human resources. Different strategies for human resource development must be implemented by organisations to develop the workforce competencies necessary for the organisation to operate efficiently. Podsakoff and Organ (1986) claim that SHRD has an impact on organisational performance, which is supported by their research. In the words of Tseng and McLean (2008), SHRD has a critical role to play in helping organisations and their employees achieve their business objectives by providing them with strategies, training and development, organisational development, and career opportunities.

LITERATURE REVIEW

Related to Human Resource Development

Human Resource Development (HRD) is a relatively young field of work and academic research. Over the past two decades, human resource development has been the fastest-growing sector of management development, owing to the intense competition and changes in the business environment (Kareem, 2017). Human resource development (HRD) has progressed from a purely educational model to one that encompasses a variety of aspects of personal and organisational growth and development (Mittal, 2013). Human resource development (HRD) is a phrase coined by Leong, Randall and Cote (1994) and is defined as a set of interconnected procedures aimed at altering behaviour. It is described as the systematic growth and improvement of staff competencies through organisational development and personnel training and development, to improve company performance as human resource development (HRD) (Swanson, 2001). By integrating practices such as training, career development, and organisational development, McLagan and Suhadolnik (1989) describe HRD (Human Resource Development) as the improvement of individual and group knowledge and skills, to improve organisational outcomes. According to Rao (1985), HRD is described as a continuous process of enhancing employees' skills, talents, and knowledge, to actively assist them to acquire the essential competencies to meet the organisation's present and future job requirements. As a strategic goal, organisations have used HRD to foster positive behaviour among employees and impact their knowledge, skills, and attitudes to boost productivity and performance (Clardy, 2008). In today's quickly changing environment, HRD promotes organisational excellence and boosts organisational competitiveness. Effective HRD practices, on the other hand, emphasise the workforce's

lean organisational structure, capability, and flexibility at the correct time (Mittal, 2013). Supporting the reputation of revealing the human capital, O'Conner (2013) examined the human capital disclosures of Fortune 500 firms and graded them according to the notch. Human capital is the significant dynamism in a firm, and proposed different types of disclosures, such as training, employee survey, employee turnover, and so on (Charumathi & Ramesh, 2019).

Related to Managerial Effectiveness

Personal attributes, job expertise, business acumen, and management skills are all necessary for a successful branch manager, according to Das (1987). According to Miles (1992), the ability to create clear goals and determine what procedures must be taken to attain them, including persuading others to do what is required, constitutes the constructive use of authority. Additional, inquisitive into the organizational structures of categorizing the setup, complexity, scope, decentralization and information supplementary, can bid valuable evidence on the internal triggers which generate an introductory for dishonesty (Virk, 2019). There are two definitions of the ideal Japanese manager: one who leads the group towards achievement of its goals while also sustaining the group's social stability (Misumi, 1989). When it comes to management effectiveness, there are comparable disagreements as there are when it comes to the qualities of a good leader. A number of studies have found that effective managers have a specific set of traits, such as job expertise, good communication, business acumen, and interpersonal relationships; however, these characteristics are not sufficient to become an effective manager. Managerial effectiveness is not merely a personality feature; it is also tied to the company's output and performance. Management effectiveness can be assessed using a 16-factor rating system developed by Gupta in 1996. To be as effective as possible, a manager must be able to carry out the duties of their position, achieve outcomes, and acquire new abilities. At various points in time, experts have used a variety of methods to assess the efficiency of managers. Managerial effectiveness can be measured by a manager's performance and their superior's evaluation, rather than by a manager self-reporting his or her efficacy. Because of this, a study is prepared to explore the influence of managerial position, departments, and personality characteristics on managerial effectiveness.

HRD interventions, either individually or collectively, and approach have been extensively studied in the present research (Marler, 2012). HRD interventions and personal competencies have been explored; however, no research

has specifically examined how HRD interventions improve employee managerial effectiveness, such as those that focus on employee performance or innovation (Kabanoff & Brown, 2008; Song et al., 2008). Because of this gap, the study came up with the following research objectives:

- To device the factors of HRD intervention dimension.
- To ascertain the impact of dimensions of HRD intervention on employee managerial effectiveness.

The research hypothesis is as follows:

H01: There is no relationship between the HRD intervention dimension and employee managerial effectiveness.

H02: There is no effect of HRD intervention dimension on employee managerial effectiveness.

RESEARCH METHODOLOGY

The study employs a quantitative research technique, and a questionnaire survey method was used to collect empirical data for the study, which is the most popular instrument for data collection (Pokharel, 2005; Ramdas & Bennet, 2005; Vos, Yeh, Carter & Tagg, 2007). SPSS statistical package version 22 was used to analyse the data.

