

Human Resource Practices and Employee Perceptions of Performance in the Pharmaceutical Industry

By

G. Padmavathy

Research Scholar, Department of Management Studies, Dr.M.G.R Educational and Research Institute, Chennai, India

Email: padmasun2003@gmail.com

Dr C.B. Senthilkumar

Professor, Department of Commerce, Dr.M.G.R Educational and Research Institute, Chennai, India

Email: cbsenthilkumaar@gmail.com

Dr E.Kandeepan

Assistant Professor in Economics, Government Arts and Science, Edappadi Salem, India

Email: kandeepan11@gmail.com

Abstract

Background

India's pharmaceutical market is currently valued at \$50 billion. Over 200+ countries are served by Indian pharmaceutical exports, making India a significant pharmaceutical exporter. Human resource management encompasses a wide range of procedures such as compensation, promotion, and performance evaluation. The goal of this study is to see how these three human resource practices affect perceived employee performance.

Objectives

Examine the socio-demographic profile of pharmaceutical company employees and investigate the impact of employee performance on pharmaceutical company human resource management practices.

Methods

Overview is overseen in different pharma firms in Chennai and is led with an example of 150 representatives working in drug organizations in Chennai and used Friedman's chi square test.

Results

The estimated significance value is 0.403, which is greater than 0.05, directing the acceptance of the null hypothesis and stating that practices for training and development have no significant differences in employee performance.

Conclusion

The study's findings shed light on the significance of effective HRM practices in contributing to improved organizational performance. According to the findings of this study, effective HRM practices have a significant impact on employee satisfaction in an organization. It demonstrates that employees have a clear job description that includes all of the duties that they perform, that employees are encouraged to form teams in order to solve their individual problems, and that firms make an effort to solicit workers' opinions and ideas.

Employee job satisfaction is influenced by factors such as compensation, employee participation, and performance evaluation.

Introduction

India's pharmaceutical market is currently valued at \$50 billion. Over 200+ countries are served by Indian pharmaceutical exports, making India a significant pharmaceutical exporter. India meets more than half of Africa's demand for generic drugs, 40% of generic demand in the US, and 25% of all UK drug demand. A major supplier of the DPT, BCG, and measles vaccines, India also supplies 60% of the world's vaccine demand. According to the WHO's recommended immunization schedule, 70% of the vaccines come from India. The manufacturing of pharmaceuticals, medicinal chemicals, and botanical products has an average industrial production index of 221.6 in the fiscal year 2021–2022—an increase of 1.3% from the previous year. Drug and pharmaceutical exports increased from \$24.44 billion in 2020–2021 to \$24.6 billion in 2021–2022. From \$11.6 billion to \$24.6 billion, the Indian pharmaceutical industry grew exponentially between 2014 and 22.

An organization's human resources are regarded as a crucial component. Human resources are regarded as a valuable asset because an organization's productivity in achieving its objectives depends on how successful its employees are. The key to an organization's success is how diligently and fervently its employees carry out the duties that have been assigned to them. The level of employee satisfaction is not indicated by simple compliance with individual and team responsibilities; in addition, there are numerous other factors that affect the morale and self-esteem of employees in an organization.

Practices in human resource management emphasize how important it is for employees to be happy in their jobs. Academic researchers have always sought to identify the elements that significantly influence how workers' job satisfaction grows in the current industrial environment. Any HR manager's top priority is finding and keeping an effective, loyal, and content workforce. Therefore, a manager can effectively play this role by creating and implementing HR policies and practices that have an impact on how satisfied employees are with their jobs in an organization.

The practices used in human resource management, such as training, teamwork, job definition, employee participation, performance appraisal, compensation, etc., have an impact on job satisfaction in addition to other factors that may affect job satisfaction, such as the organizational environment, particular aspects of the job, personal characteristics of the worker, etc. Tamil Nadu pharmaceutical Industrial Area's history.

