



BBA Project - DBB2103

Bachelor of Business Administration (Sikkim Manipal University)



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MINI PROJECT

ON

HUMAN RESOURCE AUDIT

UNDER

HUMAN RESOURCES SPECIALISATION

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CHAPTER - I

Introduction
About Topic
About Company
About Industry

INTRODUCTION TO THE STAFFING INDUSTRY:

A staffing agency or an employment agency fulfils the hiring requirements of any company in accordance with the skills they need. Only the right people can help your business grow and only the right staffing agency can help you employ them. Ask any business owner or even an HR manager worth their salt, and they will say that the biggest asset of any organisation is its people. What they may admit to (with some reservations) is that a company's biggest liability can also be people. It all depends on who you have hired.

Staffing is a huge responsibility! Do it well, and you have an unbeatable workforce that takes the organisation to new heights. Mess it up, and you will lose time, money and worst of all, reputation. And, it's often impossible to predict which way would the dice of staffing roll. That's why businesses are increasingly opting to employ the services of a staffing agency.

A staffing agency or an employment agency fulfils the hiring requirements of any company in accordance with the skills they need. The people that join the company through a staffing agency are not employees but temporary workers who are on the payroll of the staffing agency itself.'

ABOUT TOPIC

Whatever the changing fortunes of the staffing industry are, successful management of human resources is essential. Perhaps the most valuable, but often least recognized, source of a **company's intellectual property is the staff. However, keeping those hearts and minds loyal to the cause is no very feat.** Human resources constitute an increasingly critical function in any staffing company, particularly in an industry that's in an increasing state of flux. The efforts to achieve excellence through a focus on learning, quality, teamwork, and re-engineering are driven by the way organizations treat people. It is the job of HR to achieve organizational excellence.

The manager of a staffing start-up faces the challenge of fostering a transition within the founding team from science-oriented to commerce-oriented thinking and action. An academic scientist's focus is on scientific publications, intellectual brilliance, research involving tightly circumscribed projects, and science for science's sake. A staffing company, however. The managers should be strong and sensitive at the same time. Only managers with excellent interpersonal skills will be able to handle delicate tasks like helping the company think commercially, training them in what to say where and when. Yet, they should be strong enough in aiding decisions, like cancelling a pet project, bringing in and integrating new employees better paid than founding staff, and introducing formal management tools such as reporting and budgeting without damaging employee relations. Managers should combine strategic thinking with a 'can-do' mentality. While a company is in its early stages with few employees, a manager must assume many roles. He must act as a visionary and developing innovative business plans **and 'big-picture' strategies. Managers are still very operational and must have a hands-on attitude.**

ABOUT COMPANY
NITYO INFOTECH SERVICES PVT. LTD.

Established in 2006, Nityo Infotech Corporation is the fastest growing IT Services Company. Our services span from Application Management Outsourcing, Packaged Application Services, Verification and Testing, Remote Infrastructure Management, Product Development and Support, to higher value-added offerings including Managed Platform and Product Engineering Services. We have presence in 40+ countries. Our Headquarter is located at Plainsboro, New Jersey, United States of America. We have a strong presence in USA, Canada, UK, Germany, France, Spain, Italy, Poland, Ukraine, Turkey, India, Australia, New Zealand, Japan, Korea, Hong Kong, Taiwan, China, Srilanka, Macau, Singapore, Malaysia, Thailand, Philippines, Indonesia and Vietnam. We have a highly skilled global workforce of 21,000+.

Our portfolio of solutions and services includes infrastructure management services, outsourcing , system integration, Application Software development , IT consulting, IT Security Consulting , Cloud Computing, Data Science , Big Data Analytics , Industry specific products implementation & Support , Quality Assurance & Training. Nityo provides these services to several clients located across the globe, including many Fortune 1000 and Global 2000 companies, in the commercial, industrial and government sectors - across key vertical markets, like financial services, Manufacturing & Semiconductor, life sciences and healthcare, retail, telecommunications and utilities, Top notch System Integrators, and independent software vendors. Nityo has strong geo-presence with unique safeshore Methodology to ensure global delivery Network & executing initiatives in safe Time zone with 5 safe-shore centers [India /Malaysia (2)/ Philippines / Thailand] At Nityo, our key focus is to empower our customers with customized turnkey services and business solutions through state of the art technology and best-of-breed business processes. Nityo has grown to become a global service provider of IT services, Professional Services, Outsourcing, Insourcing, RPO, Vendor Consolidation based Cost optimization & Intellectual Property (IP) Leveraged Solutions, focused on the banking and financial services sector. Nityo Infotech aims to be the most preferred Business Partner globally, by ensuring that solutions are implemented in the shortest possible span of time resulting in on time delivery with optimum quality enabling our customers to find the best resources helping them achieve their "CORE BUSINESS OBJECTIVES".

