

**A STUDY ON HUMAN RESOURCE MANAGEMENT
PRACTICES, ADDRESSING PERSONAL AND FAMILY
TRANSITIONS IN SMALL BUSINESS**

PROJECT REPORT

BY

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(H-2013-MBA-12)**

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(2013-2015)



**DEPARTMENT OF BUSINESS MANAGEMENT
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CERTIFICATE-I

This is to certify that the project “**A Study on Human Resource Management Practices, Addressing Personal and Family Transitions in Small Business**” has been submitted to Dr. Y S Parmar University of Horticulture and Forestry, Nauni, Solan (HP) by Kiran Verma (H-2013-MBA-12) in the partial fulfilment of Master of Business Administration programme. This project is done under my guidance and to the best of my knowledge and no part of this project has been submitted for any other degree or diploma.

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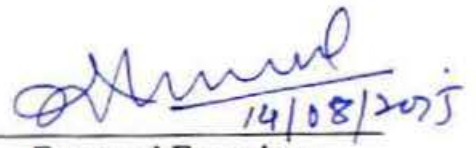
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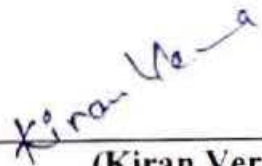
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CERTIFICATE-III

It is certified that the project “A Study on Human Resource Management Practices, Addressing Personal and Family Transitions in Small Business” which has been submitted to Dr. Y S Parmar University of Horticulture and Forestry, Nauni, Solan (HP) by Kiran Verma (H-2013-MBA-12) in the partial fulfilment of Master of Business Administration programme, is my original work and that no part of the project has been copied from any other source. Information used from other sources has been duly acknowledged by me.

Date: 16-07-2015



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This is to certify that all the corrections/ amendments suggested by the external examiner have been made in the project “**A Study on Human Resource Management Practices, Addressing Personal and Family Transitions in Small Business**” that has been submitted to Dr. Y S Parmar University of Horticulture and Forestry, Nauni, Solan, (HP) by Kiran Verma (H-2013-MBA-12) in the partial fulfilment of Master of Business Administration programme.



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Place: Nauni, Solan
Date: 16/07/2015

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INTRODUCTION



Chapter-1

INTRODUCTION

In the rapidly changing management scenario, Human Resource Management (HRM) has an important role to play HR is a highly productive corporate asset and the overall performance of companies and corporations depends upon the extent to which it is effectively developed and utilized. Human resource is certainly important even in this age of extensive use of computer technology. This is because machine cannot be used as a substitute for human brain which has capacity to think, assess and react. It is correct to say that man is a power rather than man has a power. Progressive managements invest huge funds on training and development of human resource and this suggests the importance of human resource management and its contribution in industrial and economic development in India (Narware, 2011)¹. Prof. Jucius "The field of management which has to do with planning, developing, maintaining, and utilizing a labour force, such that the objectives for which the company is established are attained economically and effectively." (Gupta and Joshi, 2010)²

1.1 HUMAN RESOURCE MANAGEMENT (HRM)

Creating competitive advantage through people requires careful attention to the practices that best leverage these assets (Wright, Garden & Moynihan, 2003)³. HRM has evolved through various stages like concept of commodity, factor of production, paternalism, humanitarian, behavioral and emerging concepts. Human Resource has an important bearing on the profitability, efficiency and overall organization effectiveness. In the rapidly changing management scenario, HRM has an important role to play HR is a highly productive corporate asset and the overall performance of companies and corporations depends upon the extent to which it is effectively developed and utilized. HRM is a management function that helps managers plan, recruit, select, train, develop, remunerate and maintain members for an organization. (Ali, 2013)⁴

Human Resource is the most important asset for any organization and it is the source of achieving competitive advantage. Managing human resources is very challenging as compared to managing technology or capital and for its effective management, organization requires effective HRM system. HRM system should be backed up by sound HRM practices. HRM practices refer to organizational activities directed at managing the pool of human resources and ensuring that the resources are employed towards the fulfillment of organizational goals (Tiwari, 2011)⁵. It is widely acknowledged fact that human management resources are significant in extracting positive work behaviors among employees. Human resource which is believed to be the most valuable asset any organization have and key task for organizations will therefore be the effective management of employees to create organizational effectiveness for gaining sustained competitive advantage. It is notable that gaining competitive advantage seems fairly possible but sustaining it over a long time requires considerable managerial effort and strong planning horizon with dynamic resources, in highly challenging world of today`s business .The interest in quantifying the impact of HR practices on financial performance has led to a number of studies which linked the impact of HR practices to specific firm outcomes (Guest, 1997)⁶.

In 1980`s (& into the 1990`s) the term HRM came to be increasingly used by both practitioners and researchers. This particular term challenged and frequently replaced the previous popular terms “Personnel Management” and or “Industrial Relations” (Beamont, 1996)⁷. A competitive advantage is obtained if a firm can obtain and develop human resources, which enable it to learn faster and apply its learning more effectively than its rivals (Hamel and Prahalad, 1991)⁸. HRM practices are also conceptualized as a set of internally consistent policies and practices designed and implemented to ensure that a firm`s human capital contribute to the achievement of its business objectives (Singh and Jain, 2014)⁹. HRM practices a set of practices used by organization to manage human resources through facilitating the development of competencies that are firm specific, produce complex social relation and generate organization knowledge to sustain competitive advantage (Tan and Nasurdin, 2011)¹⁰.

HRM practices can generate increased knowledge, motivation, synergy, and commitment of a firm's employees, resulting in a source of sustained competitive advantage for the firm (Umer, 2012)¹¹. HRM practices as a system that attracts, develops, motivates, and retains employees to ensure the effective implementation and the survival of the organization and its members. Besides, HRM practices is also conceptualized as a set of internally consistent policies and practices designed and implemented to ensure that a firm's human capital contribute to the achievement of its business objectives (Schuler and Jackson, 1987)¹².

1.2 HUMAN RESOURCE MANAGEMENT PRACTICE

A model proposed by Schuler, mentioned 5P Model of Strategic Human Resource Management. The Human Resource Management Practice is the 4th P of this model. HR practices are evolved to nurture leadership, managerial or operational roles. This approach nurtures increased responsibility and accountability in work team. Thus HR practices motivate desired role behaviors in the company (Dwivedi, 2007)¹³. The Human Resource Management (HRM) practices involve: a) delegation of responsibility, such as team production; b) knowledge incentives, such as profit sharing, individual incentives and incentives for knowledge sharing; c) internal communication, encouraged for instance by practices related to knowledge sharing or job rotation; d) employee training, both internal and external; and e) recruitment and retention, such as internal promotion policies). The first three classes of practices include the practices that are typically included as "modern" HRM practices while the latter two classes in a stylized fashion can be considered more traditional HRM practices. Both HRM and innovation have been expanding fields, it arguably also reflects trends in the business world that prompt the emerging integration of HRM and innovation research. As firms increasingly adopt open innovation models and engage with external knowledge source they find that they need to bring new groups of employees into the innovation process. This calls for dedicated training, new performance indicators, new rewards, new ways of communicating with and between employees, which means an active effort for HRM practices (Laursen and Foss, 2012)¹⁴.

HR practice is becoming more and more challenging day by day. they have to face lot of challenges technological advances, change in information technology and changes in political and legal environment, retention, attraction of employee. dealing with different cultural people, managing work force diversity, with these challenges training (Cross cultural training and technological and informational training) is necessary for HR people. To reduce mobility of professional personnel HR people have to motivate them from monetary and non monetary techniques. Proper performance evaluation system and proper career development plans should be used in the organization to reduce professional mobility. HR people can overcome these challenges through cross cultural training, motivation of employee, technological and information technological training. Due to all these challenges it is very difficult for HR people to retain, attract and nurture talented employee. But it can be possible from motivational techniques, HR executives can not motivate employees from only financial techniques but non financial techniques can also be used. (Srivastava and Agarwal, 2012)¹⁵. Effective HRM practices are becoming increasingly important in the modern “knowledge-based” economy, as companies face the double challenge of the need for more highly trained employees coupled with the shortage of qualified labour. These challenges, coupled with the third trend toward smaller firms in general, reinforce the need for effective HRM practices in the small firm (Audretsch and Thurik, 2001)¹⁶.

Sophisticated technologies and innovative manufacturing practices alone can do very little to enhance operational performance unless the requisite human resource management (HRM) practices are in place to form a consistent socio-technical system. For this reason, manufacturing organizations need to carefully evaluate their existing HRM practices and modify them, if needed, so that employees can effectively contribute to operational performance improvement. Over the years, researchers have suggested many HRM practices that have the potential to improve and sustain organizational performance. The practices may include emphasis on employee selection based on fit with the company’s culture, emphasis on behavior, attitude, and necessary technical skills required by the job, compensation contingent on performance, and employee empowerment to foster team work, among others. An

ideal situation may be one in which each of the HRM practices is explored and exploited to its highest potential, typically when an organization exerts the maximum effort possible to develop, institute, and implement each of the practices. Such a HRM system may be termed an ideal-type HRM system which is expected to yield the highest organizational performance. The more similar an organization's HRM system is to the ideal-type HRM system, the better the organization's performance. (Ahmad and Schroeder, 2003)¹⁷

1.3 SMALL BUSINESS

Small businesses are critical drivers of economic growth and providing the jobs. In the global economy some of the most pivotal players would be small businesses becoming more and more important to the economy. Business is defined as "small" in terms of government support and tax policy varies depending on the country and industry. Micro, small and medium enterprises as per MSMED Act, 2006 are defined based on their investment in plant and machinery (for manufacturing enterprise) and on equipment for enterprises providing or rendering services. Present ceilings on investment as Small enterprise in Manufacturing Enterprises is Rs.50 Million / Rs.5 Crore (US\$ 1Million) and in Service Enterprises Rs.20 Million/ Rs.2 Crore (US\$ 0.4 Million) (MSME Annual Report, 2013-2014)¹⁸.

Small and medium industries are comparatively labour intensive and thus create more employment opportunities per unit of capital employed. This potential to create employment opportunity necessitates effective management of labour force. The professional management of human resource would ensure benefit both for the enterprises and human resource, namely increasing productivity, prevention of accidents, evolving sound wage policy, effective training, increasing morale and job satisfaction, checking labour turnover and absenteeism, managing labour indiscipline and effective grievance management etc. Most of small and medium entrepreneurs are of the view that professional management of human resources is applicable only to large scale industries. Perhaps the limited size of work force employed in these industries and non-existence of labour unions in a majority of these unions may not force them to think about the necessity of adopting professional practice in regard to

human resource spectrum. They are quite unaware of negativities associated with frequent recruitment, labour turnover, poor work performance, inadequate training facilities, and poor wage payment and so on. The absence of HR policy is the root cause of most of anomalies in HR spectrum, there is desperate need for professional consultation on various dimensions of human resources management (Sundar and Kumar, 2012)¹⁹.