State of the Problem

Pharmaceutical companies develop and manufacture prescription-only pharmaceutical products for doctors, nurses, hospitals, and pharmacists, such as drugs, medical devices, and equipment (such cardiovascular or laser equipment). The human resources policy, which governs employee hiring, selection, orientation, training, and placement, is one of the most important aspects of corporate policy. Actually, this strategy is centered on efficiently utilizing human resources to complete tasks in order to achieve corporate goals and objectives. For a productive workplace, pharmaceutical companies use HR management methods to select the best employees for each position and location. Similarly, in order to maximize employee productivity, managers must implement the appropriate policies in their organizations. As a result, pharma executives must exercise extreme caution when developing human resource policies to avoid mistakes that lead to disappointment. Employee

performance in pharmaceutical companies is positively and significantly correlated with HRM practices. Training and development are factors that influence employee performance in response to organizational changes. Employees who update their skills, knowledge, and talents to reflect the current economy provide a competitive advantage to their employers. Employees are developed in accordance with the company's mission and vision to meet the needs of the business. One of the most important concepts for increasing organizational productivity and performance. Furthermore, productivity increases when employees understand the company's goals and strategies. Employees who attend training sessions learn more about the company, which makes them happier and more productive.

Need for the Study

A greater variety of industries have emerged as a result of industrialization and the opening up of our economy. Human resources have played a key role for organizations ever since industrial development began. Human resource management techniques are a useful tool for motivating and keeping employees. The effect that various human resource management strategies have on the workforce must be assessed. According to the author, an organization's ability to manage its workforce effectively is essential to its success. This can only be done by developing efficient human resource management procedures.

Review of Literature

Kumara and Pandey (2011), a worker's job performance may vary depending on how much ambivalence they are experiencing while at work.

Tabiu, & Nura, (2013) Organizations are impacted by practices in human resource management. Employees of pharmaceutical companies are performing better as a result of the implementation of an effective human resource management system in organizations. There is a positive correlation between human resource management strategies and employee performance, according to prior research.

Chauhan & Patel (2014), their concluded that the recruitment and selection, career advancement, and working conditions all have a positive impact on job satisfaction in the hotel industry in Udaipur. All of the HRM dimensions implemented in the hotels of the Udaipur division do not equally satisfy the employees.

Lal et al. (2015), the ways in which job roles are carried out have undergone a significant change as a result of changes in the working environment. It was discovered that, in an industrial setting, job satisfaction is directly correlated with absenteeism, absenteeism rates, and employee turnover rates.

Guest (2017) his article concluded that the to ensure that employees work as productively as possible, managers must implement the appropriate policies in their organizations. Therefore, managers must take great care when recommending human resource practices to prevent any mistakes that could lead to disappointment.

Gill et al., (2017) their concluded that the employees today are happy to work for companies where the working environment meets their needs; otherwise, they do not feel positive feelings toward the company and try to leave whenever they have a new opportunity.

Organizations that engage their employees experience increased employee loyalty, psychological empowerment, and satisfaction with the organizations

According to Sandika et al., (2019) job satisfaction refers to how employees feel about both the positive and negative organizational conditions. Additionally, the level of an employee's happiness with their job and the organization is reflected in their job satisfaction. Employees are happier at work when organizations provide a better environment that meets their needs and preferences. The performance of employees is scaled up by their level of job satisfaction in organizations, which is considered as a measure in this study. Employees perform better when their organizations have strong human resource management practices. Employee satisfaction is high in these organizations as evidenced by their low turnover, low absenteeism, high moral and ethical standards, and excellent citizenship behavior.

Objective of the Study

1. Examine the socio-demographic profile of pharmaceutical company employees.
2. To investigate the impact of employee performance on pharmaceutical company human resource management practices.
3. To look into the factors that influence employee motivation in pharmaceutical companies.
4. Examine the effects of training and development activities on pharmaceutical employees' performance.

Research Methodology

Overview is overseen in different pharma firms in Chennai and is led with an example of 100 representatives working in drug organizations in Chennai. The example is picked utilizing basic irregular testing, and information is accumulated through private meetings with respondents who have been recognized for information assortment. Examining is finished by talking arbitrarily chosen up-and-comers in their working environments. To gather information from respondents, an organized and undeniable meeting plan is disseminated. The meeting plan is separated into four areas: the primary arrangements with the socio-segment profile of workers, the second with the impact of human asset the board (HRM) rehearses on representative execution, the third with the elements affecting representative inspiration in drug organizations, and the fourth with the job of preparing and improvement exercises in execution.