Our team strongly believes in providing End to End solutions which consists of redefining and rethinking the existing business processes through our deep industry understanding coupled with world class technology solutions. We understand the importance of 'Time - to - Market'. To address that, our team has created the best technology solution frameworks to

ensure the solutions are implemented in the shortest possible span of time through our State of the art "Center Of Excellence" - COE methodology.

Nityo Infotech aims to be the most preferred Business Partner of all Technology Providers and IT companies globally , by ensuring that solutions are implemented in the shortest possible span of time resulting in on time delivery with optimum quality enabling our customers to find the best resources helping them achieve their CORE BUSINESS OBJECTIVES. This is planned to be achieved by establishing associations with the global leaders in technology.

Nityo has grown to become a global service provider of Infrastructure Management services, Intellectual Property (IP) Leveraged Solutions, and IT Services. Our services span from Application Management Outsourcing, Packaged Application Services, Verification and Testing, Remote Infrastructure Management, Product Development and Support, to higher value-added offerings including Managed Platform and Product Engineering Services.

OVERVIEW OF SERVICES

- Infrastructure Management Services - Server & Storage Management, Network & Security Management, End User Computing /Desktop & Help Desk Management, DB & Email Management, Remote Infrastructure Management
- Application Management Services - Application Production Support,-Application Helpdesk Support & Job Monitoring, Application Enhancements, Performance Monitoring, Product Support
- Software Services(Implementation & IP Focused) - Custom Development, Enhancement & Integration, Customization , Re-engineering, Turnkey Projects ,R&D, Product Development, myLearningCube : Cloud Based eLearning Platform, Emerging Technologies – BigData/Cloud Computing / IOT/Blockchain/ Automation/Devops/ BOTS/ Mobility , Microsoft Dynamics/CRM/XRM/Sharepoint/CloudBI/Azure/dotnet/K2 , SAP – Hana, S4Hana, C4C , ByD, traditional implementations
- Learning & Development - Research Based experiential Professional Training Content, Focused on B2B & B2C ,Availability of wide variety of Technical, Banking Subject Matter & Project management Courses, Driven through systems
- Shared Services - Finance & Accounting Outsourcing, Sales Process Outsourcing, Marketing operations, HRO, IT Operations, KPO
- Professional Services & Consulting - Insourcing model, RPO, Contingency Model, Managed Services ,Consulting , BPR, Offsite, Offshore

MISSION:

"To redefine Customer Business Equity with best-of-breed Transformation, Technology and Talent"

OUR VISION:

"Empower our customers to focus on Core Business Competence through innovative and competitive IT and Business Process Outsourcing"

VALUES:**➤ Integrity:**

Acting ethically- we commit:

We always do everything they can act ethically and continuously ensure the highest quality standards.

➤ Confidence:

Standing out- we dare:

We are confident in doing the work and strive to achieve the best outcomes.

They continually challenge their self to do the right best thing.

➤ Respect:

Embracing difference- we respect:

We are genuinely valued. People recognize our contribution to achieving results: they listen to our opinions and we listen to theirs.

➤ Innovation:

Forward-thinking- we inspire:

We are encouraged to share innovative ideas and novel thinking, which is how we can make a real difference.

➤ Solidarity:

Socially responsible-we care:

We feel proud to contribute to a company which cares for people and acts conscientiously in responsible to the populations around the world.

QUALITY POLICY:

To improve the lives of the greatest number of people, Nityo Corporate Management resolutely commits itself to making available, everywhere in the World, with effective services that are developed and observing both regulatory requirements and our company values.

Quality is a core value of the company that must be implemented at all levels.

- A consistently high standard of Quality, applied worldwide, allows us to ensure accuracy and meet client's expectations.
- The goal of Nityo to become a diversified global IT services leader is supported by integrating Quality Management into all of our activities. The principles of continuous improvement should be practiced by all of us.
- In this context, Global Quality Management is establishing a quality system which provides the fundamental principles of our management of Quality, through Directives and Standards. It is therefore the responsibility of each of us to adopt this quality system in order to meet the challenges of the future.

We count on the commitment of each individual, at all levels of the company, to help us achieve our aim of integration, optimization and effective management of Quality and to continue to make Nityo a company where accuracy and time matters.

