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**THE IMPACT OF HUMAN RESOURCE POLICIES  
ON ORGANIZATION PERFORMANCE**

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**ABSTRACT**

*In a rapidly changing competitive environment, human resources are one of important source of competitive advantage. Human resources system can contribute to sustained competitive advantage thought sacrifice. In organization, human resource policies are system of codified decisions, and also the most important work of human resource policies is to support administrative personal function, performance management, employee relations and resources planning. Every company has a different set of circumstances, and so develops an individual set of human resource policies HR policies can also be very effective at suppurating and building the desired organizational culture. Successful policies and practices strategy do more than drawing boundaries, they also organization and assess people's needs. The focus in any successfully sun, but also about how you achieve them and "how" affects the liabilities an organization creation in the process*

*KEYWORDS: - Human Resources, competitive advantage, Strategic human resource management, HR Policies. Organizational performance*

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**INTRODUCTION**

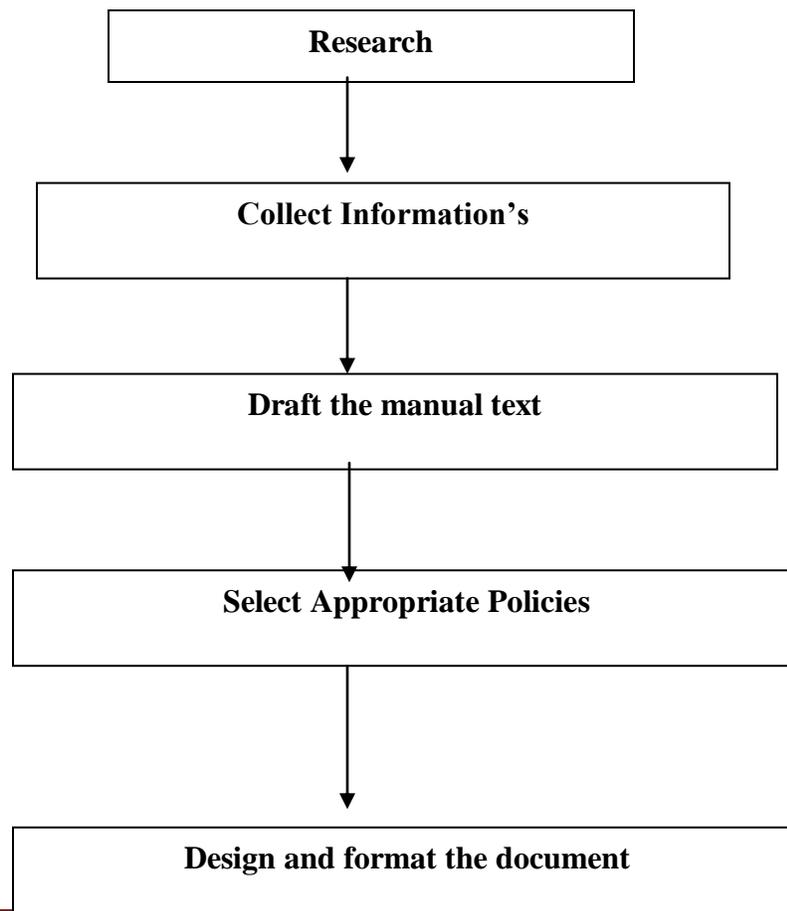
HR Policies can be defined as the strategy for developing communicating and enforcing a set of practices that reflect your standards of acceptable behavior. Successful policies and practices strategy do more than dreaming boundaries; they also recognize and address people needs. The focus on a successfully run business is not just about meeting and specific goals, but also about how you achieve them. The how affects the liabilities and organization creates in the process. Managers and employee need to share a clear understanding of what is and what is not acceptable behavior, what can be said and what can't be said with in the company etc. Setting clear and specific standards procedures and guidelines in the form of policies establishes a firm work for addressing violations of those standards. If an organic action relies on loosely defined general standard, procedures and organization that are not properly documented, then violations become subjective and of pen to interpretation. The result of such amphigoric is often litigation which could ultimately lead to dies satisfaction and the exit of employee.