Sample Units

The present study was carried out in Hyderabad. According to the NACOM 2020 report, Hyderabad has 600,000 employees in the IT/ITES sector, working in more than 1,500 companies, which is why the study chose this area and collected data from employees at TCS, Wipro, Infosys, and TechMahindra.

Sample Determination

The sample includes all departments, except the HR department. The inclusion of managers other than those in the HRD function was done with the expectation that they would give a reasonable and honest account because their personal involvement in policy formulation would be much lower than that of the HRD department. The sole purpose of this sampling was to obtain an accurate picture of the organisation's HRD practices. To account for the vastness of the universe, the sample size was reduced to 120 respondents from TCS, Wipro, Infosys, and TechMahindra. The primary data was gathered using the convenient sampling technique available at the time of the investigation.

Questionnaire Constructing

Vijila Kennedy created a questionnaire for the purpose of developing Human Resource Development practises (2007). Role development, performance appraisal, training, and organisational development are the seven dimensions of the questionnaire. Kaur (1991) developed the managerial effectiveness construct, and defines managerial effectiveness as the extent to which a manager carries out activities in the organisation to achieve organisational goals and make the organisation work more effectively and productively.

Statistical Tools

The following are some of the statistical approaches that were chosen based on the type of data obtained from the respondents. The data collected during the investigation was analysed using the statistical methods listed below, which were chosen based on their relevance to the application. The study used exploratory factor analysis to identify the key dimensions of HRD interventions. The study applied the regression method to know the impact of HRD intervention on managerial effectiveness in the IT organisations.

RESULT AND DISCUSSION

Factors of Dimension of HRD Intervention: To device the factors of dimension of HRD intervention, the study applied the factor analysis; Table 1 shows the result of KMO and Bartlett's test, which explain the sample's adequacy.

Table 1: KMO and Bartlett's Test of HRD Intervention

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.830
Bartlett's Test of Sphericity	Approx. Chi-Square	1460.721
	Df	210
	Sig.	.000

Table 1 represents the KMO and Bartlett's test; it was discovered that the sampling adequacy is greater than the recommended value, i.e., 0.70 (0.830), and the Chi-square value is 1460.721, which is greater than the critical value of 236.655, indicating the significance of the data and the overall table. It can be concluded that the sample adequacy of the model is satisfactory and that the factors considered are used to estimate the factor analysis.

Table 2: Communalities of HRD Intervention

Communalities		
	Initial	Extraction
No conflicting expectations or demands from different people are experienced by the employees.	1.000	.703
Employees are told the criteria of assessment in performance appraisal.	1.000	.739
Appraisal data is used as inputs for rewarding high performers.	1.000	.529
Performance appraisal provides an opportunity for self-review and reflection.	1.000	.555
Employees are encouraged to take specific decisions at the end of performance review sessions.	1.000	.770
Promotions are based on the potential of employees rather than present performance.	1.000	.740
Superiors give performance counselling to subordinates.	1.000	.625
Employees with potential are given more responsibilities.	1.000	.582
Superiors discuss the potential of the employees and encourage developing the same.	1.000	.589
Efforts are made to identify and document the potential of employees.	1.000	.550
Employees are not informed about the vacancies through job postings.	1.000	.641
Employees are placed in jobs that match their capabilities.	1.000	.678
Based on identified needs, employees are sent for training programmes.	1.000	.542
Adequate and relevant knowledge and skills are acquired through the training programmes.	1.000	.598
Employees are given opportunities to transfer their learning from training programmes.	1.000	.685
External consultants are employed to bring changes in the organisation.	1.000	.783
Team building programmes are conducted periodically.	1.000	.886
Programmes to improve interpersonal relationships are conducted.	1.000	.856
The amount of work done interferes with the quality of work.	1.000	.786
Employees are not told by the superiors about the priorities in their jobs.	1.000	.701
The necessary resources (people, material, finance, or facilities) are provided to perform the roles effectively.	1.000	.694

Table 2 shows the communality test of respective factors. The selected parameters are observed to be having an extraction value above 50%. The study found that the factors ‘Team building programmes are conducted periodically’ (0.886), followed by ‘Programmes to improve

interpersonal relationships are conducted’ (0.856) are found to be contributing the highest extraction value; and the least extraction value is observed for ‘Appraisal data is used as inputs for rewarding high performers’ (0.529).