HEALTH, SAFETY AND ENVIRONMENT POLICY:

HSEPOLICY

« The company is united in shared responsibility for all actions, all people, and the wellbeing of the employees and in achieving a sustainable impact on the environment. »

Here at Nityo, the Health, Safety and Environment (HSE) policy is part of engagement to carry out the activities in conformity with their Values. It establishes a framework for the actions that the Group implements, for both employees and other external partners. The HSE policy applies to all activities.

- Everyone is conscious of their roles and responsibilities in preventing accidents, avoiding health risks and preventing environmental damages.
- In its activities worldwide, the Group is committed to comply with all applicable laws and regulations and implement expert recommendations and best practices.

- The Group utilizes profession-specific prevention management systems focused on workplace health, safety and environmental protection. These management systems are audited regularly.
- All development projects and product launches are evaluated for health, safety and **environmental risks. The integration of all of the Group's scientific and technical** knowledge, the development of best available technologies and the consideration of product lifecycles are all part of the evaluation process.
- To preserve the environment, the Group is vigilant about preserving natural resources and lessening its residual impact via the reduction of emissions, effluents and waste in all of its industrial, R&D and commercial activities.
- The Company encourages its partners, clients and contractors to adopt its health, safety and environmental protection policies and the Group reviews them as part of their approval and assessment criteria.
- The Group maintains a constructive attitude of transparency and dialogue with stakeholders on its health, safety and environmental protection policies.

HR AUDIT IN NITYO

The company has become a multinational company since 2006 after the acquisition. Hence may face a different organizational hierarchy and different cultural challenges, here in this scenario, the organization along with employees got transformed and got adapted to a different kind of structure and also had acclimatized to the changes in the organization.

POLICIES AUDITED AT NITYO

1. Workplace Productivity and Climate
2. Policies and Procedures
3. Workforce Planning
4. Recruitment and Selection
5. Employee Orientation
6. Training and Development
7. Compensation and Benefits
8. Performance Management
9. Health and Safety

Workplace Productivity and Climate:

Workplace productivity is paramount to surviving in today's fast-paced environments. We are constantly challenged to do more tasks in less time. This topic is a place to share links and ideas on improving workplace productivity. The Workplace Productivity Agenda focuses on seven complementary key drivers, based on the concept that changes in workplace practices in one area will generally reinforce changes in another. The Workplace Productivity Agenda breaks workplace operations into seven drivers. These are considered important areas for workplaces to focus on in order to improve their performance and productivity.

- Building leadership and management capability
- Creating productive workplace cultures
- Encouraging Innovation and the use of technology
- Investing in people and skills
- Organizing work
- Networking and collaboration.
- Measuring what matters.

Human Resource policies are systems of codified decisions, established by an organization, to support administrative personnel functions, performance management, employee relations and resource planning. Each company has a different set of circumstances, and so develops an individual set of Human Resource policies.

HR policies allow an organization to be clear with employees on:

- The nature of the organization
- What they should expect from the organization
- What the organization expects of them.

Workforce Planning

It is the business process for ensuring that an organization has suitable access to talent (potential candidates that have the ability to undertake required activities including decisions making) to ensure future business success. Access to talent includes considering all potential resources (employment, contracting out, partnerships, changing business activities to modify the types of talent required, etc.).

Recruitment and Selection

Recruitment and Selection refers to the process of attracting, screening, and selecting qualified people for a position while incorporating employment equity principles and practices. The purpose of this section is to assist those involved in hiring to apply best practice recruitment, selection and orientation procedures and techniques which help ensure:

- Selection of the best possible candidate in terms of meeting the specific requirements of the role;
- Through the elimination of bias, the competition process is conducted fairly (and **perceived as fair**) in terms of applicants' individual rights and the provisions of the Ontario Human Rights Code; and,
- **The University's goals for achieving diversity and employment equity among its faculty** and staff are realized through equity outreach and due consideration of qualified candidates.

Employee Orientation

Employee orientation is defined as an individual's predisposition toward work, motivation to work, job satisfaction, and ways of dealing with peers, subordinates, and supervisors on the job. It can also be referred to the different ways people approach their roles in an organization and the different approaches people have toward work and the place of work in their lives (organizational orientations). Three organizational orientations have been identified as, upward mobile, indifferent, and ambivalent.

