

# ALIGNING HR RECRUITMENT STRATEGIES WITH LABOR POLICY REFORMS: ESSENTIAL FACTS AND ORGANIZATIONAL VALUES

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## ABSTRACT

Examining how ABC Ltd.'s human resources policies and practices mesh with their individual company strategies is the goal of this case study. We analyzed the many techniques that firms use to compete in the market and how they utilize HR policies and practices to support their business strategy using M. Porter's strategy categorization. The data was gathered from both the employees and the HR manager using a data gathering tool called a questionnaire. Using secondary data (annual report, press release, website content, etc.) and qualitative interviews with functional managers, this research reveals how HR policies and practices work together both internally and outside. In order to determine the strategic alignment, many SHRM models were used. Researchers found a lot of things that the lubricant business and human resources professionals in developing economies like India's should consider.

**keywords:** Aligning, Hr Recruitment, Strategies, Labor and Policy

## INTRODUCTION

Management of an organization's human resources in a way that maximizes their potential and contributes to the company's competitive advantage is known as human resource management (HRM). Its purpose is to help businesses achieve their long-term goals by bringing out the best in their employees. The primary emphasis of human resource management is the administration of organizational personnel via the establishment and maintenance of appropriate policies and procedures.[2] Human resources departments are in charge of handling pay and benefits systems, as well as employee recruiting, performance evaluation, training and development, and reward management.[3] Industrial relations and organizational transformation are also HR's purview; this is, striking a balance between business as usual and the demands of collective bargaining and regulations. To guarantee that the company can succeed via its people is the overarching goal of human resources (HR). Human resources experts are responsible for overseeing an organization's human capital and putting policies and procedures into action. Their areas of expertise may include employee relations, benefits administration, and the following: staffing (including recruitment, selection, training, and development). Experts in training and development make sure that workers get the training they need and can keep improving. Training programs, performance reviews, and incentive schemes all play a role in this. When rules are violated, such as in instances of discrimination or harassment, employee relations address the complaints of the workers. Compensation plans, parental leave policies, discount programs, and other perks are all part of employee benefits management. Human resources generalists and business partners are on the other side of the field. These human resources experts may be generalists or may specialize in dealing with unionized staff as representatives in labor relations.

Human resources emerged from the early 20th-century human relations movement, which documented methods of maximizing company value by strategic personnel management. Globalization, corporate consolidation, technology advancements, and additional research have shifted the focus of human resources from transactional tasks like payroll and benefits administration to strategic initiatives such as mergers and

acquisitions, talent management, succession planning, diversity and inclusion, industrial and labor relations, and industrial and labor relations. These strategic initiatives were formerly the domain of transactional HR. Keeping valuable employees and the expertise they bring to the table is a top priority for most businesses in today's competitive global market.[7] Hiring new staff is expensive and fraught with uncertainty since there's no guarantee that they'll be able to do a good job filling in for the departing worker. In order to keep employees engaged and invested, HR departments work hard to provide enticing incentives.

## LITERATURE REVIEW

**Shukla, Shalini. (2014).** Public sector banks' policies and tactics for retaining employees are the focus of this research. The banking industry in India is now experiencing a period of fast growth. Along with this progress, the Indian banking industry is encountering a number of obstacles that are slowing down its growth rate. Human resource management is one of the challenges that this paper examines in depth. For this research, we used a variety of metrics to choose five large public sector banks, and we interviewed functional managers and workers to go into the specifics of their strategy for retaining key personnel. In order to better comprehend the concerns and to corroborate the responses of the respondents, content analysis was also used. It was found that public sector banks do not have a standardized written policy for retaining employees. The study's results also show how beneficial and necessary such a regulation would be for the Indian banking system. To help policymakers retain top talent, address issues like excessive employee turnover and the leadership gap, and improve opportunities for future development, a number of recommendations for corrective measures and guidelines were put out. To survive and thrive in today's market, executives must deploy and employ human capital in the most effective manner possible due to globalization, intense competition, and the prevalence of information and communication technologies. Researchers, human resource managers, and HR practitioners in the business world may all take something useful away from this study.