SMEs face a lot of human resource challenges notable among them are poor attitude to work by employees, high demand for benefits, inability to attract and retain trainees and employees. Performance of SMEs will therefore be enhanced if more attention is paid to the acquisition and management of human resources. The study conducted by Honyenuga identifies four human resource practices in SMEs: these are recruitment and selection, training and development, retention strategies and performance appraisal. The study was conducted with the assumption that employees are the most important assets of the SMEs and that they make the difference between success and failure of these enterprises. (Honyenuga, 2011)²⁰

1.4 FAMILY BUSINESS

Family business is a business in which the main decisions and operational plans for the transfer and replacement of leadership are under the influence of family members. A business which the property is completely available to families; at least one of the owners is working in business. The family business is successful which family entrepreneurs can own business as a family heritage and then transfer it to the next generation. Some factors affect family business decisions such as their needs, wish and concerns in addition, there are rival sibling, cousins and competition to attraction and confirmation of their parents, family systems and methods which is used to interact with family members can affect business decisions. These challenges attract the family business management. Family business leader not only should be aware about business management but also about family management; unfortunately, success in family business is generally low (Zareie, 2011)²¹. Family-owned and -operated businesses need to modify and in some cases discard conventional business thinking in favour of customized solutions in order to incorporate/accommodate their

family component. If a family business can effectively manage its family component, it has the opportunity to not only maximize the use of existing best business practices but also maximize the unique benefits provided by its family component. Those who have successfully done this tend to dominate their markets and continue for many generations (Walsh, 2011)²².

1.4.1 Family Business Transition

One of the most important elements of any family business transition is putting together the right team of advisers. Any company planning for change needs a team with specialized skills and experience that is able to balance family goals with the business needs. Multiple categories of reasons exist that attempt to explain the general causes of business failures such as lack of planning and organization (e.g., insufficient business planning, lack of long-term outlook, inaccurate analysis of competitive environment, unrealistic expectations), lack of knowledge or experience. So the study would help to understand the different types of human resource practices adopted by small business firms and different issues in human resource (Handler, 1994)²³.

1.4.2 Family Business Succession

Family business succession is the process of transitioning the management and the ownership of the business to the next generation of family members. The transition may also include family assets as part of the process. Family members typically play a controlling role in both the management succession as well as the ownership succession. As such, the effective integration and management of the family component will have a determining effect on the success of the succession process.

1.5 SUCCESSION PLANNING

Business succession planning is critical to ensuring the continuation of any family owned business. An effectively developed succession plan provides for a smooth transition in management and ownership with a minimum of transfer taxes. Given the number and complexity of transition and succession options available, effective business succession planning requires time, the assistance of outside

advisors, the input of family members [especially the owner) concerning his or her goals], and the willingness to address interpersonal conflicts that can arise during the planning process. Once completed, the business succession plan will provide peace of mind for the business owner and key employees, personal satisfaction for family members and new opportunities for the business itself (Grassi and Giarmarco, 2008)²⁴.

There are four types of succession planning which occur in a transition:

- a. Management- determining who will take over the day-to-day operations, or in the case of sale, putting the right management team in place to carry forward under new ownership.
- b. Ownership- while straightforward in a sale, determining the fair allocation of ownership and control in future generation is complex.
- c. Operational- preparing the business, management and staff to operate successfully during the transition.
- d. Emergency- preparing the company and family for succession of management, ownership and operations in an emergency.

The five steps for successful transition planning are goal setting and family constitution, preparing for the transition, selectiong one of two options for transition (business will be sold or kept in family), planning for life after the transition and establishing lifestyle balance.

The biggest challenges for a successful transition are:

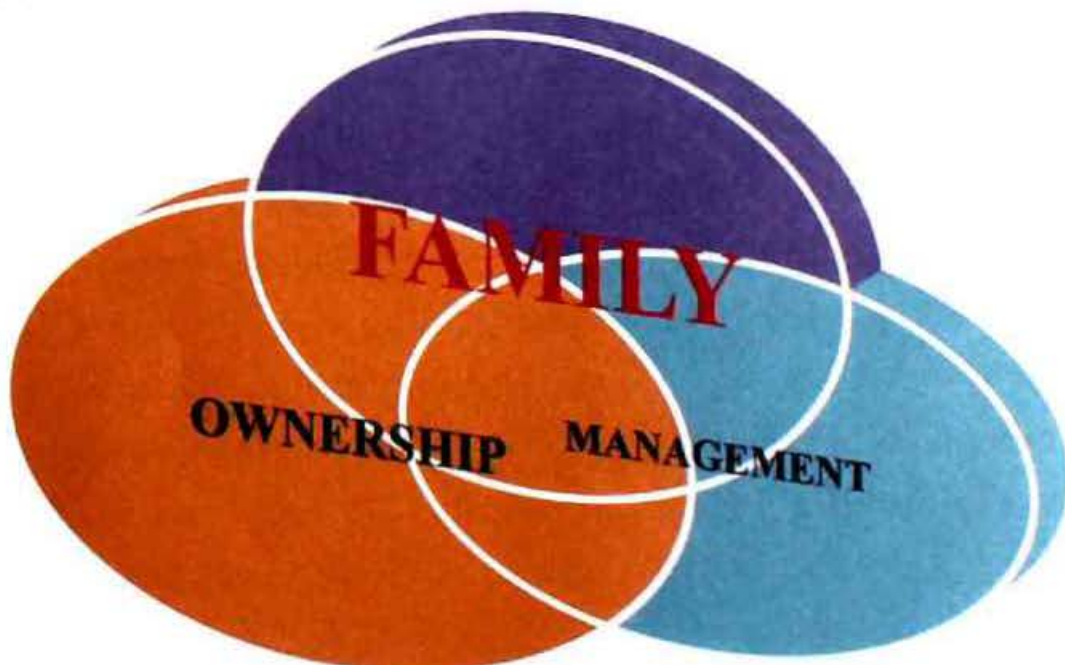
- a. Proper planning for enough in advance.
- b. Getting the transaction structure right in a sale
- c. Getting the intersection of management and ownership right when the business stays in the family (differentiating family member roles as owners versus employees) (Fitts and Rowe, 2011)²⁵.

1.5.1 Succession Processes

The family business succession plan comprises two processes, the 'management' succession process and the 'ownership' succession process. Numerous succession activities are outlined for each of the two processes to achieve the desired succession outcomes. The management and ownership succession processes can be undertaken simultaneously or one at a time. It is recommended that the management succession process be carried out first so that the ownership succession plan reflects and supports the management succession (Walsh, 2011)²².

1.6 IMPACT OF THE FAMILY COMPONENT ON THE BUSINESS

The Three Circle Model outlined below is often used to illustrate the interaction/impact of the family component on the management and ownership of family businesses. The Three Circle Model is represented by the ownership circle, the management circle, and the family circle. The ownership circle represents the interaction/impact that the owners have on the family and on the management of the business. The management circle represents the interaction/impact that management has on the family and on the ownership of the business. The family circle represents the interaction/impact that the family has on the management and ownership of the business.



The ownership circle and the management circle are common to all businesses. The family circle is unique to family business and is what differentiates it from its nonfamily business counterparts. In many family businesses, the family permeates the management and the ownership of the business, making it a significant, if not the major component in the overall running of the family business. It is easy to see how the interaction between these three components can create family, management, and ownership challenges, as well as provide unique opportunities. The Three Circle Model illustrates how each of the components interacts with each other and how all three circles meet in the middle, indicating that at some stage of the family business, ownership, management, and family are mixed together. The family circle tends to be much more prominent and has a much greater impact on the management and ownership of the business. (Walsh, 2011)²²

To be successful, organizations must continually enhance their human capital through three primary sets of HRM activities or practices: hiring/selection (including recruitment and selection), development (including training, employee involvement, and performance appraisal), and retention (including compensation and a stimulating work environment). Again, though not explicitly stated, we assume that these HRM activities apply to firms of all sizes and stages of development, including SMEs. (Rutherford, Buller, and McMullen, 2003)²⁶

Employee commitment has direct impact on the performance of the employee. Committed employee contributes positively towards the development and growth of the organization and helps it in achieving individual and organizational goal. Employee commitment could be pursued by different techniques i.e. performance appraisal related to employee development, team work practice, providing employment security, bilateral communication, respect and reward focusing on employee development and performance. Performance of employee depends of his commitment to the organization. Employee can only be effective and productive to the organization if he is willing to contribute to achieve the goals of organization. (Sabir *et al.*, 2007)²⁷

HRM roles are changing; with the transformation of job contents and the increase in change driven HR initiatives, line managers today are required to conduct a series of people-centered tasks in their jobs that are not in their traditional roles but on the basis of strategic HR planning and in close collaboration with internal or external HR specialists. A key to organizational success lies in involving and inviting line management to actively participate in designing and implementing HR activities. (Okpara and Wynn, 2008)²⁸

1.7 NEED OF THE STUDY

With growing competition in the market small business owners also plan to implement human resource practices and find ways to handle their human resource as a well managed and equipped resource. The study undertaken may help in the better understanding of key elements of human resource practices and its process to help in creating a good market reputation for companies. This may also help me to study complicated and wide ranging impact of transition in family business and to find out why family business doesn't stay in the family or for next coming generations. This study may also help the small business firms to know various HR practices and types of HR practices that would be beneficial for the firms. Since, there has been a very limited study undertaken on the concerned subject, thus various issues and problem has remained unexplored, namely the structural dynamics of the firm and interrelationships of the family members that mobilizes the growth and development of the business. Thus, this concerned study has been attempt to explore the perception of small business owners for human resource practices used in their respective organizations in order to address the key issues more substantially for resulting into a sustainable growth of family business setup in the country.

1.8 OBJECTIVES OF THE RESEARCH

- To study the elements of various Human Resource Management (HRM) practices adopted by small business firms.
- To study the emerging HR issues on account of personal and family transitions in small business.