Training and Development:

Training is an educational process. People can learn new information, re-learn and reinforce existing knowledge and skills, and most importantly have time to think and consider what new options can help them improve their effectiveness at work. Effective trainings convey relevant and useful information that inform participants and develop skills and behaviors that can be transferred back to the workplace. The goal of training is to create an impact that lasts beyond the end time of the training itself. The focus is on creating specific action steps and commitments **that focus people's attention on incorporating their new skills and ideas back at work.**

Compensation and Benefits:

Compensation and benefits of employees is a statistical term used in national accounts, balance of payments statistics and sometimes in corporate accounts as well. It refers basically to the total gross (pre-tax) wages paid by employers to employees for work done in an accounting period, such as a quarter or a year. However, in reality, the aggregate includes more than just gross wages, at least in national accounts and balance of payments statistics. The reason is that in these accounts, CE is defined as "the total remuneration, in cash or in kind, payable by an enterprise to an employee in return for work done by the latter during the accounting period". It represents effectively a total labor cost to an employer, paid from the gross revenues or the capital of an enterprise.

Performance Management:

Performance management (PM) includes activities which ensure that goals are consistently being met in an effective and efficient manner. Performance management can focus on the performance of an organization, a department, employee, or even the processes to build a product or service, as well as many other areas. PM is also known as a process by which organizations align their resources, systems and employees to strategic objectives and priorities. Managing employee or system performance and aligning their objectives facilitates the effective delivery of strategic and operational goals.

Health and Safety:

Occupational safety and health is an area concerned with protecting the safety, health and welfare of people engaged in work or employment. The goals of occupational safety and health programs include fostering a safe and healthy work environment. OSH may also protect co-workers, family members, employers, customers, and many others who might be affected by the workplace environment. Occupational safety and health can be important for moral, legal, and financial reasons. All organizations have a duty of care to ensure that employees and any other person who may be affected by the companies undertaking remain safe at all times.

ABOUT INDUSTRY

WHAT IS HR AUDIT?

A Human resource audit is a comprehensive method to review current human resources policies, procedures, documentation and systems to identify needs for improvements and enhancement of the HR function as well as to ensure compliance with ever- changing rules and regulations. An audit involves systematically reviewing all aspects of human resources usually in a checklist fashion.

THE IMPORTANCE OF HR AUDIT:

The concept of HR audit has emerged from the practice of yearly finance and accounting audit, which is mandatory for every company, to be done by external statutory auditors. An audit is a systematic process, which examines the important aspects of the function and its management, and is a means to identify strengths, weaknesses and areas where rectification may be warranted. An audit is done on sampling basis. And in sampling, not every instance or situation can be examined. Since audit is on the basis of sample, it cannot be consecutive that everything is wrong if something is wrong and everything is right if something is not found wrong.

This audit serves as an examination on a sample basis of practices and systems for identifying problems and ensuring that sound accounting principles are followed. Similarly, an HR audit serves as a means through which an organization can measure the health of its Human Resource function.

ORGANIZATIONS UNDERTAKE HR AUDITS FOR MANY REASONS:

- To ensure effective utilization of HR policies and procedures.
- To review compliance with tons of laws and regulations.
- To instill a sense of confidence in the Human Resource Department that it is well-managed and prepared to meet potential challenges and opportunities.
- To maintain or enhance the organization's reputation in a community.
- To gauge the organizational climate and employee satisfaction levels.

A healthy HR function in an organization is as important as the physical and mental well-being of a human body. Typically the basic reason why organizations prefer to conduct an HR

audit is to get a clear judgment about the overall status of the organization and also to find out whether certain systems put in place are yielding any results. HR audit also helps companies to figure out any gaps or lapses and the reason for the same. Since every company plans certain systems and targets, an HR audit compares the plans to actual implementation.

An HR audit can be used by an organization for multiple purposes. Some of the more common reasons are:

- To identify and address HR-related problems.
- To seek out HR-related opportunities.
- To conduct due diligence for mergers and acquisitions.
- To support initial public offerings.

How an audit is conducted is very often determined by its intended use. For instance, the type of audit used to ascertain HR practices may be significantly different from the type of audit used to support an initial public offering. Although the areas examined may be similar, the process used and the depth of inquiry will vary from the intended outcome.

THE AUDIT PROCESS:

The HR audit process is conducted in different phases. Each phase is designed to build upon the preceding phase so that the organization will have a very strong overview of the health of the HR function, at the conclusion of the audit. These phases include:

- Interviews;
- Questionnaires;
- Observation;
- Secondary data analysis; and
- Examination of documents and communications.

