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Impact of HRM on Organizational Performance and Work Life Balance in Small Scale Industry- A Study in the Context of NCR Region

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Abstract--Today's business environment is fiercely competitive, and running a company has grown more difficult than ever. As more businesses have realized that a "happy worker is a productive worker," they have begun to search for ways to improve the workplace. Many companies have adopted various work-life programmes to assist employees in improving their quality of life at work. The quality of one's professional life has a significant impact on one's overall quality. People's quality of life improves as a result, and vice versa. It has been regarded as both a means and an end in itself. The purpose of this exploratory study is to provide a brief overview of work-life balance, its importance to organizations, and the numerous developing practices/initiatives related to it. The new study draws on a wealth of knowledge about the idea and practice of work-life balance gleaned from a comprehensive literature review. The findings show that, in today's dynamic organizational circumstances, work-life balance is critical for both the organization and its workers. It assists the company in increasing production, efficiency, competitiveness, and morale, and so gaining a competitive advantage. Similarly, work-life balance efforts benefit employees by increasing incentive to work, increasing satisfaction, increasing empowerment, and eventually increasing commitment to the firm.

Keywords--workplace, work-life balance, organization, environment, empowerment.

Introduction

The distinction between work and life has recently piqued the curiosity of academics and practitioners. Changes in the labour market's demographic mix, as well as the volume and pace of work, and increases in work hours, have all been identified as causes that have prompted this interest (Helmle et al., 2014), When work-life balance is achieved, a person can live a happy, healthy, and

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successful life. Work-life balance has become a top priority for those seeking a high quality of life (Breitenecker and Shah, 2018) Many have articulated the concept of Work-Life Balance, and for the most part, work entails the venue of official tasks to be completed by individuals when performing a certain profession. As a result, life includes a variety of tasks that are not related to employment, such as domestic chores and childcare. In this aspect, balance is attained when work and life are in harmony. (Semlali and Hassi 2016) The notion of Work-Life Balance has been considered as critical to both businesses and people in recent decades, and it has been found to considerably contribute to the increase of employee productivity, which in turn has a beneficial impact on organisational performance (Guthrie, 2012). The organization's effective work-life balance policy allows employees to mingle with the community while also ensuring cost and turnover are under control and productivity is increased (Helmle et al., 2014).

Small scale industries in India

There is no such thing as a "typical" small business, the phrase "small industry" encompasses a wide range of businesses and can be defined in a variety of ways. They can be incorporated or unincorporated and include sole proprietorships, family businesses, and partnerships. Lawyers, doctors, self-employed individuals, television repairmen, and auto mechanics must all be included in a definition of a small business. The small scale sectors represent every segment of the Indian economy. Individual prospectors, small mining firms, independent out well drillers, wild hunters, saw mill operators, and other individuals work in the mining and natural resources sector.

In December 1947, shortly after independence, the National government organised an Industries Conference. Small-scale and cottage industries were divided into three categories by the conference: those that are auxiliary to large-scale industries, such as the manufacture of heralds and reeds, pickers, and motor cushions, and those that provide repair services, such as motor repair, locomotive workshops, and other small engineering establishments, and those that are engaged in telecommunications. A cottage industries board was established on the advice of the Industries Conference to promote small scale industries. Later, it was thought that a single board was insufficient to deal with the difficulties of the village and small industries sectors, which encompasses a wide range of industries with differing natures of items produced, production techniques and scale, geographic pattern, and marketing channels. As a result, the village and small industries sector was classified into six broad types of industries for effective planning and development, despite the fact that the line of demarcation between one and another is not always very clear. I Handlooms (ii) Khadi and village industries (iii) Handicrafts (iv) Sericulture (v) Coir (vi) Small scale Industries were the six groups.

Small scale industries in NCR region

The National Capital Region (NCR), which includes the entire National Capital Territory of Delhi (NCT Delhi) as well as sections of the states of Uttar Pradesh, Haryana, and Rajasthan, is one of the countries fastest developing industrial and urban zones. Rich natural resources, industrial development, a large population,

and a vast consumer market in the region are just a few of the elements that have contributed to the rapid rise of SMEs in the NCR. In the NCR, there are around 85,648 micro and small size firms employing over 9 lakh people, with a total investment of Rs. 94,929 crore. These businesses are not only employing thousands of people in the NCR, but they are also building a strong entrepreneurial foundation in the economy by developing and cultivating the talents and abilities of micro, household, and small business owners.