- To study the perception of small business owners for human resource practices used in their respective organizations.
- To study the relationship of human resource practices adopted with the size of business.
- To seek suggestions from small business owners to improvise the human resource practices for business sustainability in reference to family transitions in business.



**REVIEW
OF
LITERATURE**



REVIEW OF LITERATURE

2.1 REVIEW OF LITERATURE

Review of Literature is defined as the process of reading, analyzing, evaluating and summarizing scholarly materials about a specific topic. The main purpose of review of literature presented in this study is to illustrate the importance of the topic, to identify variables that influence the problem, to identify promising procedure and instruments and to limit the problems.

① Ali (2013)⁴ studied the awareness of human resource practices in small scale firms. The objective was to understand the concept of Human Resource (HR) practices. The study was conducted on 10 sample companies. It was noted that awareness of small scale firms towards HR practices and its importance has enabled a smooth functioning in the organization. It was also found that most of the parameters of HR practices were being practiced and followed in Small scale firms.

② Singh and Jain (2014)⁹ observed the effectiveness of Human Resource Management (HRM) practices in textile industry. Objective of the study was to analyze and study the effectiveness of HRM practices. A sample of 60 was taken by the researchers. Findings revealed that Manpower planning practices, training and development, performance appraisal, compensation and incentive practices, unionization, team work and employee participation all these HR practices have a significant effect on growth and development. Whereas, working conditions, staffing does not have any such effect.

③ Kok and Uhlaner (1997)²⁹ the purpose of this research was to test and derive a model that predicts HRM practices of small business firms based on certain aspect of their organizational context. The findings showed that in small business firms the use of formalized HR practices is there with collective labour agreements than the companies without such agreements. The research also suggested that larger the company the more formalized HRM practices are likely to be. The researchers also

found that the small companies with a growth strategy have more formalized HRM practices. The company size appeared to be an important predictor of few factors of HRM practices and resource availability is primarily influencing the HRM practices in small firms.

Kok, Uhlaner and Thurik (2002)³⁰ conducted a study on HRM within small and medium sized firms. The study was conducted with the objective of formalization of HRM practices within small business firms. The findings showed that the family business have less formal HRM practices and are likely to have HRM department or HRM manger. The findings of the study also showed that within the sample of small firms, large firms apply more formal HRM practices than small firms do. The family owned and managed organizations apply less formal HRM practices as they do business without a business plan.

Collins, Ericksen and Allen (2004)³¹ examined the extent to which small businesses are implementing specific HRM practices and system of practices. The study reflected that only three basic models regarding the management of employees in small businesses are autocratic, high commitment and professional. And the small business owners think about organizing and managing employees through recurring dimensions which were finding new employees, retention and managing employee performance. The data from the research suggested researchers that mangers and owners of small business are aware of and can identify the employee outcomes that affect the ability of their business to compete and succeed in their marketplace.

Nasurdin and Tan (2011)¹⁰ proposed the direct and indirect relationship between HRM practices and organizational innovation i.e. knowledge management effectiveness. The study put forth the positive impact of HRM practices on organizational innovation. Only one out of five HRM practices i.e. training has both direct and indirect effect on all three dimensions of the organizational innovation which are product, process and administrative innovation.

Sabir *et al.* (2007)²⁷ observed the Human Resource (HR) Practices – a way of improving skills and commitment of the employees in organization. This study

inquired the correlation between HR practices and employee commitment. This study was conducted on a sample of 18 private sector banks. The findings revealed that HRM practices are not only the important determinant of employee commitment but can also play important role to improve the performance of employee.

Collins (2004)³² examined the HRM practices and firm performance in small business. The study discussed the HRM practices that can be adopted by small business leaders to foster firm's success. The study revealed that HRM practices like employee selection, employee management, employee motivation and retention practices are important. Whereas the overall findings suggested that out of the three strategies which family-like community were, interesting and rewarding jobs, fair compensation the strategy i.e. family-like community is to motivate people are more likely used than others.

Wright, Garden and Moynihan (2003)³ examined a study on the impact of Human Resource (HR) practices on the performance of business units. The study has been conducted on 50 business units. This study was conducted to find out how HR practices and employee commitment relate to performance measures. It was revealed that HR practices were strongly related to organizational commitment.

Ahmad and Schroeder (2003)¹⁷ investigated the impact of Human Resource Management (HRM) practices on operational performance. The study used 107 manufacturing plants from 4 countries i.e. Germany, Italy, Japan and USA. The findings revealed that most of the HRM practices impact operational performance indirectly through organizational commitment and a manager intending to enhance operational performance should create a conducive organizational climate that fosters employee commitment to the organization. It also showed that plants operating in different countries and/ or industries use and emphasize HRM practices differently.

Grassi and Giarmarco (2008)²⁴ conducted a study on practical succession planning for the family owned business. It summarizes the fundamentals of business succession planning to help family business owners assess their goals and consider the economic, legal and tax implications of various plans. This study revealed that

effectively developed succession plan provides for smooth transition of management and ownership with a minimum of transfer taxes. It can also provide financial security and freedom to retired business owners and their spouse.

Sundar and Kumar (2012)¹⁹ studied Human Resource management (HRM) practices in small and medium industries. The objective was to explore practices pursued in various dimensions of HRM in study units. The study concluded that there were highlighted flaws in the functioning of HR system in the sample unit. The absence of HR practices is the root cause of most of anomalies in the HR spectrum. There is an essential need of professional consultation on various dimensions of HRM. The haphazard and the arbitrary management of HR functions in Small Medium sized firms (SMEs) are evident in the analysis. Thus, the outcomes of the study revealed that majority of the units were not having any HR policy in place.

Shrivastava and Agarwal (2012)¹⁵ observed the emerging challenges in Human Resource Management (HRM). The objectives of the study were to analyze the details of emerging challenges and various methods through which HR can overcome the challenges of present business scenario. It was concluded that the great challenge of HRM is to attract, retain and nurture talented employees. So, these challenges can overcome through cross cultural training, technological and information training.

Astrachan and Kolenko (1994)³³ conducted a study on neglected factor explaining family business success: Human Resource (HR) practices. The study conducted involved 600 family firms to study the impact of HRM and professional governance practices on family business success and survival. The objective of the study was to find out the most frequently employed HRM practices in family business firms. The findings provided the insight into few HRM practices like formal employees review, set compensation plans, Job design were most widely used HRM practices.

Honyenuga (2011)²⁰ the purpose of this research was to study Human Resource Management (HRM) practices of Small and Medium Sized firms (SMEs) in

Ghana. It was revealed from the findings that SMEs face a lot of HR challenges notable among them are poor attitude to work by employees, high demand for benefits, inability to attract and retain trainees and employees. The managerial implication for the study is that owners/managers of SMEs should ensure good HR practices in order to remain competitive. Performance will therefore be enhanced if more attention is paid to the acquisition and management of HR.



RESEARCH METHODS



Chapter-3

RESEARCH METHODS

The chapter outlines the research methodology of the study. It explains the research objectives and a suitable methodology to achieve the objectives. The chapter deals with population, research area, sampling technique, sample size, data collection and analytical tools.

3.1 POPULATION AND RESEARCH AREA

The present study has been conducted in Solan, Himachal Pradesh (H.P). The small business entrepreneurs involved in family business have been taken as research population.

3.2 SAMPLING TECHNIQUE

Sampling is a technique used for a selection of subset of individuals from within a statistical population to estimate characteristics of whole population. Sample is defined as the segment of population that is representative of whole population. In order to select the sample size out of total population convenient sampling is used. Convenient sampling is most commonly used sampling method in behavioral science research because researchers simply select those participants who they are easy to go with. People are selected on the basis of their availability and willingness to respond.

3.3 SAMPLE SIZE

The number of individuals in a sample is called a sample size. The sample sizes of 15 small family business firms of Solan and nearby area have been selected for the present study.

3.4 DATA COLLECTION

Two types of data have been collected for the present study.

3.4.1 Primary Data

The primary data is that data which is collected fresh for the first time. Primary data has been collected through a pre structured questionnaires. The questionnaire has been divided into two parts. Part 'A' was designed to seek information on the demographic variables such as gender, educational qualification, income etc. Part 'B' consisted of general views and statements based on Five Point Likert scale and rank to evaluate the perception and satisfaction of customers towards Human Resource Management (HRM) practices and family business transition.

3.4.2 Secondary Data

The secondary data are those which have already been collected by someone else. Secondary data has been taken from past surveys, brochures, websites, journals, research papers, newspapers and books.

3.5 DATA ANALYSIS

The methods used for simplifying and analyzing the data are known as analytical tools. Simple mathematical tools have been used for satisfying the objectives with a view of keeping the analysis simple and easy to understand.

3.5.1 Mathematical Tools

The information collected from the sample respondents has been analyzed by applying percentage method.

a) Percentage

Percentage refers to a special kind of ratio which is used in making comparison between two or more series of data.

The formula used for percentage method is:

$$P = \frac{X}{Y} \times 100$$

Where X= Number of respondents falling in specific category to be measured.

Y= Total Number of Respondents.

3.5.2 Statistical Method

The following statistical tools have been used to analyse the data collected for the present study.

a) Arithmetic Mean

The arithmetic mean has been applied to study the opinion of the sample respondents on 5-point scale for different statements. This tool help researcher to draw appropriate inferences from the responses collected from the respondents. The arithmetic mean has been calculated by assigning numerical values to the qualitative statements. These values has been assigned for these qualitative responses as one for strongly disagree, two for disagree, three for neutral, four for agree and five for strongly agree.

The formula used for Arithmetic Mean is:

$$X = \frac{\sum X}{N}$$

Where X= Arithmetic Mean

$\sum X$ = Sum of the values of the variables

N= Number of Observation

b) Standard Deviation

The standard deviation concept was introduced by Karl Pearson in 1893. The standard deviation measures the absolute dispersion (or variability of distribution; the greater the amount of dispersion or variability), the greater the standard deviation, the greater will be the magnitude of the deviation of the values from their mean. A small standard deviation means a high degree of uniformity of the observation as well as homogeneity of the series; a large standard deviation means just the opposite.