The audit starts with a brief by the CEO and the Chief of HR who may set an agenda and focal areas of evaluation. The interview with the top management starts with finding out details of the future plans of the organizations and uses it as a base for outlining the competency requirements of the organization. The current competencies, structures, HRD systems etc. are assessed in terms of their capability to prepare the organization for the future. Suggestions are made to improve for achieving the future business goals and plans. The HRD audit is contextual and at the same time uses the available knowledge of the potential of the HRD systems in helping the corporation achieve its goals.

CONCEPTS OF HR AUDIT:

➤ HRD Audit is Comprehensive:

HRD audit starts with an understanding of the future business plans and corporate strategies. While HRD audit can be done even in organizations that lack well formulated future plans and strategies, it is most effective as a tool when the organization already has such long-term plans.

➤ HRD Audit Examines Linkages with Other Systems:

The HRD audit also examines the linkages between HRD and other systems like total quality management, personnel policies, strategic planning etc. Suggestions are made on the basis of evaluation on the above questions about the future HRD strategies required by the company, the structure the company needs to have for developing new competencies and the systems that need to be strengthened, the styles and culture that has compatibility with HRD processes in the company particularly the styles of the top management, etc.

➤ HRD Audit is Business driven:

HRD audit always keeps the business goals always on focus. At the same time, it attempts to bring in professionalism in HRD. In keeping the business focus at the center, HRD audit attempts to evaluate HRD strategy, structure, system, staff, skills and styles and their appropriateness.

THE CRITICAL AREAS:

The comprehensive HR audit covers all areas of HR management like manpower planning/budgeting, recruitment practices, training and development, compensation and benefits, interpersonal relations, health, safety and security, miscellaneous HR policies and practices-welfare, strategic HR issues,.

Besides classifying needs in each of the above areas, the HR audit also cites relevant laws, cases and research to support the recommendations.

PREPARATION FOR AN AUDIT:

Auditor engagement: If external firm carrying out the audit, it is preferable to set terms in writing defining and agreeing on scope .If using internal resource it is better to appoint them formally with clarity on scope and select persons who are non-political or those who are not high on hierarchy. Also, if internal persons are auditing there must be training in auditing.

Documents, manuals, handbooks, forms and reports auditor must have access to relevant information contained in employee files and other confidential documents of the organization. Auditors must be given unrestricted access to records, once they sign agreement for confidentiality.

An HR audit is much like an annual health check. It can perform the same function for the organization. An audit is a means by which an organization can measure where it currently stands and determine what it has to accomplish to improve its HR functions. It involves systematically reviewing all aspects of Human Resources, usually in a checklist fashion, ensuring that the government regulations and company policies are being adhered to. The key to an audit is to remember that it is a tool to discover and find ways to realign to organizational strategies. There will always be room for improvement in every organization

The organization has to prepare itself for the audit. Normally in the audit the HR function, systems, competencies, culture and the top management commitment come under scrutiny. All diagnoses are painful particularly if things have to improve. If things have to improve more work needs to be done, new focal points have to be identified and implementation has to be stepped up etc. In such cases there is more work and there are criticisms of the past. Hence it may not be always a comfortable feeling to get audit done. Hence audit requires a lot of courage and boldness on the part of the HR Department to be self-critical and open to examination. HRD Audit has taken time to get popular for these and a variety of other reasons. Once done HRD Audit could realign the firm goals to HRD and could help people to drive business better and also uplift the HRD function.

CHAPTER – II

Objectives of The Study

OBJECTIVES OF THE STUDY

SIGNIFICANCE OF TOPIC IN THE ORGANIZATION:

Nityo is one of the reputed IT services in 40+ countries with more than 21,000 manpower. It has excellent delivery track, IT resources globally spread with very long clientele like: Apple, SWIFT, AMD, Dell, Panasonic, Tetrapak, DP World, DHL, PCCW, British Petroleum, IDC and many mores.

The company has become a multinational company since 2006 after the acquisition. Hence may face a different organizational hierarchy and different cultural challenges, here in this scenario, the organization along with employees got transformed and got adapted to a different kind of structure and also had acclimatized to the changes in the organization.

Hence, in this aspect the HUMAN RESOURCE DEPARTMENT had played a linkage between the international management and the local employees. There are some changes made in the human resources to improvise the practices which are very well developed and upgraded as well as understand able and feasible to all the employees.

In this direction it becomes necessary for the organization to carefully perform the HR functions by performing the HR Audit study to find out the efficiency of the ongoing practices and also to improve the effectiveness of the functioning of the HR Department.

OBJECTIVES OF THE STUDY:

- The main objective of the study is to find out the efficacy rate of the HR practices followed at Nityo Infotech Service Pvt. Ltd.
- To design the strategies for retention in the organization.
- To interpret the results of the measurements based on statistical analysis i.e. chi-square to find out dependency among the practices and the demographic parameters.