The fundamental information for the survey development was gathered from 15 representatives to research the power and variety of variables affecting their exhibition. This study utilizes both essential and auxiliary information and depends on illustrative examination. The respondents' financial profile is tried utilizing straightforward rate investigation, factor examination was applied to evaluate the effect of HRM rehearses on representative execution, Friedman's chi square technique was utilized to test the elements affecting working environment inspiration, and mean position investigation was utilized to survey the job of preparing and advancement measures.

Results and Discussion

Table 1: *Socio economic characteristics of the respondents*

Factors	Particulars	Respondents & Percentage
Gender	Male	98 (65%)
	Female	52 (35%)
Age	20-35	42 (28%)
	36-45	63 (42%)
	Above 45	42 (28%)
	Others	34 (23%)
Education	Under Graduation	69 (46%)
	Post-Graduation	47 (31%)
Work Experience	Less 3 years	32 (21%)
	3 to 5 years	45 (30%)
	Above 5 years	73 (49%)
Marital Status	Married	102 (68%)
	Un Married	58 (32%)
Department	Marketing	20 (13%)
	HR	45 (30%)
	Quality	21 (14%)
	Assurance	14 (9%)
	Laboratory	30 (20%)
	Production	20 (14%)
	Salary	Less than 25000
	Rs 25001 to 45000	58 (38%)
	Rs 45001 to 80000	33 (22%)
	Above Rs 80001	27 (19%)

Source: *Primary Data*

Table 1 show that the majority of respondents (65%) are male, with the remaining 35% being female. Age range of respondents 28% of those polled are between the ages of 20 and 35, 42% are between the ages of 36 and 45, and 27% are over 45. The respondents' educational backgrounds reveal that 23% are unrelated, 46% have complete an undergraduate degree, and 31% have finished a graduate degree. The majority of respondents (49%) have more than five years of experience, 30% have three to five years, and 21% have less than three years. According to marital status, 68 per cent of respondents are married, while the remaining 32 per cent are unmarried. The marketing division, which primarily employs top-level management personnel, accounts for 13% of the respondents. The most respondents (30%) come from the human resource management division. 20% of the respondents were from production departments, 14% were from quality control departments, 9% were from assurance departments, and 14% were from lab departments. According to Salary, 19% of respondents earn more than Rs. 80001, 21% earn less than Rs. 25000, 22% earn monthly salaries ranging from Rs. 45001 to Rs. 80000, and 38% earn monthly salaries ranging from Rs. 25001 to Rs. 45000.

Table 2: Reliability test

Particulars	Cronbach's Test
Employee perceived performance	0.890
Compensation	0.925
Performance	0.917
Promotion practices	0.504

Source: *Primary Data*

Table 2 shows that the each independent and dependent variable's reliability tests show that the data is reliable.

The Impact of Development and Training on Employee Performance

Employee performance is primarily influenced by the training and development practices of pharmaceutical companies. In this manner, the results are summarized and tabulated with the null hypothesis, which states that the impact of development and training practices on employee performance is not significantly different. According to the alternative hypothesis, the effects of training and development practices on employee performance are significantly different. The data is 4022 analysed using a Friedman test with a level of significance of 5%. The obtained result is tabulated below in the order of mean rank in table 3.

Development and Training	Rank	Test
Employee's programme	5.08	Chi square 49.336 Asymp.Sig.0.402
Skill development activities	4.53	
Training with foreign companies	3.94	
Job one line training	3.34	
Induction training	2.92	
Drug invention training	2.53	
Awareness	2.49	

Source: *Primary Data*

Table 3 shows that the estimated significance value is 0.403, which is greater than 0.05, directing the acceptance of the null hypothesis and stating that practices for training and development have no significant differences in employee performance. As a result, all development and training practices factors have an equal impact on employee in pharmaceutical firms.

Conclusion

The current study's findings shed light on the significance of effective HRM practices in contributing to improved organizational performance. According to the findings of this study, effective HRM practices have a significant impact on employee satisfaction in an organization. Employees gave high marks to the job description and teamwork. Training Employee participation and compensation have been rated low among other HRM practices. In light of these findings, the following recommendations have been made in order to suggest some ways to improve the level of job satisfaction among employees in the pharma industries under study. As a result, HRM practices have been found to have a significant impact on employee performance. It was discovered that, when remuneration is equal, the employee feedback system and workplace atmosphere have an active impact on employee motivation in

pharmaceutical companies. Employee performance in pharmaceutical firms is influenced equally by training and development practices.

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