The Regional Plan for the National Capital Region (RP-2021) recognized that there is a significant presence of informal sector activities and enterprises in the NCR that produce comparatively inexpensive wage goods and services, providing abundant opportunities for self-employment to a large segment of the population. As a result, RP-2021 highlighted some of the most important informal activities/enterprises in NCR, such as engineering & metal works, leather works, murtikala, carpet weaving, pottery, handloom, sports goods manufacturing, scissors & blades industries, brassware manufacture, and so on. With the help of the Ministry of MSMEs and other Central Ministries/Departments, the NCR participating States, namely Haryana, Rajasthan, Uttar Pradesh, and NCT Delhi, offer a wide range of MSME activities.

Literature Reviews

It wasn't until the mid-1960s that the topic of work-life balance piqued the interest of academics. For example, Kahn et al. (1964) found that work-family disputes constitute a significant source of stress for employees. The concept of work-family balance (work-life balance) has recently been used to refer to the successful growth of both domains. Currently, many firms devote resources to work-life efforts in order to fine-tune organizational structures to the demands of employees or to comply with government regulations regarding gender equality, integration, and family protection (Susana and Ramón 2013). As a number of academics have pointed out, today's employees are likely to demand work-life balance programmes from their employers. Such demand has been related to the rising prevalence of dual-career couples, family or dependant responsibilities, or a desire to spend more time with friends or pursue leisure pursuits (Lavoie, 2004).

There is a large body of research that supports HRM practices and their favorable influence on organizational performance. (Dierickx and Cool 1989, Barney 1991, Wright and McMahan 1992, Amit and Schoemaker 1993 and Pfeffer 1994, Lippman and Rumelt 1982, Huselid 1995, Wright et al 1997, Singh 2000 and Guest et al 2003. The majority of the scholars have worked on effective implementation of HRM practices in small scale industries, which would enhance organizational productivity, reduce absenteeism, increase sales growth, and lead to an increase in the overall performance of the organization, as evidenced by the above studies.

Employees' emotional attachment to their company and its aims, as well as their identification with and engagement in it, is referred to as affective organisational commitment (López -Cabarcos et al, 2015). It refers to a relationship formed between employees and the organisation, and research has found a substantial link between affective organisational commitment and positive work-related

behaviours (such as dedication and loyalty) (Obeidat et al 2014; Schoemmel and Jnsson 2014). Affective organizational commitment can also be defined as a person's affiliation with an organization, his or her belief in the organization's aims, and working to attain those goals as a member of that organisation (Ammari et al 2017, Abdallah et al 2017). Affective organizational commitment has been defined as a force that motivates a person to take action in response to one or more goals (Enache et al.,2013), This term has been used to define organizational commitment, which includes three characteristics: a strong belief in and acceptance of the organization's goals and values; willingness to put forth significant effort on behalf of the organization; and a strong desire to remain as a member of the organization (Gyensare et al., 2017).

Research Methodology

Measurement

This study examines the impact of work-life balance and happiness at work, as well as its components (employee engagement, job satisfaction, and affective organisational commitment), on employee performance in the Pharma industry in NCR region. Past works, books, references, and journals were employed to obtain material for this study; they are secondary sources. In the meanwhile, the questionnaire has been chosen as the major data collection tool. The data collection questionnaire for this study was based on existing literature. The participants offer replies on each item (related to the variables) using a five-point Likert scale, with "1" denoting "strongly disagree," "2" denoting "disagree," "3" denoting "neutral," "4" denoting "agree," and "5" denoting "strongly agree."