CHAPTER – III

Review Of Literature & Problem Statement

REVIEW OF LITERATURE & PROBLEM STATEMENT

Devrajan (Vol 1, no.8-2011)¹explained the aim of HR audit as a method to ascertain the effectiveness of the HR department and its functions. The basic goal of an HR audit is to find out **the HR interventions that will increase the firm's competitive advantage. It also ensures the** compliance of the HR department with the goals, plan and policies of the organization. It a certain the HR policies followed uniformly across the entire organization, it helps in determining not only the efficiency of the HR policies and practices but also their cost to the organization .It helps in assessing the role and contribution of the HR functions in the overall strategic planning of the organization. It assists the organization in the effective formulation of HR strategies which will align well with the overall corporate strategy.

It is similar to traditional auditing expect that the latter focuses on financial functions while the former focuses on the HR functions of the organization. The information in an HR audit relates to the people, structures and HR philosophy of an organization. It covers HR functions like employee staffing, training and development, compensation, maintenance, including motivation, communication and leadership, safety and health, and industrial relations. It also focuses on the HR information system, HR research and record keeping, returns on HR investment and policies, procedure, and regulatory compliance.Many organization now realize that their most important and expensive assets are their human resources. They recognize the need to exercise better control over these assets that they make an

¹INTERNATIONAL RESEARCH JOURNAL ON SOCIAL SCIENCE AND MANAGEMENT BY DEVARAJAN DASA

Optimum return on the HR investment. In this regard, the HR audit is seen by the organizations as an invaluable tool to inculcate discipline and accountability among the HR people. The support of the top management is essential for the success of an HR audit. The management must exhibit its commitment to the HR audit through its mission, vision and other statements and policies. The next is the essential requirements clarity in the objectives of HR auditing. The HR audit objectives alone guide audit plan and process. The organization must decide in advance whether it wants to have a comprehensive or programmatic or restrictive objective for the audit function.

The HR audit must be persons of high integrity, value and knowledge, especially in the case of internal auditors. Their recommendations must be highly objective and impartial in nature, otherwise they may not find acceptance among the employees. The organization may make use of the services of external consultants to pre-empt the accusations of bias and prejudice in the audit process and report.

Barbara Richman says that the Human resource audits provide employers with an objective tool to examine the human resource function and identify strengths and opportunities for improvement. While the scope of an assessment varies according to the organization's objectives, compliance normally is one of its essential components. An examination of policies, procedures, processes and practices allows management to pinpoint areas where the organization is and is not complying with applicable employment laws and regulations. Once gaps in compliance are identified, potential risks can be examined and corrective actions taken. Although human resource audits provide similar benefits, they often have not been considered to be a business necessity. It is anticipated **that in today's compliance-oriented** environment with an increase in enforcement activities at the federal level, employers will recognize the need to proactively audit both critical organizational areas.

²**MEMPHIS BUSINESS JOURNAL**

On the other hand Mr. G.S. Batra³ (Vol. 11 Iss: 8, pp.23 – 30) emphasizes that the human resource valuation system cannot be considered to be a complete system of accounting unless it is followed by an equally competent system of auditing. Application or use of human resource accounting, therefore, must also be followed by a separate HR audit to ascertain whether or not the performance of the managers has been true and fair in the overall interests of the organization they serve. The application and usefulness of human resource valuation depends on the future efforts and experiments to be made by practicing managers, accountants and academicians. It also needs support from the professional bodies and government. In the absence of human resource valuation, the management may not realize the negative effects of certain programs aimed at improving profits in the short run. Such programs may result in decreased value of human assets due to a fall in productivity levels, high labor turnover and low morale. Audit of human resources could help in finding out the efficiency of every segment. Human resource audit could enable the appraisal of the performance of various managers. The basic function and management of human resources is also greatly facilitated. Hence human resource valuation and audit activity could be helpful in improving the efficiency of human resources in the changing business scenario.

Osama Shaban (Vol 5,no.3 2012)⁴ defines that Human Resources Audit, measures of human resource outputs and effectiveness under the given circumstances and the degree of utilization of human resource outputs. It gives feedback about the HR functions to operating managers

and HR specialists. It also provides feedback about how well managers are meeting their HR duties. In short, the audit is an overall quality control check on HR activities in a division or company and an evaluation of how these activities support the organization's strategy. Evaluation of an HR function is useful to justify the existence of the department and the expenses incurred on it. If the **department fails to contribute to the company's** bottom line, it has no reason to function. The current study aims to evaluate the efficiency of human resources functions and to control quality check on HR Activities through human resource auditing. The scope of the study will cover areas such as; human resource functions, managerial compliance, and human resource climate.