The formula used for standard deviation is:

$$\text{Standard Deviation} = \sqrt{\frac{\sum x^2}{N}}$$

$$\text{Where } x = (X - \bar{X})$$

N= Number of observations

c) Total Weightage Score Method

Total Weightage score method is a method in which we have to provide different weights according to their importance and multiply the values of items (X) by the weight (W) as provided than add all the values to obtain the total weights of all the items and the one which gets higher score will get the first rank and the one which gets the lowest score will get the lowest rank.

$$\text{TWS} = W_1 * X_1 + W_2 * X_2 + W_3 * X_3 + \dots \dots \dots W_n * X_n$$

Where,

TWS = Total weights score

W_i = Weights

X_i = Frequency

d) F test (Analysis of variance (ANOVA))

The study also required f test. F test is also known as analysis of variance. The analysis of variance technique was developed by R.A. Fisher in 1920's. The analysis of variance frequently referred to by the contraction of ANOVA. One-way ANOVA is used in order to test the null hypothesis that several population means are equal, based on the results of several independent samples. The test variable is measured on an interval (for example age), and is grouped by a variable which can be measured on a nominal or discrete ordinal scale An independent T test and a one-way ANOVA for two independent samples test the same hypothesis. Select the dependent variable, and specify the factor to define the different groups. Move more than one variable into the Dependent List to test all of them. ANOVA the variation (Sum of Squares), the degrees of freedom (df), and the variance (Mean Square) are given for the within and

the between groups, as well as the F value (F) and the significance of the F (Sig.). Sig. indicates whether the null hypothesis – the population means are all equal – has to be rejected or not.

Formula of one way ANOVA is:

$$1) \quad \text{Correction factor} = \frac{(\text{Grand total})^2}{\text{No. of observations}}$$

$$2) \quad \text{Total sum of squares} = \text{Sum of n items} + \text{Sum of m items } y_{ij}^2 - \text{Correction factor}$$

$$3) \quad \text{Treatment sum of squares} = \text{Sum} \left(\frac{\text{Treatment of all items}}{\text{No. of repetitions}} \right) - \text{Correction factor}$$

$$\text{Errors sum of square} = \text{Total sum of squares} - \text{Treatment sum of squares}$$

$$4) \quad F = \frac{\text{Explained variance}}{\text{Unexplained variance}}$$

- Critical Value > Tabulated Value (Significant)
- Critical Value < Tabulate Value (Insignificant)



RESULTS AND DISCUSSION



Chapter-4

RESULTS AND DISCUSSION

In the present chapter, data analysis and Interpretations has been done. The perception and satisfaction of the small business entrepreneurs involved in family business has been examined. The findings of the study are discussed as under:

4.1 SAMPLE PROFILE

Sample profile means the process of stating the general information about the respondents classified in terms of gender, age, educational qualification, annual income, occupational status, etc.

Table 4.1.1: Gender status of the small business entrepreneur respondents:

Gender	No. of Respondents (% age)
Male	9 (60)
Female	6 (40)
Total	15 (100)

*Percentage in parentheses

(Source: Field Survey, 2015)

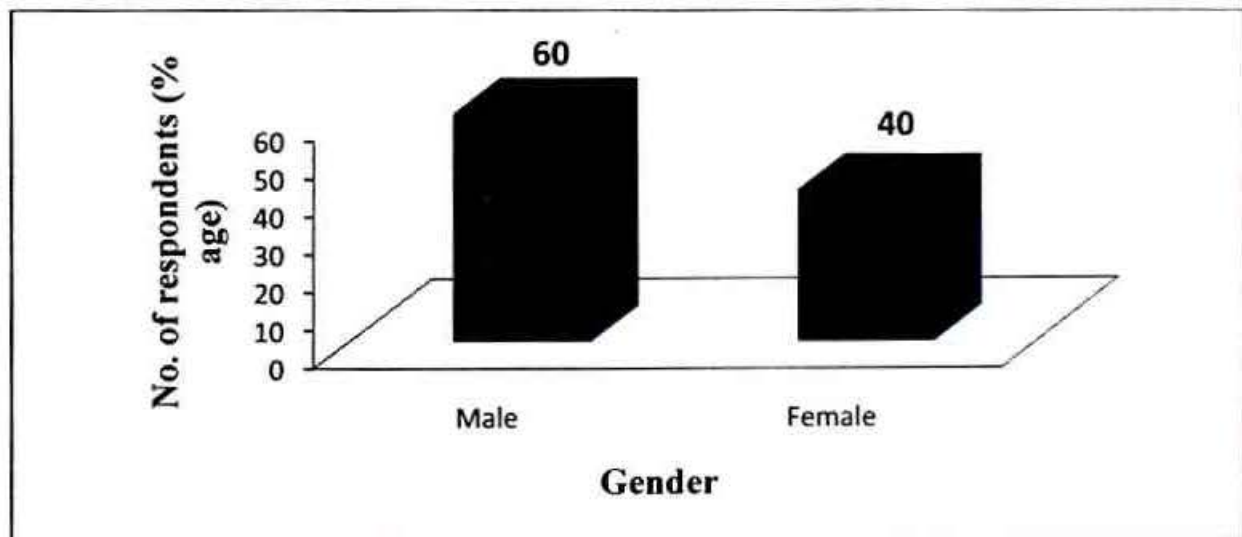


Figure 4.1.1: Gender status of the small business entrepreneur respondents

The illustration represents that largely respondents were of male gender and few were female only. As largely in the sample distribution, business entrepreneurs were of male gender and females work mostly as one of the associate or member in family business.

Table 4.1.2: Educational status of the small business entrepreneur respondents:

Educational Qualification	No. of respondents (% age)
Matriculation and below	1 (6.66)
10+2 & Graduate	7 (46.67)
P.G. & Professional and above	7 (46.67)
Total	15 (100)

*Percentage in parentheses

(Source: Field Survey, 2015)

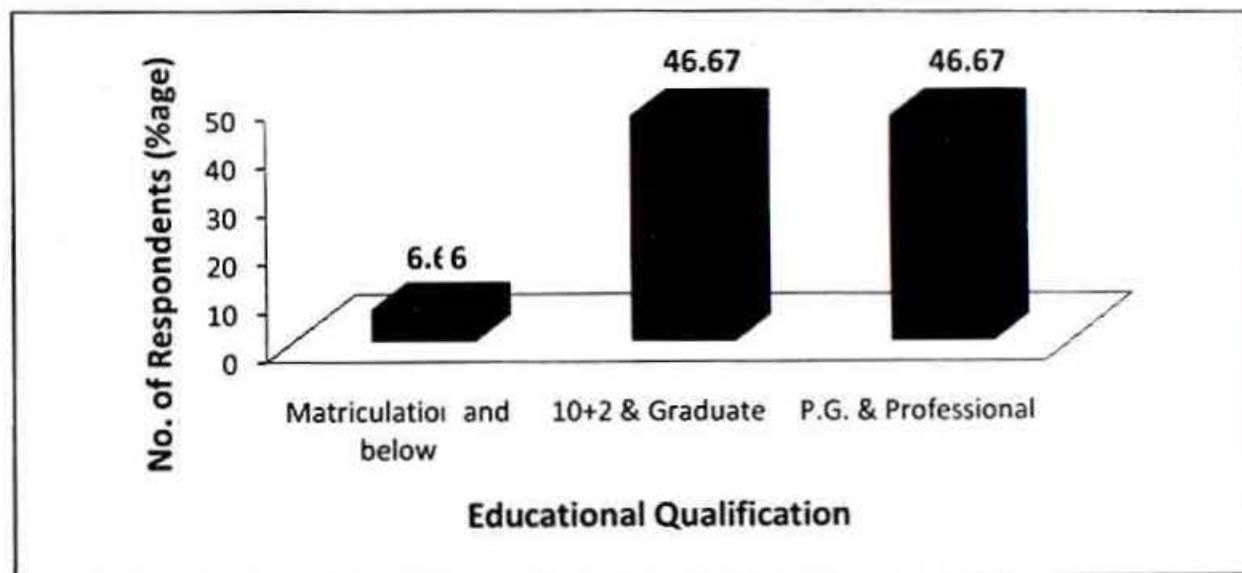


Figure 4.1.2: Education status of the small business entrepreneur respondents

It is interpreted that 46.7% of the respondents were holding an educational qualification ranging from 10+2 till Post graduate and few also had professional qualification as well. There were very few entrepreneurs who had matriculation or less qualification in education because earlier entrepreneurs had venture involvement in family business and it was pre-assumed that entrepreneurs were managing business well without any professional or educational qualification.

Table 4.1.3: Income status of the small business entrepreneur respondents (Rs. / Annum):

Income (Rs. Lakh/annum)	No. of respondents (% age)
2-5 Lakh	8 (53.3)
6-10 Lakh	6 (40)
10 Lakh and above	1 (26.7)
Total	15 (100)

*Percentage in parentheses

(Source: Primary Probe, 2015)

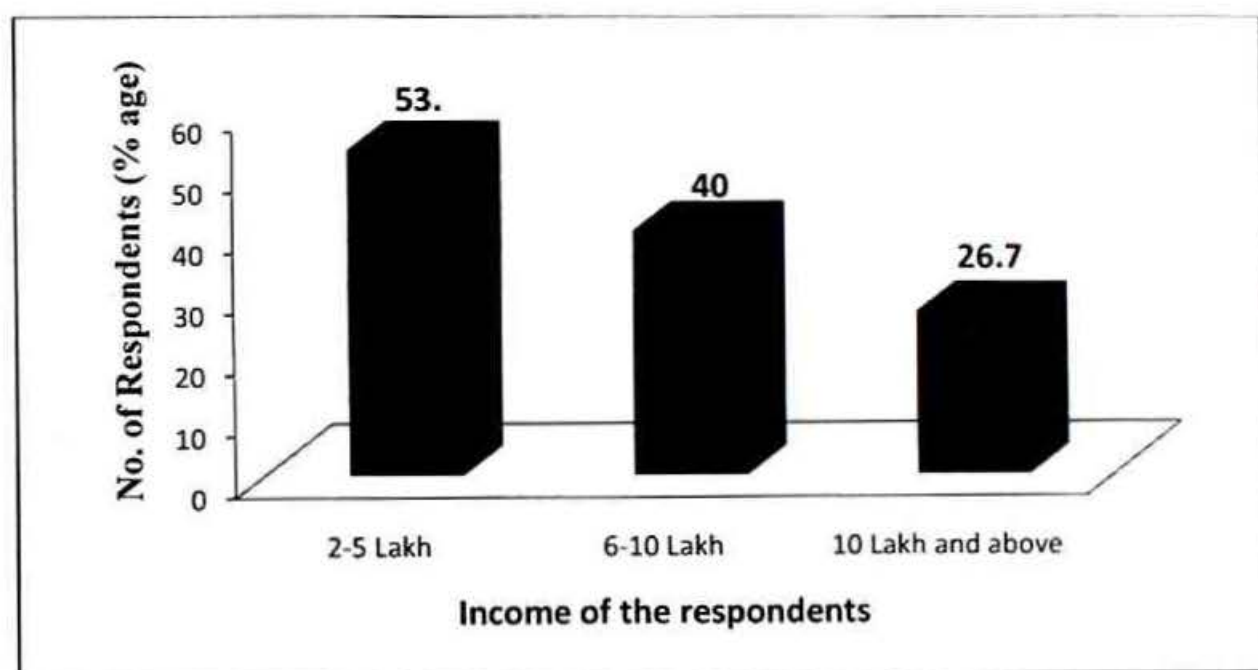


Figure 4.1.3: Income status of the small business entrepreneur respondents (Rs. / Annum)

The annual income of 53.3% of the total respondents were in the range of Rs.2-5 Lakhs followed by 40% and 26.7% of the total respondents lied in the income group between Rs.6-10 Lakhs and more than or equal to Rs.10 Lakhs respectively. Most of the entrepreneurs were earning Rs.2 to 5 Lakhs annually in a family business so, it could be stated that respondents were having mid-income group size as no any family business was large in size.