The questionnaire utilized in this study is divided into three sections, the first of which includes questions about the respondents' demographic information, such as their gender, educational level, job title, and years of experience. The next two components, on the other hand, are about the variables, specifically the independent variables (IV) and the dependent variable (DV). The second section, in particular, contains items designed to assess the dimensions of independent variables, whereas the third part contains items designed to measure the dimensions of dependent variables. The purpose of the questionnaire is to get data on the direct influence of IV on DV. The questionnaire has 28 items that were chosen after a thorough assessment of the relevant literature (work-life balance, happiness at work, employee performance, organization effectiveness), and these items measure the model constructs. As a result, small changes were made to the selected items in order to make them more suited for this study's context. Work-life balance items are adapted from Helmle et al. (2014) and Johari et al. (2018), while happiness at work and its components (employee engagement, job satisfaction, and emotional organisational commitment) are adapted from Al-dalahmeh et al. (2018) and Bisharat et al (2017). Meanwhile, the dependent variable in this study, employee performance, is based on Abualoush et al (2018). Questionnaires were issued to ordinary employees in order to learn about the various HRM methods used in their companies and their impact on the company's performance. To assess the impact of HR practices on organizational performance, a 46-item questionnaire was created. It is separated into two sections: HRM practices and the firm's organizational performance.

Data collection

The data for the present study is collected both from primary and secondary sources. Although the present study is mainly based on secondary data, but to get financial, production and marketing information regarding the industry and the problems faced by the existing industrial establishments in the two districts, the first hand information has also been collected from the entrepreneurs/promoters of the units with the help of a schedule.

A schedule is the form containing questions of blank table, which are filled by the researcher after getting replies to the questions from the entrepreneurs/promoters. The questionnaire form is filled by the researcher in her own handwriting. Well-designed schedule has been prepared to get relevant information of industrial units in small sector in NCR region.

Population and sample

Everyone engaged in the Pharmaceutical industries is included in this study's population. A total of 320 employees representing all departments of the organization were asked to participate in the survey, and 285 of them returned valid questionnaires, representing an 89 percent response rate.

Respondent's demographic profile

The important attributes of the respondents may be determined using demographic data, and among the key attributes are education, gender, position, and years of experience, which are all basic information about the respondents. Table shows the key characteristics of the respondents in Pharmaceutical industries.

Table 1
Distribution on the basis of demographic profile

Category	Frequency	Percentage %
GENDER		
Male	190	66.66 %
Female	95	33.33 %
EDUCATION		
Bachelor's Degree	250	87.71 %
Masters Degree	30	10.52%
PhD	5	1.75%
EXPERIENCE		
Less than 5 years	105	36.8 %
5 - Less than 10 years	125	43.8%
10 - Less than 15 years	35	12.2%
15 years and above	20	7.2 %
POSITION		

Lower management	220	77.1%
Middle management	50	17.5%
Top management	15	5.2%

Descriptive analysis

This section describes the study variables. The mean and standard deviations for each dimension of the dependent and independent variables were calculated. The mean emphasizes the data's central trend, whereas the standard deviation quantifies data scattering and provides an index of the data's spread or variability.

Table 2
Distribution on the basis of mean and standard deviation of the research's variables

Type of Variable	Variables	Mean	Standard Deviation	Level
Independent Variables	Work-life balance	4.60	0.79	Moderate
	Happiness at work	4.48	0.62	Moderate
	Employee engagement,	4.50	0.65	Moderate
	Job satisfaction,	4.44	0.68	Moderate
Dependent Variable	Affective organizational commitment	4.42	0.69	Moderate
	Employee Performance	4.56	0.76	Moderate

Table shows that in the context of, the mean score for Work-life balance is 4.60, indicating that Work-life balance is used extensively. In other words, work-life balance is vital, and the high score indicates that respondents have a positive attitude about it. Meanwhile, Employee Performance and Happiness at Work appear to have significant value, reflecting participation with activities of Happiness at Work and focus on Employee Performance in order to preserve exceptional performance.

Organization performance

Staff absenteeism, employee productivity, and sales growth were used to assess the organization's success, and respondents were asked to grade their opinions on a five-point Likert scale ranging from 1 to 5. (Very low, low, undecided, high and very high). Pearson correlation was used to learn about the factors of HRM practices (above table), which revealed positive inter-correlations between the study's various variables. The effect of independent variables on dependent variables was determined using regression analysis. The study's analysis was based on primary data. Employees of small-scale industries were given a questionnaire to fill out in order to learn about their perceptions of current HRM methods and their impact on their organizations' performance.