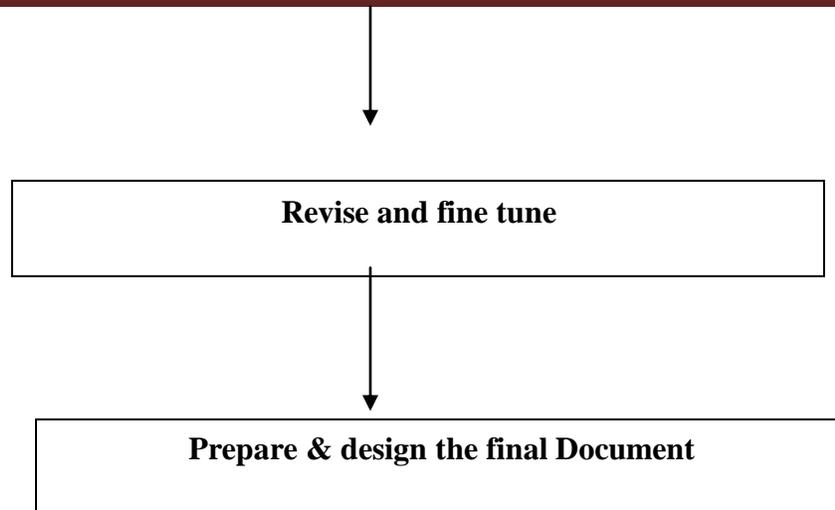
**THE REASON OF DEVELOPING AN HR POLICY:-**

- ❖ To help the employee and management terms run the organization in an efficient manner
- ❖ To help take mover human resource decisions, develop company assistance and procedures that make the organization better run entity.
- ❖ To help in comparing the policy alternative, understanding their importance and evaluating the company is current practices.
- ❖ To save counter hours of management time
- ❖ To present more legal issues from becoming serious legal problems
- ❖ To organize and announce the management plans for the growth of organization
- ❖ To protect the legal internet of the company as well as define the right and obligation of the employees and the company
- ❖ How Do they Help
- ❖ Hr polices also provide guidance in the following highlighted area:
- ❖ Ensures that the employee dedicate themselves to total quality and constant never ending improvements of the organizations

- ❖ Hiring people on the basis of skill training, attitude, ability and character being obvious to other discriminatory factors like age, color, sex creed, national, origin religion that due not prohibit
- ❖ Performance of essential job functions
- ❖ Pay all he employees according to their effect and contribution to the success of the business.
- ❖ Operating an economically successful business so that a consistent level of steady works available.
- ❖ People paid vacations and holidays to all eligible employees. Provide eligible employee with medical and other benefits.
- ❖ Develop competent people who understand and meet organization objective and who accept ideas suggestions and constructive criticism of follow employee with an open mind.

#### HOW WE CAN PREPARE HR POLICIES: THE METHODOLOGY





## **HUMAN RESOURCES AS A SOURCE OF COMPETITIVE**

### **ADVANTAGE:-**

The concept of competitive advantage was formulated by Michael Porter. Competitive advantage, Porter asserts, arises out of a firm creating value for etc. Custom Porter also imparted the importance of differentiation, which consists of offering a product or service that is perceived industry wise as being unique and focus – seeing a particular buyer group or product market more effectively or efficiently than competitor who compete more broadly. He then developed his well known framework of three generic strategic cost leadership, differentiation on focus that organization can use to gain competitive advantage, Porter widely accepted view suggests, that the industry environmental determine affects a firm's performance. Resource based view on the other hand, asserts that the basis for a competitive advantage of a firm lies primary resources at the firm's disposal.