Table 3: Total Variance Explained of HRD Intervention

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	7.266	34.601	34.601	7.266	34.601	34.601
2	3.353	15.965	50.566	3.353	15.965	50.566
3	1.334	6.355	56.921	1.334	6.355	56.921
4	1.154	5.495	62.416	1.154	5.495	62.416
5	1.125	5.355	67.771	1.125	5.355	67.771
6	.982	4.677	72.448			
7	.850	4.050	76.498			
8	.717	3.416	79.914			
9	.574	2.735	82.649			
10	.526	2.505	85.154			
11	.514	2.446	87.600			
12	.467	2.222	89.822			
13	.368	1.752	91.574			

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
15	.305	1.451	94.651			
16	.283	1.348	96.000			
17	.252	1.198	97.197			
18	.219	1.043	98.240			
19	.152	.722	98.962			
20	.113	.539	99.501			
21	.105	.499	100.000			

According to Table 3, the five core components were generated, following the extraction of 21 components. The result indicates that component 1 has an eigenvalue of 7.266, which may explain 34.601 per cent of the overall variance. Components 2 and 3 can explain 15.965 and 6.355 of the

total variance, respectively. Component 4 and component 5 eigenvalues appear to be bigger than one, explaining the total variance of 5.495 and 5.355, respectively. Altogether, five components are able to explain the total cumulative variation of 67.771 per cent.

Table 4: Exploratory Factor Analysis with respect to HRD Intervention

	Component				
Statement	1	2	3	4	5
Employees are told the criteria of assessment in performance appraisal.	0.625	Role Development			
No conflicting expectations or demands from different people are experienced by the employees.	0.429				
Appraisal data is used as inputs for rewarding high performers.	0.577				
Performance appraisal provides an opportunity for self-review and reflection.		0.541	Performance Appraisal and Counselling		
Employees are encouraged to take specific decisions at the end of performance review sessions.		0.495			
Promotions are based on the potential of employees rather than present performance.		0.683			
Superiors give performance counselling to subordinates.		0.599			
Employees with potential are given more responsibilities.		0.623			
Superiors discuss the potential of the employees and encourage developing the same.		0.445			
Efforts are made to identify and document the potential of employees.			0.575	Potential Appraisal	
Employees are not informed about the vacancies through job postings.			0.479		
Employees are placed in jobs that match their capabilities.			0.551		
Based on identified needs, employees are sent for training programmes.				0.417	Career Planning and Development, Training
Adequate and relevant knowledge and skills are acquired through the training programmes.				0.658	
Employees are given opportunities to transfer their learning from training programmes.				0.465	
External consultants are employed to bring changes in the organisation.				0.405	
Team building programmes are conducted periodically.				0.613	
Programmes to improve interpersonal relationships are conducted.				0.404	

Statement	Component				
	1	2	3	4	5
The amount of work done interferes with the quality of work.	Organisation Development				0.661
Employees are not told by the superiors about the priorities in their jobs.					0.408
The necessary resources (people, material, finance, or facilities) are provided to perform the roles effectively.					0.666

Source: Compiled on Primary Data.

According to Table 4, 13 factors out of 21 are found to have a score greater than 0.50, and these loaded factors are the factors that improve HRD intervention in IT and ITES sector. It divides these factors into seven dimensions: head as role development is component 1, performance appraisal and counselling are component 2, potential appraisal is component 3, career planning and development is component 4, and organisational development is component 5. It denotes that, under the heading of role development, organisations that are capable of providing adequate performance appraisal and those that are effective in rewarding their employees based on their performance appear to be high influential factors, with scores of 0.625 and 0.577, respectively. It indicates that providing the opportunity for self-review and being unbiased in promotions activities are critical factors under the head of performance appraisal; they appear to be loaded. Superiors providing counselling to subordinates and organisations giving responsibilities to potential employees are the two factors under the head of performance counselling, which have scores of 0.599 and 0.623, respectively. The two influential factors under the heading of career planning and development, training are providing adequate and relevant knowledge and skills through a frequency training programme and conducting team building programmes. The two factors under the heading of organisational development that have scores of 0.661 and 0.666, respectively, are having the necessary resources (people, material, finance, or facilities) to perform the roles effectively and maintaining the quality of work.

Impact of Dimensions of HRD Intervention on Employee Managerial Effectiveness

The study attempted to determine the impact of dimensions of HRD intervention on employee managerial effectiveness. The factors identified by the exploratory factor analysis were considered for this study, and the results of this analysis

show that there are seven parameters that are found to be highly influential factors of HRD intervention. In the study, there is one dependent variable, employee managerial effectiveness, and seven independent variables, which are HRD intervention dimensions. Thus, multi-regression analysis was used in the study to determine the impact of these loaded dimensions of HRD intervention on employee managerial effectiveness.

Table 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.741 ^a	.649	.621	.79428

a. Predictors: (Constant)

Source: Compiled on Primary Data.