³ **MANAGERIAL AUDITING JOURNAL**

⁴ **INTERNATIONAL BUSINESS RESEARCH**

The study concluded that audit can be used as a measure to evaluate the personnel activities, climate, and compliance of an organization's policies.

Ghazala Ishrat and Javed Habib (ISSN: 2278-487X. Volume 6, Issue 2 (Nov. - Dec. 2012), PP 01-08)⁵ said, In the changing economic and business environment, proper Human Resource Management has assumed a crucial role in the growth of the organization. It has become imperative to re-look at this most important asset of the organization.

The main objective behind this research was to gain in-depth knowledge of the Human Resource and the effectiveness of HR functions within an organization. The HR audit in University was planned to get a clear judgment about the overall status of most faculties/Departments and to find out whether existing systems and procedures are yielding desired result. This information will be an invaluable input while making strategic decisions. Scope of the HR Audit conducted in this paper was specified as under:-

1. Audit of the Functional Role of each department and faculty.
2. Audit of the Service Role Of the department/Faculty or unit.
3. Audit of the Compliance to established benchmarks.
4. Audit of the Strategic effectiveness of the department/faculty/unit.
5. Audit of the Financial Management of the department/faculty/unit.

The human resource audit involved examining current policies, practices and strategies of all the departments/ faculties to verify the effectiveness and helping University to improve its

productivity, transparency and efficiency. To conduct Human Resource Audit in University extensive study on various aspects related to faculties, students and staff were analyzed and studied through interviews of staff at various levels, observation of working of nonteaching staff, taking responses from students and staff by questionnaire method and documents review at various levels.

⁵ **IOSR Journal of Business and Management (IOSR-JBM)**

The firsthand experience has helped us in our specialization in HR as this enhanced our prospective of thoughts. The concise suggestions/ recommendations emerged after in depth analysis and study will provide with a wide scope to understand the functions and mechanism of working in any organization.

From the words of eminent personality in many companies are beginning to perform human resource audits of their HR departments. When HR audits are conducted, the company should be looking at the HR policies, practices, and procedures in place at the business. These audits should be done by professionals in the company before an outside company is brought in to do the same thing. By doing it in-house first, the company will be prepared for the findings of the outside audit.

After the outside audit has been conducted, the company should take the information found and use it to rewrite or update their company policies, procedures, and laws. An inside audit can help an HR department find problems before an outside company performs the audit, lessening the blow that can come from an audit. HR audits typically help companies comply with federal regulations and laws for how the workplace is handled and employees are disciplined for their actions.

When you look at different industries across the country, such as the financial industry, they operate under the Generally Accepted Accounting Principles (GAAP). The human resource industry does not have anything close to these principles, which means the financial industry is one step ahead of the HR industry in that respect. when it comes to designing HR policies, a company should put together procedures and policies that are specifically tailored to that company. Your company can look at the procedures and policies used by other companies in their industry but should not copy those items verbatim. Those policies and procedures might not **work in your company's office.**

⁶ **HUMAN RESOURCES JOURNAL**

An excellent way to keep your human resource department up to date with the changes in the workplace these days is to read white papers, books, and review academic research of companies.

In your company's industry. This will allow your HR department to see what other companies are doing and how to improve your company's procedures. Another option is to attend trade organization shows, HR events, and other corporate events that describe how to handle HR situations. It might not hurt to speak with colleagues from your industry to see what they are doing in their office when it comes to human resource options and procedures.

According to MARK TARVIS⁷ **the word "audit" rarely has a good connotation for an employer,** whether from a government agency or from your own accountant. An employment practices or **human resource ("HR") audit is designed to determine the extent of your company's compliance** with federal and state employment laws and regulations, and thereby minimize risk. Employment laws are constantly changing, whether through legislation or regulations. Even when the state legislature and Congress are relatively quiet in the employment law arena, courts and agencies are regularly interpreting the law, which impacts the workplace and worker rights. With increasing frequency, employers are realizing the need to assess the health of their HR function, just as an accounting audit determines their financial health. In a nutshell, an HR audit can **spotholes in an employer's legal compliance, which can otherwise end up costing big money in fines, lawsuits and** worker productivity. One very good reason which may prevent employers from engaging in a self-audit is the possibility that the shortcomings revealed in the evaluation may come back to haunt the employer in the event a disgruntled employee sues and his or her **attorney asks for a copy of the company's audit in the course of the lawsuit. That is not an unusual request and** one which a judge would likely grant in an employment lawsuit. For example, assume an employee files a suit for overtime compensation, alleging that he was improperly classified as an exempt employee.