Table 4.1.4: Status of the Business Trade of the small business entrepreneur respondents:

Business Trade	No. of Respondent (% age)
Manufacturing	6 (40)
Service	3 (20)
Others	6 (40)
Total	15 (100)

*Percentage in parentheses

(Source: Field Survey, 2015)

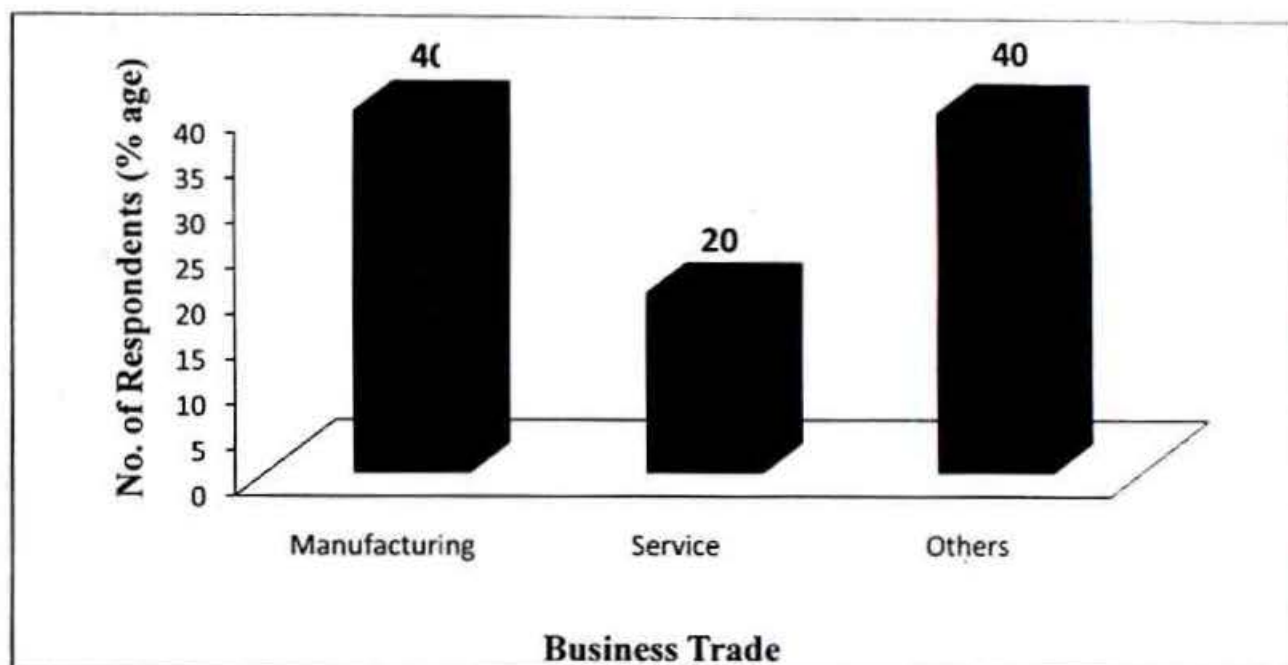


Figure 4.1.4: Status of the Business Trade of the small business entrepreneur respondents

The analytical representation reveals that most of the family businesses were involved in the manufacturing and other type of businesses like real estate, retail, financing etc. and equal ratio could be seen between the two, whereas only 20% of the total respondents were involved in the services.

Table 4.1.5: Kinds of trade entrepreneurial venture of small business traders:

Kind of Entrepreneurial venture	No. of Respondents (% age)
Sole Proprietor	9 (60)
Partnership	3 (20)
Company	2 (13.3)
Others	1 (6.7)
Total	15 (100)

*Percentage in parentheses

(Source: Field Survey, 2015)

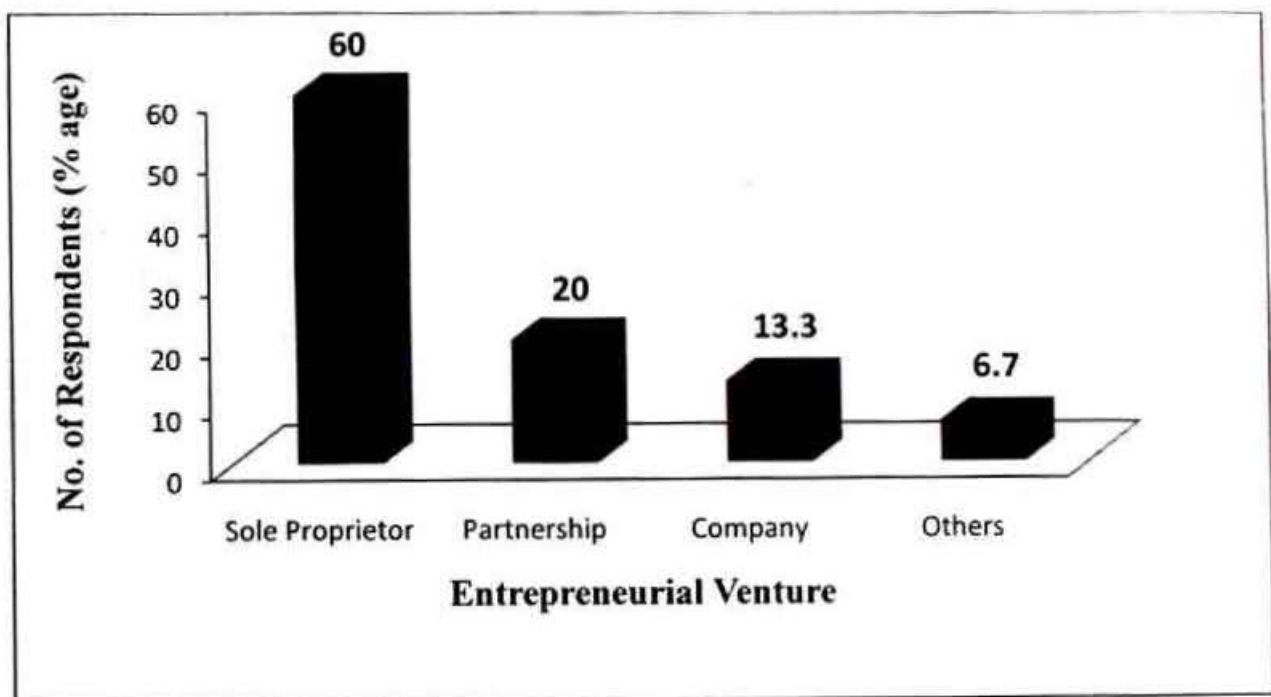


Figure 4.1.5: Kinds of trade entrepreneurial venture of small business traders

It was observed that largely the type of enterprise in which respondents were mostly involved was Sole Proprietorship (60%). Since, family businesses were largely carried at family succession. The entrepreneurs involved in Partnership, Company and other forms of businesses were comparatively very less.

Table 4.1.6: Entrepreneurial Experience of the Small Business Traders:

Entrepreneurial Experience (years)	No. of Respondents (% age)
5 year and below	1 (6.66)
6-10 years	4 (26.67)
11-20 years	4 (26.67)
Above 20 years	6 (40)
Total	15 (100)

*Percentage in parentheses

(Source: Primary Probe, 2015)

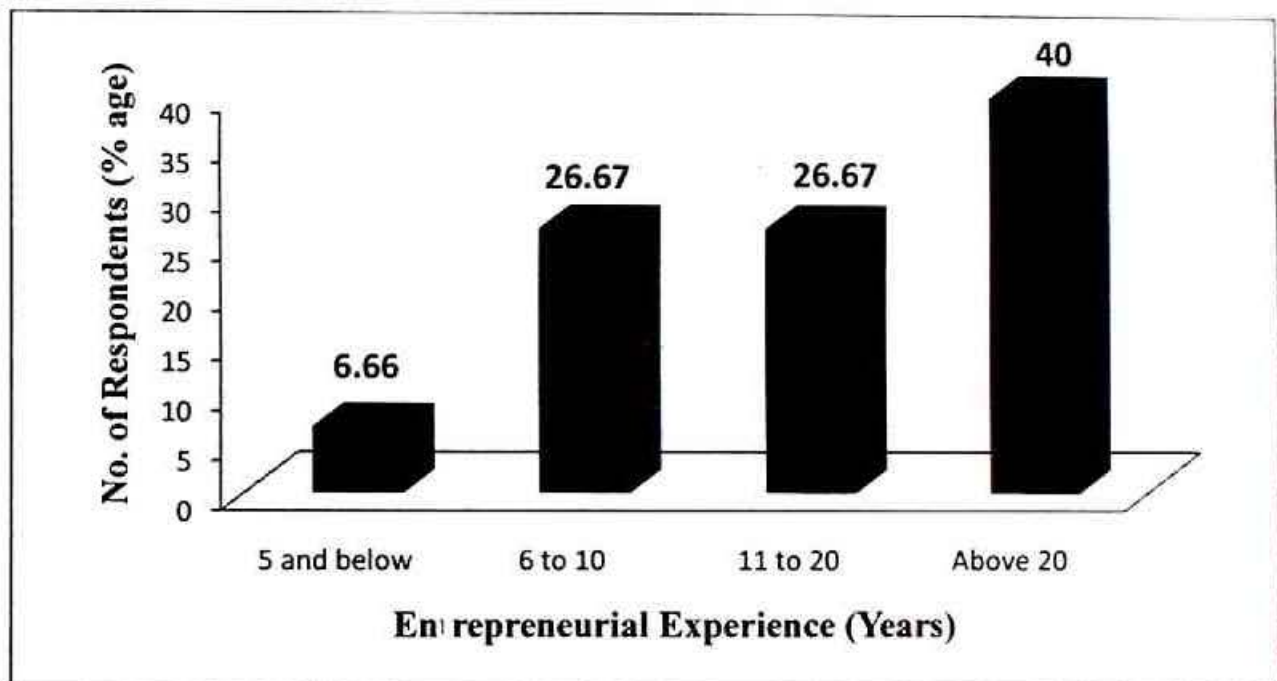


Figure 4.1.6: Entrepreneurial Experience of the Small Business Traders

The experience of entrepreneurs working for the last 6-10 years and 11-20 years were similar i.e. (26.7%). Largely family businesses were well established and had an experience of more than 20 years and managed sound market goodwill. Only 6-7% of the enterprises were working for the last 5 years or less. Thus, it may have been stated that entrepreneurs were largely prevailing in the market for long in family business oriented enterprises, compared to the new emerging entrepreneurs