Table 5 shows the model summary, where R is 0.741, indicating a strong correlation between the dependent and independent variables. The model's R square is 0.649, indicating that it has a strong fit.

Table 6: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	86.007	7	12.287	19.475	.000 ^b
	Residual	70.659	112	.631		
	Total	156.667	119			

a. Dependent Variable: Employee Managerial Effectiveness.

b. Predictors: (Constant), Organisational Development, Potential Appraisal, Role Development, Training, Performance Appraisal, Career Planning and Development, Performance Counselling

Source: Compiled on Primary Data.

The F-statistic calculated value in ANOVA is 19.475, which is greater than the critical value, and the p-value of the model is less than 0.05, indicating that there is a significant association between the dependent variable and the independent variable.

Table 7

Model		Unstandardised Coefficients		Standardised Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.101	.482		2.287	.024
	Role Development	.242	.039	.392	3.084	.011
	Performance Appraisal	.129	.051	.668	2.533	.013
	Performance Counselling	.407	.047	.415	3.139	.016
	Potential Appraisal	.237	.044	.482	3.835	.406
	Career Planning and Development	.306	.052	.542	2.464	.041
	Training	.234	.045	.472	6.744	.028
	Organisational Development	.334	.047	.647	7.089	.000

Source: Compiled on Primary Data.

Table 7 depicts the multi-regression analysis in terms of HRD intervention dimension and employee managerial effectiveness. It denotes that HRD intervention has a positive impact on employee managerial effectiveness, implying that a unit increase in HRD intervention will increase employee managerial effectiveness. It found that organisational development and performance appraisal are two key aspects that appear to have a strong influence on employee managerial effectiveness, with a score of 0.647 and 0.668, respectively. It revealed that performance counselling and potential appraisal have a moderate impact on employee managerial effectiveness. Career planning and development (0.542) and training (0.472) influence employee managerial effectiveness. When compared to other dimensions of HRD intervention, it is estimated that role development has a low influence on employee managerial effectiveness. The p-value indicates that H0 is rejected and H1 is accepted, implying that HRD intervention has an effect on employee managerial effectiveness.

FINDINGS OF THE STUDY

- It shows that, under the heading of role development, organisations that are capable of providing adequate performance appraisal and those that are effective in rewarding their employees based on their performance appear to be high influential factors, with scores of 0.625 and 0.577, respectively.
- It indicates that providing the opportunity for self-review and being unbiased in promotions activities are critical factors under the heading of performance appraisal; they appear to be loaded. Superiors providing counselling to subordinates and organisations giving responsibilities to potential employees are the two factors under the heading of performance counselling that have scores of 0.599 and 0.623, respectively.

- The two factors under the heading of organisational development that have scores of 0.661 and 0.666, respectively, are: having the necessary resources (people, material, finance, or facilities) to perform the roles effectively and maintaining the quality of work.
- It was found that organisation development and performance appraisal are two key aspects that appear to have a strong influence on employee managerial effectiveness, with scores of 0.647 and 0.668, respectively.
- It revealed that performance counselling and potential appraisal have a moderate impact on employee managerial effectiveness. Career planning and development (0.542) and training (0.472) influence employee managerial effectiveness.

CONCLUSION OF THE STUDY

The present study focused on knowing the impact of HRD interventions on employees' managerial effectiveness. The study considered the quantitative research approach and collected the primary data from the IT and ITES organisation employees. The study applied the EFA and regression model to know the key role of HRD interventions on managerial effectiveness. The study result stated that, under the area of role development, firms capable of giving an acceptable performance assessment and capable of being successful in paying their workers based on their performance seem to be highly important elements. It suggests that allowing for self-review and being objective in promotions activities are essential considerations within the heading of performance evaluation seems to be loaded; and the two components under the heading of performance counselling are: superiors offering counselling to subordinates and organisations assigning duties for future workers. The two variables that fall under the category of organisational growth are: having the

appropriate resources (people, materials, funds, or facilities) to execute the duties efficiently and sustaining work quality. It was discovered that organisational growth and performance assessment are two critical factors that seem to have a significant impact on employee managerial effectiveness. It was shown that employees' managing efficiency is somewhat influenced by performance counselling and prospective evaluation. Employee managerial effectiveness seems to affect career planning and growth, as well as training.

FURTHER RESEARCH SCOPE

The present study examined the role of HRD intervention on managerial effectiveness in IT and ITES organisations located in the Hyderabad region of Telangana state. The study suggests that the following areas need to be covered for further research scope.

- The study suggests that the HRD intervention impact on managerial effectiveness should be focused on the employees in the service sector, such as hospitality, education, and banking.
- The study suggests focusing on the role of HRD interventions on employee commitment.

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