

**A FRAMEWORK OF STRATEGIC HUMAN
RESOURCE MANAGEMENT DIMENSIONS IN
INDIAN ORGANIZATIONS: STUDY OF MANAGERS**

by
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Submitted
in fulfilment of the requirements of the degree of

Doctor of Philosophy

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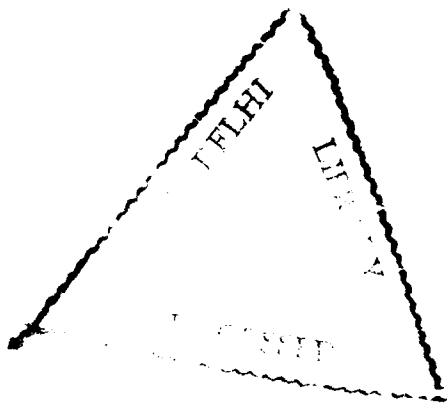


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Dedicated to
My
Family and my Teachers

CERTIFICATE

This is to certify that the Thesis entitled, “A Framework Of Strategic Human Resource Management Dimensions In Indian Organizations: Study Of Managers”, being submitted by Ms. Jyotsna Bhatnagar for the award of the degree of **Doctor of Philosophy**, to the Indian Institute of Technology, Delhi. This work is a record of original bona-fide research carried out by her under my guidance and supervision. I am satisfied that the thesis presented by Ms. Jyotsna Bhatnagar is worthy of consideration for the award of degree of **Doctor of Philosophy**.

The results of this thesis have not been submitted to any other University or Institute for award of degree or diploma.



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Dated:

January, 30th 2004

New Delhi

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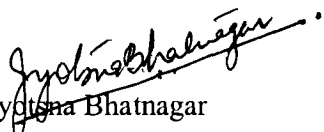
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ABSTRACT

Over the years, the interest of strategic management in examining the role of human resource as value-added has evolved (Baird and Meshoulam, 1988). Strategic Human Resource Management has been the focus of intensive research in the recent years. In India we witness HRM moving into its strategic realm, albeit slowly. Indian HR managers are slowly moving from the operational focus of HR to its strategic focus, with emphasis on the integration, flexibility, quality and commitment, the four goals of HRM as identified by the Guest's model (1987). In this study, the *Strategic HRM dimensions* (suggested as *conceptual configuration* amenable to empirical research by, Wright & Boswell, 2002) , combine the developmental issues (through organizational learning capability) , power/ control issues (through strategic HR roles and psychological empowerment) and effect issues (through organizational commitment) as suggested by Looise & Paauwe (2001). Researchers have looked at these configurations separately. The area remains unexplored in India, where all these dimensions are studied together, for their empirical relationships and their linkages to individual and organizational level contingency variables and firm performance, which this study analyses. This research expands upon strategic human resource management literature by examining SHRM effectiveness with respect to Strategic HRM Dimensions, combining the macro and micro research perspective of HRM as pointed out by Wright and Boswell (2002). In the current study these conceptual categorizations, termed as strategic HRM dimensions are investigated through the empirical and qualitative data analysis lens. These are: Strategic HR roles, (instead of HRM practices) and organizational learning capability (which are both meant as developing the skills of the workforce); psychological empowerment as a motivational construct (perceived empowerment enabling impact , competence, meaning and self

determination) and organizational commitment, which is an HRM outcome. This study thus extends the framework suggested by earlier research (e.g. Richardson and Johnson, 2001). All these were tested both empirically, as suggested by research and to triangulate the results, case studies were developed.

The research problem of the study looked at the conceptual framework of the strategic HRM dimensions, which include Strategic HR roles, Organizational Learning capability, Psychological empowerment and Organizational commitment, along with individual level and organizational level contingency variables and their relationship with firm performance.

The proposed framework of Strategic HRM dimensions has been tested empirically through the study of Indian organizations, as perceived by Indian managers. The organizational analysis has been presented on two bases: Nature of ownership, i.e. Public Sector, Private Sector and Multinationals (Indian/Global) and type of technology, which is essentially industry representation (Cleland, Pajo, Toulson, 2000; Teo, 2002; Ramnarayan 1996), drawn randomly from the National capital region of India. The study is based on primary and secondary data sources and rests, on survey research design. Triangulation of results has been attempted, by developing case studies based on personal interviews and secondary data sources. Primary data collection in the survey was done through the administration of four standardized questionnaires/scales, which are *Human Role Assessment Survey Questionnaire* (Conner and Ulrich 1996), adapted version of *Organizational Learning Capability (OLC) Questionnaire*, (Ramnarayan, 1996), *Organizational Commitment scale* (Allen and Meyer, 1990), and *Psychological empowerment scale* (Spreitzer, 1995). These have been administered on 640 managers. Univariate, bivariate and multivariate techniques by using SPSS® 11.0, were data analysis techniques which were used. Most of the hypotheses developed in the study are

supported by the results of the study. The study establishes the empirical linkages and later discusses the implications to the Indian economy.

The following hypotheses have been developed and tested in the study.

Hypothesis 1

There will be a positive relation between Strategic HRM dimensions of Strategic HR roles, organizational learning capability, psychological empowerment and organizational commitment. The study supports the hypothesis.

Hypothesis 2

The relationship between Strategic HR roles, Organizational learning capability and Organizational commitment will be moderated by psychological empowerment. The result findings do not support this hypothesis.

Hypothesis 3

Within the strategic HRM dimensions, strategic HR roles, Organizational learning capability and psychological empowerment will be predictors of organizational commitment. Sub-hypothesis, of the above hypothesis tests the individual level contingency variables as predictors of organizational commitment. The study supports the hypothesis, for a few variables.

Hypothesis 4

There will be significant differences in the impact of individual level contingency variables on Strategic HRM dimensions. The result findings support this hypothesis partially.

Hypothesis 5

There will be significant differences in the impact of organizational level contingency variables on Strategic HRM dimensions. The study confirms the hypothesis, for some variables.

Hypothesis 6

There will be significant differences in the perception of Strategic Human Resource Dimensions in Public Sector and Private Sector Organizations. The result findings support this hypothesis.

Hypothesis 7

Strategic HRM dimensions of Strategic HR Roles, Organizational Learning Capability, psychological empowerment and organizational commitment will be predictors of firm performance. The study confirms the hypothesis.

The Thesis is presented in VII chapters.

Chapter I presents an introduction; Chapter II presents theoretical framework and literature review, where part a, discusses the theories and models in HRM and Strategic HRM; part b, elaborates the literature review and part c, deals with the hypotheses development. Chapter III presents the research design; Chapter IV, elaborates the quantitative and qualitative results; Chapter V presents the discussion; Chapter VI presents conclusion and recommendations; Chapter VII presents the limitations of the study and suggestions for future research areas.

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