Table 4.1.7: Number of Family Members associated with the small business venture of the enterprise:

No. of family members in Business	No. of Respondents (% age)
2 and below	8 (53.33)
3-5	6 (40)
6-10	1 (6.67)
Total	15 (100)

*Percentage in parentheses

(Source: Field Survey, 2015)

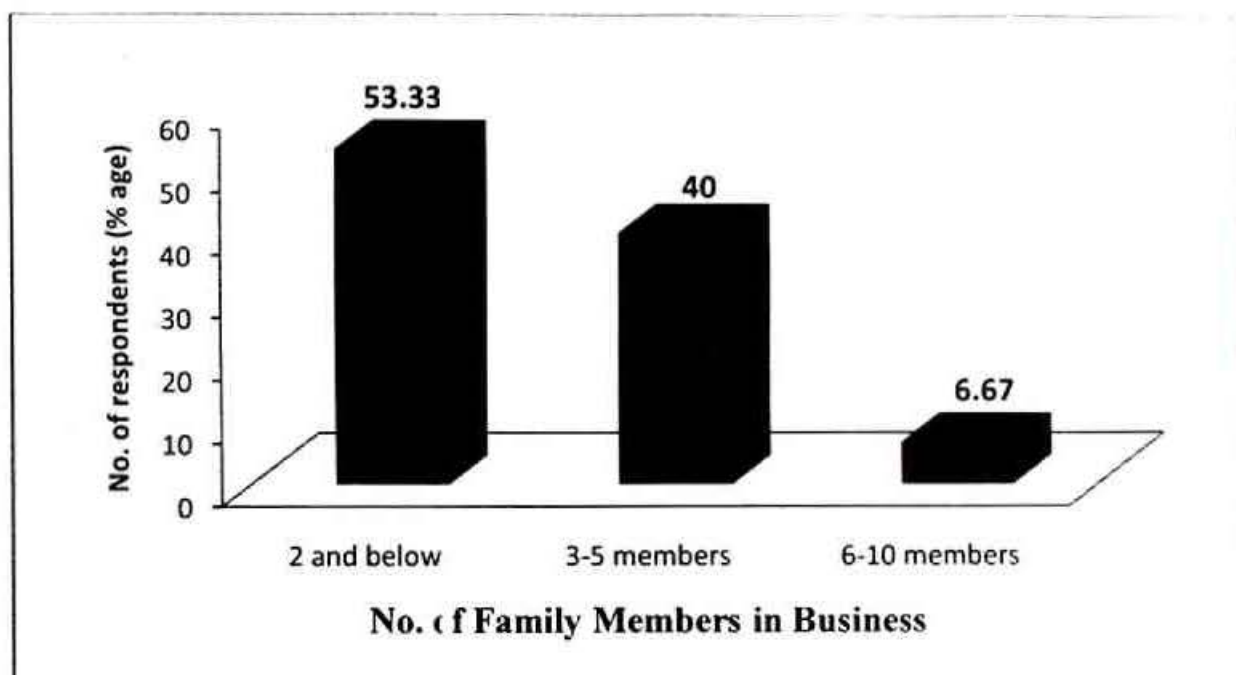


Figure 4.1.7: Number of Family Members associated with the small business venture of the enterprise

Largely the number of family members associated in business was ranging from 2 and below (53.3%), closely followed by 3-4 members in many businesses. Thus, it may be stated that family businesses are largely operated and governed by few active members, rest others remain a silent members on the role of business decisions remain very low.

Table 4.1.8: Human Resource Management (HRM) Practices applied in the business:

Frequency of HRM Practices applied	No. of Respondents (% age)
Always	10 (66.7)
Seldom	5 (33.3)
Total	15 (100)

*Percentage in parentheses

(Source: Field Survey, 2015)

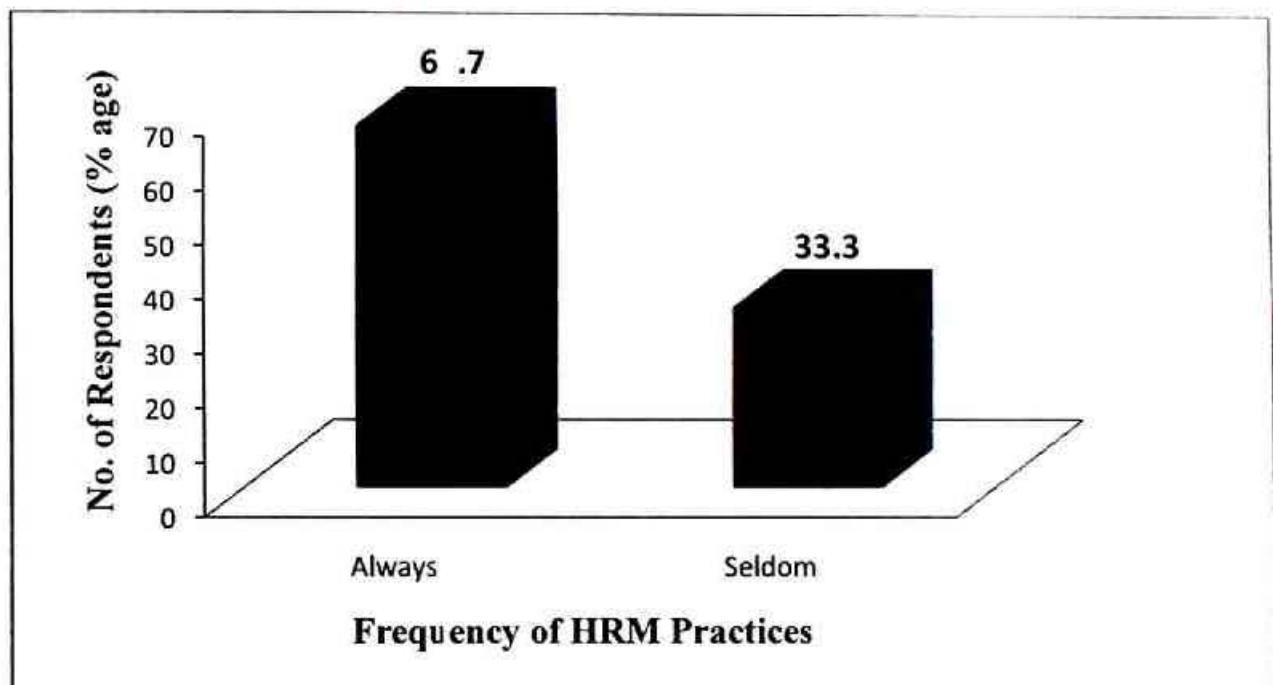


Figure 4.2.8: Human Resource Management Practices Applied in the business

The illustration shows that 66.7% of business always tend to use human resource management (HRM) practices and perceived that these practices are significant for business. However, only 33% of the family business entrepreneurs' seldom tend to use HRM practices. Since, the role of human resource is the key element of entrepreneurial establishment in the family business. Thus, HRM practices were significantly perceived to be useful in managing and sustaining the family businesses successfully.

4.2 ANALYTICAL REPRESENTATION OF DATA:

Table 4.2.1: The key Human Resource (HR) elements used by small business entrepreneur in the business venture:

Elements	Responses (Weightage)			Total Weightage core (TWS)	Rank #
	Highly (3)	Moderately (2)	Least (1)		
HR Information System	3	9	3	30*	V
Healthcare & Illness	4	10	1	33	II
Talent Acquisition	2	9	4	28	VII
Career Planning & Development	5	6	4	31	IV
Recognition Incentives	5	7	3	32	III
Reference Checking	8	5	2	36	I
Performance Appraisal	3	8	4	29	VI
Job design	4	9	2	32	III