### **THE STRATEGY ROLE OF HUMAN RESOURCE MANAGEMENT:-**

The human resources management function has consistently focus a battle in justifying its position in organizations. At good times when there are enough budgets firms easily justify expenditures on training, staffing, rewards and employee development systems but when faced with financial difficulties, such HR systems get the earliest cut back.

HRM discipline has witnessed a great deal of change over the past 25 years. These changes represent two major transformations. The first is the transformation from being the field of personnel management to being the field of human resource management. The second is the

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transformation from being the field of human. Resources management to being the field of strategic human resource management.

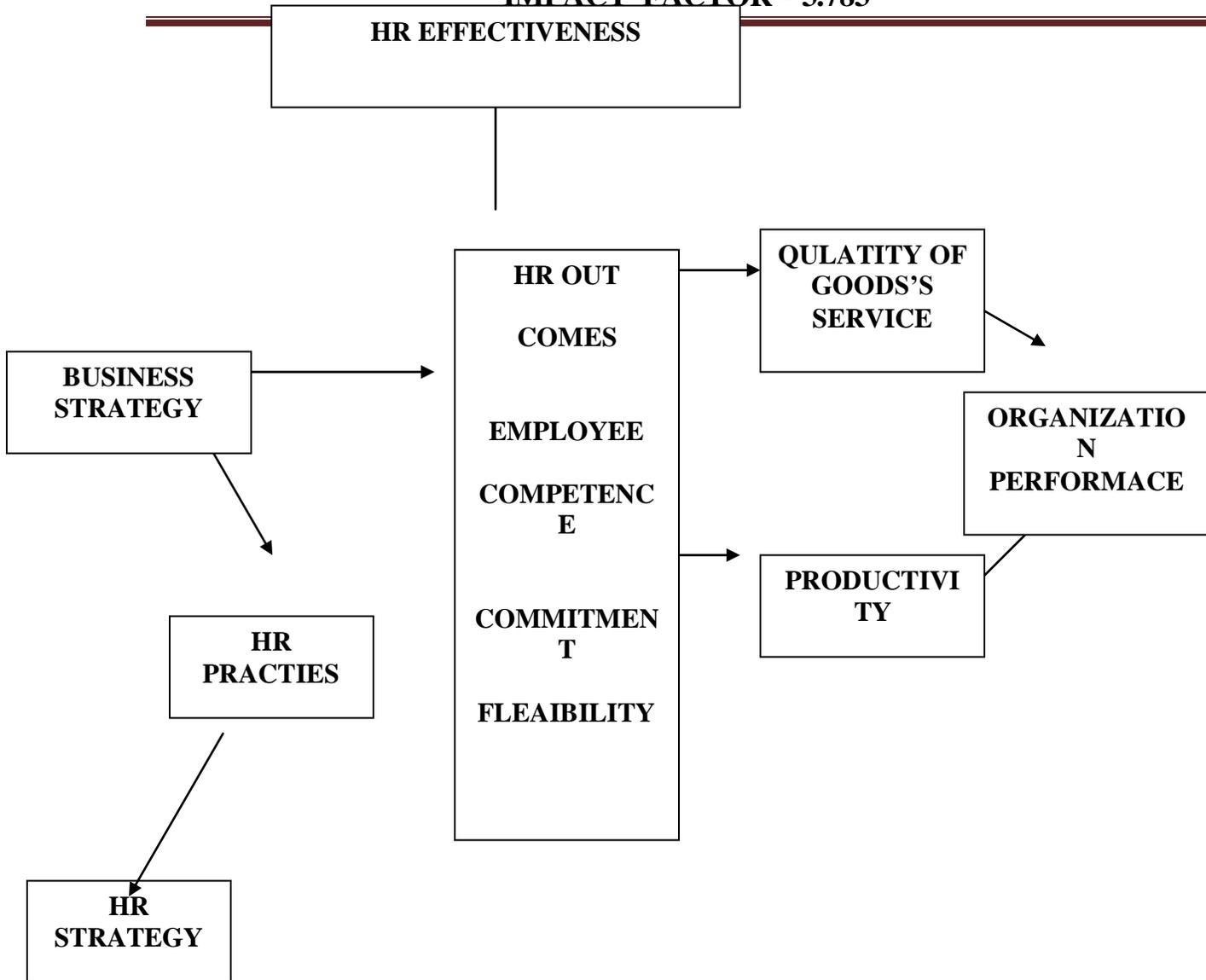
Strategic human resource management is based upon the recognition that organization can be more effective is their human resource are managed with human resource policies and practices that deliver the right number of people with the Appropriate behavior, the need competencies and the necessary level of motivations the organic action.