Smith and Johnson (2010) examined the impact of labor policy reforms on HR recruitment strategies, highlighting the importance of aligning organizational practices with regulatory changes. Their study emphasized that compliance with new labor laws improves organizational credibility and employee trust, leading to more effective recruitment outcomes.

Brown (2011) analyzed how HR recruitment strategies can integrate organizational values to attract candidates who align with the company's mission. They found that labor policy reforms emphasizing fair wages and diversity encouraged companies to adopt more inclusive recruitment practices, improving candidate quality and retention rates.

Gupta and Mehta (2012) conducted a study on the integration of labor policy reforms into HR recruitment strategies in India. Their research revealed that aligning recruitment practices with reforms such as minimum wage laws and workplace safety standards enhanced the organization's ability to attract top talent while fostering ethical recruitment processes.

Kim and Park (2014) explored the role of organizational values in shaping recruitment strategies under evolving labor policies. Their findings showed that companies prioritizing transparency and equity in recruitment benefited from stronger employer branding, particularly in competitive job markets influenced by policy reforms.

Patel and Desai (2015) studied the intersection of HR strategies and labor policy reforms, focusing on the alignment of recruitment practices with policies advocating for employee rights. They concluded that organizations adhering to these reforms attract socially conscious candidates, enhancing workforce quality and organizational culture.

## RESEARCH METHODOLOGY

In order to delve into the nuanced difficulties surrounding the intricate process of HR-Strategy alignment, this study used a qualitative research approach known as the Case Study Method. To acquire a complete picture for the case study, researchers employed a triangulation of data gathering methods: 1. Meeting with High-Ranking HR Officials 2. A Questionnaire with a Structure Analysis of website content and annual reports (2013, 2014, 2015)

## COMPANY PROFILE

After ABC India Ltd. and IDL Industries Ltd. merged in 2006, the resulting firm was called ABC Ltd. The Hinduja group's chemical center gives them access to a marketing network that specializes in industrial explosives and lubricants. The evolution of ABC Ltd. over time is as follows: In 1920, Silvertown Lubricant introduced Gulf to the Indian market. In 1930, Gulf was able to acquire Silvertown and establish ABC Ltd. India. In 1974, ABC India Ltd changed its name to petrosil India after joining the JP Goenka group. It was in 1984 that Hinduja Group bought the worldwide rights to the Gulf brand. ABC Ltd.-India was established in 1993 by the Hinduja Group. In 2002, Hinduja merged IDL Industries with ABC Ltd.-Indis. The following portfolio is comprised of the three operational divisions of the company that was acquired in 2012 by the industrial lubricant giant Houghton International:

- Products from the Energetics Division include detonators, explosive bonded materials, metal clads, and specialized devices for use in defense and space exploration.
- We provide mining services in coal, iron ore, limestone, and bauxite mines via our Mining and Infrastructure Contracts Division. Work as a contractor on a wide variety of public works projects, including subways, elevated roadways, industrial buildings, and more.
- Real estate developments, including those in special economic zones, industrial parks, and other kind of commercial aggregates.

## BUSINESS STRATEGY OF COMPANY

The following strategic intents are being pursued by ABC Ltd. Corporation, an industrial products and services corporation, as shown in Table 1:

**Table 1: Strategic Intent of ABC Ltd.**

Gulf's Vision	Gulf's Mission	Core/ Business Value
<ul style="list-style-type: none"> <li>• To be amongst the top 3 lubricant brands in India.</li> <li>• Provide world-class lubricant product and solution allied automotive related product and services to our customer.</li> <li>• We will strive that we continuously add value to all stakeholder.</li> </ul>	<p>To achieve sustainable market share growth in targeted segment by delivering world class product and value added solution that five our customer more than what other competitors gives.</p>	<ul style="list-style-type: none"> <li>• Care</li> <li>• Courage</li> <li>• Endurance</li> <li>• Inspiration</li> <li>• Youth</li> </ul>

The company's stated goal of reducing costs while improving quality is borne up by its mission statement. "Above and beyond what our rivals offer." The official Gulf website, ABC Ltd. Corporation, has recently highlighted its efforts to become a cost leader:

The availability is widespread throughout the country.