**(3*3+9*2+3*1=30) # (Ranks are given in descending order of TWS (Source: Primary Probe, 2015))*

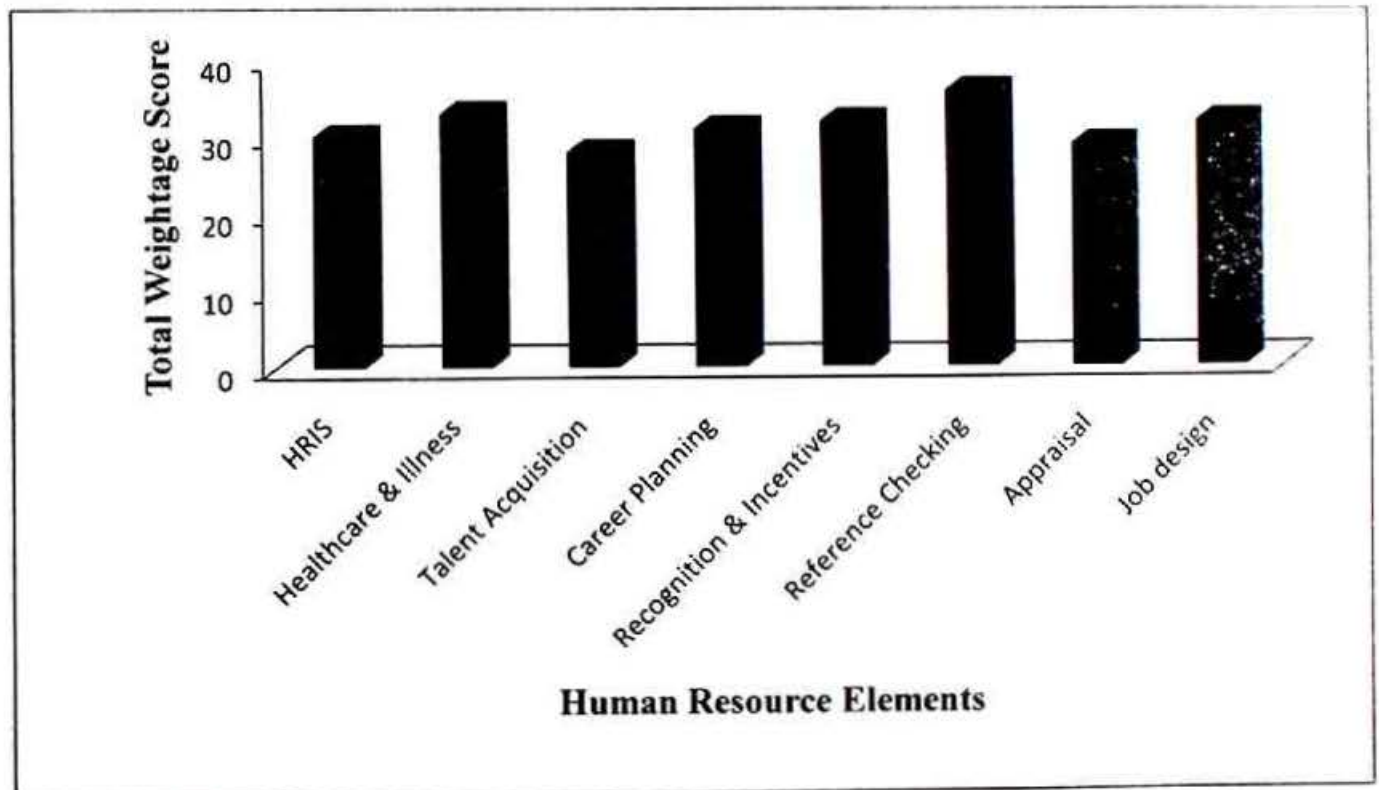


Figure 4.2.1: The key Human Resource (HR) elements used by small business entrepreneur in the business venture

In reference to the Human Resource (HR) elements regarding the family business entrepreneurial venture, it was concluded with the help and analysis of total weightage score method that the reference checking was most preferred by the family business entrepreneurs closely followed by healthcare and illness and job design as well. On the contrary it was also revealed by the analysis of total weightage score method that talent acquisition was least used and preferred even performance appraisal and career planning were not considered very substantially as the main HR elements. Thus it may have been suggested to the family business entrepreneurs that the least preferred elements like talent acquisition, career planning and performance appraisal should be handled in a good way to make improvements in the performance of the employees and business as well.

Table 4.2.2: Human Resource Issues which come across the business and have an influence on business programme:

Human Resource Issues	Response (Weightage)					Total Weightage Score (TWS)	Rank
	Extremely High (2)	High (1)	Average (0)	Low (-1)	Negligible (-2)		
Family Feuding	0	2	4	2	7	-14*	V*
Nepotism	1	0	6	5	3	-9	III
Conflict Resolution	2	6	3	2	2	4	I
Emotional Interventions	0	0	3	9	3	-15	VI
Losing Non-Family employees	1	0	4	6	4	-12	IV
Lack of Succession Planning	2	0	9	3	1	-1	II

$*(0*2+2*1+4*0+2*(-1) + 7*(-2) = (-14))$



(Source: Field Survey, 2015)

*(Ranks are given in descending order of Total Weightage Score (TWS))

While analysing the effect of the level of influence on the performance of the business programme on account of various HR Issues, analytical tools were applied. Total weightage score method which was applied in order to find the level of

influence on the business performance which revealed that Human Resource (HR) issues which got largely affected the Conflict resolution; it revealed that family business owners considered conflict arising in the business to be most important factor influencing the performance. On the contrary emotional interventions followed by family feuding were the factors which least affected the performance of the small business traders.

4.2.3: Income wise mean difference analysis of level of HR Issues which come across the business:

Income (per annum) 	2-5 Lakh			6-10 Lakh			>=10 Lakh			F Values
	Mean	S.D	Variance	Mean	S.D	variance	Mean	S.D	Variance	
Human Resource Issues 										
Family Feuding	4.25	.88	.78	3.60	1.34	1.8	3.50	2.12	4.50	.60
Nepotism	3.50	1.30	1.71	3.60	.89	.80	4.00	.00	.00	.15
Conflict Resolution	2.25	.70	.50	2.60	1.34	1.80	5.00	.00	.00	6.86*
Emotional Interventions	3.87	.64	.41	4.00	.70	.50	4.50	.70	.50	.69
Losing Non-Family employees	4.12	.99	.98	3.20	1.30	1.70	4.00	.00	.00	1.19
Lack of Succession Planning	2.87	.83	.69	3.20	1.48	2.20	3.50	.70	.50	.32

* $p < 0.01$ ** $p < 0.05$

While applying Five point Likert scale it revealed that the respondents, falling in the income group of \geq Rs.10 Lakh with highest mean value faced most of the HR issues like nepotism, conflict resolution, emotional intervention and lack of succession planning. Whereas the income group of Rs.6-10 Lakh had mean value to be average or somehow neutral with the level of performance of the business programme. Obstinate to which very few business entrepreneurs falling in the income group of Rs.2-5 Lakh least faced the HR Issues like family feuding and losing non-family employees. Further Standard Deviation (S.D.) stated that Nepotism, Lack of succession planning and family feuding are the issues which are less reliable because

data is widely spread around the mean and these HR issues are having high standard deviation conflicting with emotional intervention, conflict resolution and losing non family employees.

Whereas variance in income group of Rs.2-5 Lakh is more inclined towards nepotism which means this factor shows high volatility, in contrary conflict resolution, lack of succession planning and family feuding were having small variance. In contrary the income group of \geq Rs.10 Lakh had the highest variance (4.50) in table which means that family feuding is the HR issue that is farthest from the mean value. Small variance can be seen in nepotism, losing non-family employees and conflict resolution. So, this could have been stated that these issues should be more focused and targeted by the small business entrepreneurs. On applying F- test it was found that only one factor which is conflict resolution is significant as Calculated Value is greater than tabulated Value ($CV > TV$; $TV = 3.89$) ($F = (2,12) = 3.89$, $p < 0.5$). So, it may have been stated that business entrepreneurs should target Nepotism and focus on improving it as it has highest F Value.

Table 4.2.4: Different suggestions with a view to improve Human Resource (HR) practices in small business entrepreneurial venture:

Weightage	10	9	8	7	6	5	4	3	2	1	Total Weightage Score (TWS)	Rank
Rank	I	II	III	IV	V	VI	VII	VIII	IX	X		
HR Practices												
Transparency	9	2	0	3	0	1	0	0	0	0	134*	I*
Comprehensive coverage	0	3	6	1	0	4	0	1	0	0	105	II
Development Oriented	0	3	3	2	4	1	1	1	0	0	101	III
Reduce attrition rate	1	0	1	2	2	1	2	1	3	2	68	VIII
Sustaining family values and culture	0	1	3	1	3	3	1	1	0	2	82	V

Adoption of modern HR practices	0	2	1	3	0	2	1	2	3	1	74	VI
Career growth oriented	1	2	0	0	0	1	6	1	4	0	68	VIII
Easy to adopt	1	0	1	1	4	2	0	2	3	1	72	VII
Meeting future challenges and threats	3	2	0	2	2	1	1	3	1	0	94	IV
Miscellaneous	0	0	0	0	0	0	2	3	1	9	28	IX

*($9*10+2*9+0*8+3*7+0*6+1*5+0*4+0*3+0*2+0*1=134$)

(Source Primary Probe, 2015)

*(Ranks are given in descending order of Total Weightage Score (TWS))

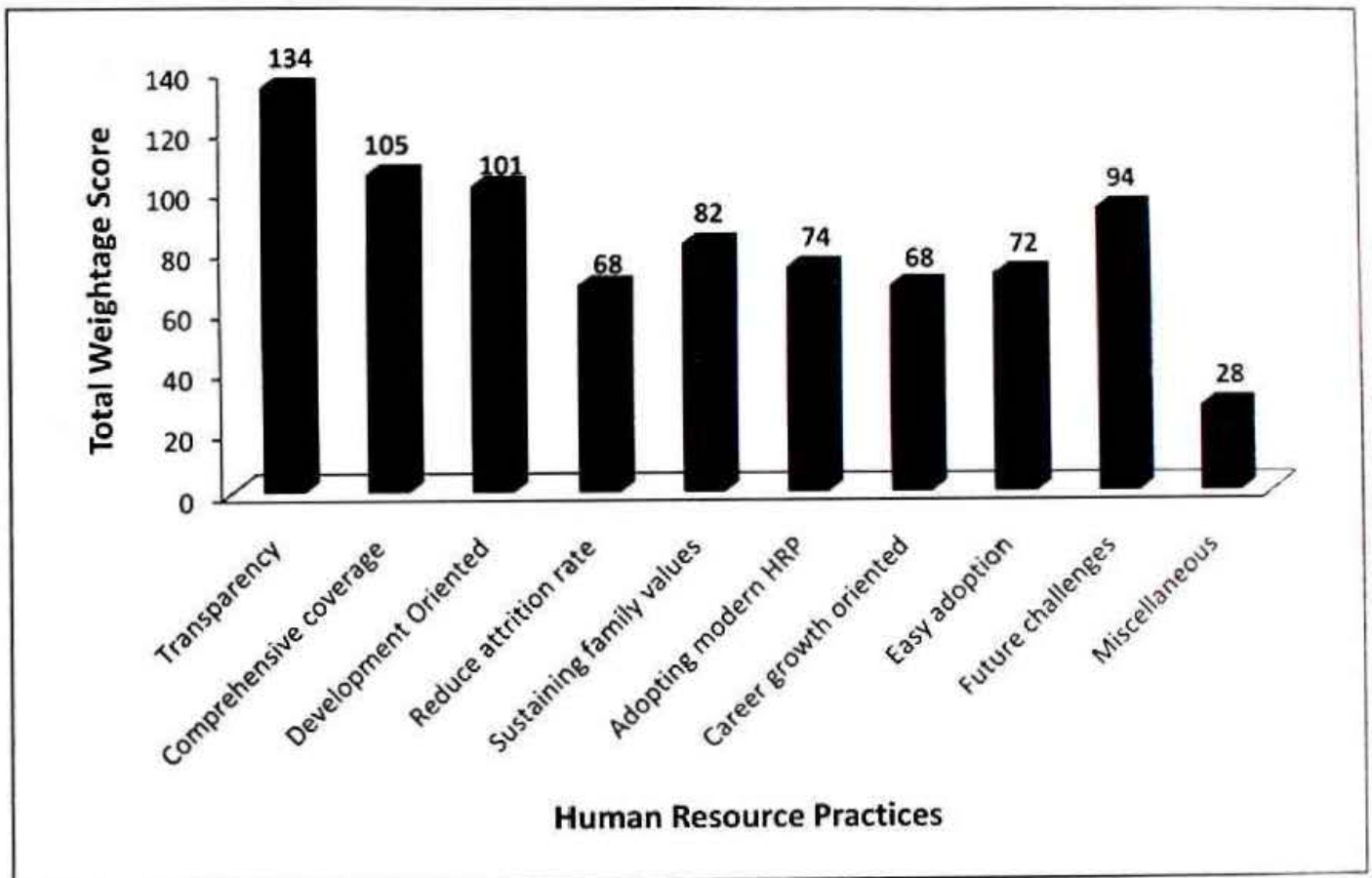


Figure 4.2.4: Different suggestions with a view to improve Human Resource (HR) practices in small business entrepreneurial venture