## **RELATIONSHIP BETWEEN HUMAN RESOURCE POLICIES AND PERFORMANCE:-**

Financial performance of an organization depends to a large extent on effective operational performance. The operational performance of an organization is a function of people power and technology. For effective interacting of people with technology and process the people in the organization have to be competent enough, with the required knowledge skills and abilities. Competence o of Individual is important factor that decides operational effectiveness in terms of providing quality products and services with a short time .HRM practices such as relation training work environment and performance appraisal may enhance the complete of employee for higher performance.

Obviously human resource rarely has a direct effect on firm performance. This as p[particularly true when the business logic of HR effect requires that human resources drive from performance through a contributions to effective strategy execution. HR professional need to recognize that effective.

Strategy execution is the basis of shareholder value and that affection strategy executions a system of intermediate out comer. Thinking like a strategy manager means recognizing the importance of the casual relationships between HR decisions and these intermediate out comes that ultimately dire strategic success in organizations.



**Model represents the relationship Between Hr Policies and organization performance, THERE ARE VARIOUS PRACTICE AREAS COVERED BY HR POLICIES THAT HAVE A STRONG IMPACT ON ORGANIZATION PERFORMANCE WHICH ARE DESCRIBED AS FOLLOWS:-**

- Attracting, developing and retaining high quality people matches people to the strategic and operation need of the organization. It also provides for the organization, development and retention of talented employee who can deliver superior performance productivity flexibility, innovation and high level of personal customer service.

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- Talent management- Wins WAR four talent by ensuring that the talented and well-motivated people required by the organization to meet present and future needs are available.
  - Working environment- core value leadership, work life balance managing diverts secure employment.
  - Develops the big idea is a clear vision and a set of inter great value. Makes the organization a great place to work.
  - In that typed environment every employee feel satisfy and happy and do their work without any hesitation and tension as a result they produce quality products in-services for the organization.
  - Job and work design- provide individual with stimulating and interesting work and give them the freedom and flexibility to perform their jobs well. It also enhances job satisfaction and flexibility, which encourages high performance sale and productivity.
  - Learning and development- it also enlarge the skill base and develop the level of competence require in the workforce individual actively seek to require the knowledge and skill that promote the organization objective develops a climate of learning a growth medium in which self- managed learning as well as coaching, mentoring and training flourish
  - Managing knowledge and intellectual capital – Focuses on both organizational and individual learning and on providing learning opportunities and to share these knowledge in a systematic way. It also give us guarantee that virtual stock of knowledge are retained and levels with imparting the flow of knowledge, information and learning within organization.
  - Increasing motivation, commitment and role engagement.
  - It also encourage people to identify themselves with and act upon other core values of the organization and willingly to contribute to the achievement of organizational goals. It also develops a climate of co-operation and trust. Are also clarifying the psychotically contract.
  - High performance management and reward management.

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- It develops a performance culture that encourages high performance in such area as productivity, quality, level of customer service, growth, profits and as a result they deliver increased shareholder value.

### **CONCLUSION:-**

- Therefore it is clearly understood from this research that human resources are a source of sustained competitive advantage. The way an organization manages its HR has a valuable relationship with the organization's results. Also, it is possible that there are complex relationships between HR practices and other resources of the firm. The focus of HR management should be to understand organization performance processes and design HR practices that increase process and outcome variables.

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