Table 3
Shows the results of a regression analysis on three dependent variables

s.no.	r square	independent variables	beta	dependent variables	f statistic	sig.
1.	.322	Recruitment Selection	-.371 -.176	Employee Absenteeism	43.650	.000
		Development and Training	-.204			
		Compensation	-.035			
		Appraisal of Performance	.124			
		Employee Benefits	.039			
2.	.136	Recruitment Selection	-.278 -.032	Productivity among employees	14.932	.000
		Development and Training	.195			
		Compensation	-.085			
		Appraisal of Performance	.287			
		Employee Benefits	.037			
3.	.077	Recruitment Selection	-.012 -.022	Increased Sales	8.480	.000
		Development and Training	.240			
		Compensation	.150			
		Appraisal of Performance	.021			
		Employee Benefits	-.150			

Hypothesis

H1: There is a statistically significant impact of Work-life balance on organizational performance

Table 4
Distribution on the basis of multiple regression of organizational performance on work life balance

Variable	R	R ²	F-value	Sig (f)	B	T	Sig (t)
Work-life balance	0.761	0.671	51.354 a	0.000a	0.466	3.480	0.000

The impact of the independent variables on the dependent variable (human capital) is shown in Table, and the impact is statistically significant. The computed F in this case was (51.354) at level (sig F= 0.000), which is less than (0.05). Furthermore, the correlation coefficient (R= 0.761) indicates a positive relationship between the variables, whereas the coefficient of determination ($R^2=0.671$) indicates that 60.0 percent of the variation in organizational performance can be explained by changes in work-life balance.

Discussion

The impact of work-life balance and happiness at work (employee engagement, job satisfaction, and emotional organizational commitment) on employee performance in a Pharmaceutical industries firm was investigated in this study. Work-life balance has a favourable significant impact on organizational performance, as the data show, and this finding was also reported in the work of Helmle et al (2014). Helmle et al. (2014) focused on the impact of employee comfort (both physical and mental) on organizational success and the significance of this factor. Employees with a positive attitude and a low level of stress at work and at home are more likely to be satisfied with their jobs, according to the practical findings. Individuals who believe their job roles interfere with their family roles are less likely to feel they have work-life balance, according to the findings. This finding supports Soomro et al(2018) 's conclusion that work-life balance has a favourable and significant impact on employee performance.

Young employees who can strike a good balance between work and home obligations appear to be the most productive. As a result, firms that provide enough opportunity for their employees to manage their work and family duties will reap the benefits of higher levels of performance from their employees. Employees that maintain a healthy work-life balance are better able to do their assigned responsibilities in a more effective and efficient manner. A similar conclusion was found by Richert-Kamierska and Stankiewicz, (2016), who warned that failing to address work and life factors could result in an unacceptable increase in staff turnover, especially among individuals with higher talent and other career prospects. The authors went on to say that using effective and applicable training programmes, providing opportunities for advancement, and managers' genuine interest in the well-being of employees' families and personal lives are all important strategies to keep employees happy.

Conclusion

This research was based on previous research that was relevant. As a result, a study model is presented to examine the impact of Work-Life Balance and Workplace Happiness on organizational performance. There had been a dearth of studies on the subject in the context of pharmaceutical industry, as evidenced by the existing literature. As a result, in addition to contributing to theoretical advancement, this research will assist pharmaceutical industry executives in developing and implementing techniques to increase staff performance.

As a result of the management implications of this study, numerous recommendations for managers of companies, particularly those in Jordanian

pharmaceutical sectors, can be obtained in order to foster work-life balance and happiness at work, which will increase employee performance. As a result, more emphasis should be placed on aspects of life quality that are known to influence performance. Employee engagement, work happiness, and affective organizational commitment are the three factors.

Different ratios have been calculated to know the short term, long term and profitability position of the concern. Fund flow analysis make easy to know the sources from where the funds are coming and where they are used. According to the findings of the study, HRM practices have a favorable impact on the performance of small businesses. If small businesses wish to increase their performance, they must implement HRM practices. It should improve procedures such as training and development, compensation, performance appraisal, and employee welfare, all of which have a substantial impact on the organization's success.

Limitations

There are a few limitations that this study should point out in order to improve the validity of future research findings. First and foremost, this study was completed in a relatively short period of time, limiting the amount of questionnaires that could be delivered. As a result, if future studies could be completed over a longer period of time, more questionnaires could be issued, increasing the sample size and thus the generalizability of the study results to the general population. Furthermore, because the study's focus was solely on the pharmaceutical industry, other organizations were overlooked. As a result, additional research could be undertaken in different sorts of organizations to add to the body of knowledge.

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