In reference to the suggestions to improve Human Resource (HR) practices it was analyzed with help of total weightage score method and the study revealed that Transparency was largely preferred by the small business entrepreneurs followed by

comprehensive coverage, development oriented and even meeting future challenges and threats. On the contrary miscellaneous practices like recognition and empowerment induced followed by market condition followed by attempt to reduce attrition rate and career growth oriented HR practices have obtained low weightage score which means that the entrepreneurs have given them least ranks and considered those practices to be inferior with respect to others affecting the HR practices and business at large.



SUMMARY AND CONCLUSION



Chapter-5

SUMMARY AND CONCLUSION

Present study was conducted on Human Resource Management Practices, Addressing Personal and Family Transitions in Small Business in Solan District of Himachal Pradesh. Sample Size of 15 small business firms was taken by applying convenient sampling. Data was analyzed by applying various statistical tools like mean, standard deviation, variance and F- test (ANOVA). Analysis of the data has revealed the following major findings:

The analysis of the demographic variables reveals that sample comprised of 60% males, substantial percentage were highly qualified and majority of the respondents belonged to mid-income group as no any family business was large in size. Further it was found that nearly equal proportion of the entrepreneurs were involved in the manufacturing business trade and other type of businesses like real estate, retail, financing etc. It also revealed that large group of small business traders had sole proprietorship kind of entrepreneurial ventures. Since, family businesses were largely carried at family succession.

It was found that the largely family businesses were operated by few active members rest remain a silent on the role of making business decisions. The study also revealed that businesses were well established and had an experience of more than two decades and managed sound market goodwill. Thus, it may be stated that entrepreneurs were largely prevailing in the market for long in family business oriented enterprise, compared to the new emerging entrepreneurs. Further, the findings revealed that 66.7% of the small business entrepreneurs perceived HRM practices to be significantly useful in managing and sustaining the family business successfully. It was observed in the demographic variables that business entrepreneurs did not belong to very high-income group size so, it could be stated that this is the reason they were restricting the profits and earnings of business to their family only. Hence, it is suggested that small business entrepreneurs should use HRM

practices on large scale as these are beneficial for manufacturing, services or other type of business.

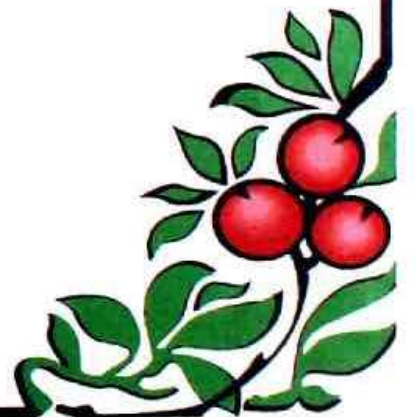
In reference to the use of HR elements in business it was found with the help of total weightage score method that the reference checking was most preferred by family business entrepreneurs followed by healthcare, illness and job design in contrary performance appraisal and talent acquisition were the disdained elements which needed scrutiny. Thus it is been suggested to the family entrepreneurs that least preferred elements like talent acquisition, career planning should be handled in a good way to make improvements in employee performance and business.

The findings revealed that the mean value is highest in the income group of \geq Rs. 10 Lakh, whereas most of the factors showed that the data is reliable and few factors showed low standard deviation. Thus it may have been suggested that HR issues can be avoided by making improvements in the HR elements and strengthening family bonding, by focusing on factors having larger mean values, by reducing emotional interventions and handling the business professionally. Largely the family business entrepreneurs received a positive attitude from the other family members involved in business. Data collected from F test stated that most of the HR issues are insignificant as Calculated Value (CV) is less than Tabulated Value (TV), only one factor i.e. conflict resolution showed $CV > TV$ which means it is most prominent in the business environment and small business entrepreneurs should focus on improving it by considering it to be paramount and significant.

Furthermore, it was found on analysing HR practices with the help of total weightage score method that transparency was largely preferred by small business entrepreneurs followed by comprehensive coverage and practice to reduce attrition rate. Whereas miscellaneous practice which can be recognition and empowerment induced followed by career growth oriented and sustaining family values and culture have obtained low weightage score. It could be suggested that the practices which were least considered or considered to be inferior could be applied more frequently in business as these are also helpful in inducing employee involvement and better functioning of the business.



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ABSTRACT




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Title of Project : **A Study on Human Resource Management Practices, Addressing Personal and Family Transitions in Small Business**
Name of the Student : **Kiran Verma**
Admission Number : **H-2013-MBA-12**
Major Advisor : **Dr. Piyush Mehta**
Specialization-I : **Human Resource Management**
Specialization-II : **Financial Management**
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No. of words in Abstract : **176**

ABSTRACT

Human Resource Management (HRM) practices are a set of practices used by organizations to manage human resources through facilitating the development of competencies that are firm specific. Family business succession is the process of transitioning the management and the ownership of the business to the next generation of family members. The study was conducted with the objectives to analyze the elements of HRM practices, emerging HR issues on account of personal and family transition in small business, and perception of small business traders for HRM practices. Present study reported that most of the family businesses are well established since two decades and are sole proprietorship form at large. Performance appraisal and talent acquisition were the disdained elements which needed scrutiny. The study also found that conflict resolution is the only HR issue that is momentous. There is very less scope for career growth in family business. It was suggested that family business entrepreneurs could induce employee involvement by using HRM practices in business and this may help entrepreneurs to reduce the issues and improvise its functioning.


Signature of Advisor
Dr. Piyush Mehta


Signature of Student


Countersigned
Professor and Head
17/7/15

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APPENDICES



APPENDICES

QUESTIONNAIRE

Dear Respondent

I, Kiran Verma, Student of MBA-II year of Dr. Y.S. Parmar University of Horticulture and Forestry, Nauni, Solan working on the project entitled "Human Resource Management Practices, Addressing Personal and Family Transition in Small Business" as part of the MBA program. I request you to kindly read the following statements and give your response. Your co-operation will be of great help. I assure you that the information provided by you will be used purely for academic purposes.

PART – A: Personal Information

1. Gender status of the respondent (Please Tick)

- (a) Male (b) Female

2. Educational status of the respondent (Please Tick)

- a) \leq Matriculation (b) 10+2 & Graduate
(c) P.G. & Professional (d) Others

3. Income status of the respondent (in Rs. per annum)

- (a) \leq 1Lakh (b) 2-5 Lakh
(c) 6-10 Lakh (d) \geq 10 Lakh

4. Type of business (Please Tick)

- (a) Manufacturing (b) Service
(c) Others

5. Type of enterprise, your firm recognized as (Please Tick)

(a) Sole Proprietor

(b) Partnership

(c) Company

(d) Others

6. Please state the experience of your enterprise (in years):

(a) <= 5 year

(b) 6-10 years

(c) 11-20 years

(d) above 20 years

7. Number of family members associate with your enterprise (Please Tick)

(a) <=2

(b) 3-5

(c) 6-10

(d) >=10

PART - B:

Q1. How often you apply the HRM practices in your business?

(a) Always

(b) Seldom

(c) Never

Q2. To what extent do you agree to the following statements pertaining to HRM elements of being used in your business, please tick the appropriate box:

Elements of HRM practices	Usage Level		
	Highly	Moderately	Least
Human Resource Information System (HRIS)			
Healthcare and illness			
Talent acquisition			
Career Planning and development			
Recognition, reward and incentives			
Reference checking			
Performance appraisal			
Job design			

Q3. Which of the following HR issues come across your business enterprise, in context to its influence on your business programme please tick on the appropriate option (Please Tick)

HR issues	Level of influence on Performance				
	Extremely High	High	Average	Low	Negligible
Family feuding					
Nepotism					
Conflict Resolution					
Emotional Interventions					
Losing Non-family employees					
Lack of Succession Planning					

Q4. Please rank the following suggestions from 1 to 10 (1 as the highest and 10 as the least) in accordance to your preference:

Suggestions to improve HR Practices	Rank
Transparency	
Comprehensive coverage	
Development oriented	
Attempt to reduce attrition rate	
Sustaining family values and culture	
Adoption of modern HR practices and approaches	
Career growth oriented	
Easy and simple to adopt	
Meeting future challenges and threats	
Miscellaneous (recognition and empowerment induced)	

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KIRAN VERMA

EDUCATIONAL QUALIFICATIONS

- : 12th from ICSE Board
- : 10th from ICSE Board
- : BBA from Shoolini Institute of Life-Science & Business Management - Himachal Pradesh University (HPU)
- : MBA FROM DR. Y. S. PARMAR UNIVERSITY OF HORTICULTURE AND FORESTRY

- COMPUTER LITERACY** : Basic knowledge of Computers
- HOBBIES** : Singing, Listening Music and Travelling
- SOFT SKILLS** : Helpful, Enthusiastic, Friendly and Reliable.

PERSONAL DETAIL

- Father's Name : Sh. Dala Ram Verma
- Date of Birth : 24 August 1992
- Nationality : Indian
- Languages known : English and Hindi

PLACE: SOLAN
DATE: 16/02/ 2015.



Kiran Verma
(KIRAN VERMA)