- More than 300 distributors and 50,000 retailers.
- State-of-the-art mixing plants with a capacity of 72,000 MTPA. The following strategic imperatives of ABC Ltd. were identified after reviewing the company's annual report, strategic initiatives, and areas of focus:
  - Ongoing improvement
  - Cutting-edge innovation
  - Product with extra value
  - Accessible to a large audience
  - Great potential for cost savings via volume

Some examples of these metrics include: increased market share, satisfied customers, high-quality products, aggressive branding, and customer contentment.

Their HR strategies should prioritize reducing production mistakes and increasing the formation of specialized skills to lower product costs, in accordance with the aforementioned imperatives.

### **REQUIRED HR POLICE AND PRACTICES**

The strategic imperatives found in the secondary sources and the questionnaire indicate that ABC Ltd.'s HR policies and practices should concentrate on cutting costs and increasing efficiency. According to the literature study (e.g., Baried & Meshoulam 1988, Schuler & Jackson 1987, Wright & MacMahan 1992), their HR policies should be set up using the following practices:

- Recruiting from within the company is standard practise.
- Job descriptions are detailed and repetitive.
- Training is minimal but practical.
- Specialization is encouraged.
- There is little room for advancement.
- Staff numbers are kept low.
- High output is rewarded.
- Employees are predictable and compliant.
- Compensation is based on performance rather than market equity.
- Performance appraisals are individual.
- Information sharing is minimal.

- Supervision is tight.

## PREVALENT HR POLICIES AND PRACTICES

"Our biggest strength is our people," said ABC Ltd. in a website material, emphasizing their people as a strength. The brand we know today is a result of their dedication, enthusiasm, and never-ending quest for perfection. The company's HRM policies and procedures reflect its basic value of youth, which is a foundational aspect of both its culture and its operating mode. According to the HR section of the company website, ABC Ltd. values its working culture and is proud of its ability to inspire employees to reach their full potential and strive for greatness. Having a diverse staff should be a top priority when hiring new employees. To acquire the perfect blend of employees, we utilize both internal and external recruiting sources. It is clear that the corporation values dedication and perseverance more than creativity and innovation. The brand we know today is a result of these qualities. One of the most critical aspects of human resource management throughout the year is the acquisition of talent.

The most significant goals are "Right skills at Right Time" in channel sales, B2B, infrastructure, mining, and fleet sectors. Developing technical competencies is the primary goal of training and development programs. Topics covered include safety, problem-solving methodologies, ISO/TS, 16949, and FMEA. There has been a decline in the emphasis on developing workers' behavioral and soft skills during training sessions. "As part of strategic plans and enhancing capability building for our employees in the Energetics Division, based on the performance Management System and training need identification, an extensive training program on Statistical Quality control has been introduced," states the company's Annual Report (2015). The organizational credo, "NO LIMITS ONLY GOALS," stated in the HR section of the 2014 Annual Report, emphasizes the organization's focus on target achievement and performance linked with target achievement.

In order to decrease employee turnover and the expense of workforce management, the HRM system primarily attends to employees' career progression or paths. The website emphasizes that, "...we believe in building employee equity, right through their association with the company and continuously drive towards managing the employees' career and growth aspirations." Along with job safety, the HR department focuses on employee welfare initiatives. Recognizing employees has also been a focus, as "the Energetics Division has also demonstrated its commitment to recognizing employee performance by conducting employee of the month awards to recognize exceptional performances by employees and inculcating a commitment to perform beyond the regular roles and responsibilities" (Annual Report, 2015). Consequently, ABC Ltd.'s HR setup consists of:

- Both internal and external recruiting sources.
- Workers who put in long hours.
- Develop technical abilities.
- Comprehensive instruction to help with competence and specialization
- Limited opportunities for advancement.
- Strict oversight.
- Sharing of information is reduced.
- ensure baseline performance is met.

## HR- STRATEGY ALIGNMENT

The Oil & Gas Private Sector Replica Best Employer Brand Award (2009–2010) went to ABC Ltd. Corporation. Despite this, the annual report and website content of ABC Ltd do not place a significant emphasis on HR-strategy alignment. Despite the fact that there is written material that stresses the imperatives from workers. Every employee is personally responsible for ensuring quality, satisfying customers, and continuously improving, as stated on the corporate website. Table 2 shows how ABC Ltd.'s HR strategy and operations are aligned:

**Table 2: HR-Strategy Alignment of ABC Ltd.**

Business Strategy	Desired Behaviour	Required HR policies/ practices	Prevalent HR policies/ practices
Cost Leadership/ low cost strategy	<ul style="list-style-type: none"> <li>• Specialised skills</li> <li>• Hardworking</li> <li>• Production Orientation</li> <li>• Risk Aversive</li> <li>• Less innovative</li> <li>• Predictable behaviour</li> <li>• Efficiency oriented.</li> </ul>	<ul style="list-style-type: none"> <li>• Internal source of recruitment.</li> <li>• Repetitive and explicit job design</li> <li>• Minimum and practical training</li> <li>• Encourage specialisation.</li> <li>• Narrowly defined career path.</li> <li>• Cutting staff number minimum.</li> <li>• Rewarding high output</li> <li>• Predictable and compliant employee behaviour.</li> <li>• Output linked compensation, competitive (Market equity based) compensation.</li> <li>• Individual performance appraisal.</li> <li>• Less information sharing.</li> <li>• Low employee involvement</li> <li>• Tight and close supervision.</li> </ul>	<ul style="list-style-type: none"> <li>• Internal as well external source of recruitment.</li> <li>• Hard working employees.</li> <li>• Focus on technical skill development.</li> <li>• Extensive training for competency and specialisation</li> <li>• Narrow career path.</li> <li>• Tight supervision.</li> <li>• Less information sharing.</li> <li>• Target base performance.</li> <li>• Individual performance based appraisal.</li> <li>• Low employee involvement.</li> <li>• Recognizing employee performance</li> </ul>

Source: Prepared by Author through Analysis

## QUALITATIVE ASSESSMENT OF HR-STRATEGY ALIGNMENT OF ABC LTD.

Here is an evaluation of the current state of HR-Strategy alignment based on the case study of ABC Ltd. In the past, we have utilized a three-point scale to evaluate alignment.

1. Harmonious HR Procedures
2. Objective HR Procedures
3. HR Practices Out of Sync

Table 3 shows the results of the evaluation of ABC Ltd.'s HR-Strategy alignment:

**Table 3: Assessment of HR-Strategy Alignment of ABC Ltd**

Required HR Policies/Practices	Prevalent HR Policies/ Practices	Assessment
Internal source of recruitment	Internal as well external source of recruitment	Neutral
Repetitive and explicit job design	Specialisation of skills by intensive training	Neutral
Minimum and practical training	Extensive training for competency and specialisation	Neutral
Encourage specialization	Focus on technical skill development	Neutral
Narrowly defined career path	Narrow career path	Aligned
Cutting staff number minimum	-	-
Rewarding high output	Recognizing employee performance	Aligned
Predictable and compliant employee behaviour	Hard working employees	Neutral
Output linked compensation, competitive	Target base performance	Aligned
Individual performance appraisal	Individual performance based appraisal	Aligned
Less information sharing	Information sharing	Neutral
Low employee involvement	Low employee involvement	Aligned
Tight and close supervision	Tight supervision	Aligned

## CONCLUSION

An analysis of ABC Ltd. Corporation's HRM System reveals that it is in line with the company's strategic needs. Their HR policies need to be rethought and reorganized to better align with their strategic objectives. In terms of the organization's strategy, several activities—such as its training system, information exchange methods, and recruiting sources—were determined to be neutrally aligned. The alignment with the company's strategic requirements may be enhanced by concentrating on internal recruiting sources and developing soft skills via a training system. The HR-Strategy alignment will improve with time if workers are informed of the strategic requirements and imperatives.

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