⁷ BUSINESS JOURNAL

Ms.J.SwarnaLatha describes in⁸ that there has been growing realization among corporations that the alignment of human resource and HRM processes is a prerequisite to complete internal alignment processes to enable them to respond to the ever changing business environment. Organizations, which believed that HR is the most crucial resource, have built their competitive capabilities by aligning human resource management processes with

corporate strategies. These organizations have realized that unless human resource management systems, procedures, practices and overall HRM processes are not aligned with other functional management processes and the vision of the organization, their ability to respond to the business challenges will be weak. In this context, it is extremely important for an organization to orient its HR function in consonance with corporate goals. In order to achieve this, it is essential to carry out an HR Audit to understand the current status, gaps between existing and desired levels of HRM function, and to develop appropriate action plan to bridge the gaps. Keeping the above in view, the Administrative Staff College of India, therefore, takes pleasure in announcing a Programme on HR Audit.

CHAPTER – IV

Proposed Research Methodology

PROPOSED RESEARCH METHODOLOGY

Research Hypotheses:

H1: There is an impact of the factors related to the characteristics of the audit and the work team in the process of quality improvement in educational organizations from the point of view of employees. at $\alpha \leq 0.05$.

H2: There is an impact of the factors that are related to the reality of the audit environment in the process of quality improvement from the point of view of employees. at $\alpha \leq 0.05$.

H3: Is there a statistically significant effect of the multiplicity of institutional structures and legislative frameworks of the organization that achieves its approval of the audit process. at $\alpha \leq 0.05$.

H4: Compliance with the laws of the organization contributes to improving the quality of auditing in the educational institution at $\alpha \leq 0.05$.

H5: There is no difference of opinion among employees about determining the factors affecting improving the quality of auditing in the educational institution at $\alpha \leq 0.05$.

Research Model:

Data Sources: Primary Data:

The Primary data was collected from Human Resource Management team and Finance Manager. (The respondents by administering a structured questionnaire and also through observations, interviews & discussion)

Secondary Data: Apart from various websites is not limited, Journals from Library, Academic Reports, and Internet, used for this study.

Research Plan:

In essence, workforce or HR planning is about predicting future labor market needs. It requires an understanding of the make-up of the current workforce, an investigation into future service needs and an analysis of the type and size of workforce required to meet them. It is becoming increasingly important for agencies as they adopt new ways of operating in order to adapt to changes. The challenge will be to ensure that agencies can minimize the costs and grab the opportunities that such changes brings - quicker career progression, effective recruitment, and more flexible job design and workforce deployment. By identifying

workforce capabilities and by considering what will be needed in the future and planning systematically, managers can limit the risks associated with unanticipated events. In particular, HR planning will help organizations to:

- Identify potential problems, manage risk and minimize crisis management cycles.
- Contain human resources costs, including the cost of turnover, absenteeism, structural changes and staff movements.
- Develop workforce skills that take time to grow.
- Optimize the use of human, financial and other resources.

Sampling Plan:

To identify the HR Audit Methodology **sampling**: Sample Population: There are total more than 3000 companies in Jalgaon region from which we chosen 25 companies, beside with their HR and Finance Managers in Jalgaon region.

Sample Size: Out of the total population, the sample taken among respondents from companies HR managers & finance department randomly is 50.

Sampling Area: The research was conducted at MIDC, area of Jalgaon region.

Sample Method: The research was made by the survey in accordance to the convenience of the Respondents. So the sample type is **convenience sampling**.

The HR Audit Methodology **TOOLS USED FOR ANALYSIS** Instrument: A structured Questionnaire is used, and the type of questionnaire is target questions

Method: The research was conducted by using contact methods through Questionnaire, Interview and Observation. The information of Audit methods was collected from the HR mangers of various companies and finance department by visiting to their company

The HR Audit Methodology **Data Analysis Techniques**: The data is analyzed with” Simple analysis technique”.

Research Procedure:

The HR Audit Procedure

The general process of conducting an audit includes seven key steps, each of which is discussed in greater detail below:

- Determine the scope and type of audit.
- Develop the audit questionnaire.
- Collect the data.

- Benchmark the findings.
- Provide feedback about the results.
- Create action plans.
- Foster a climate of continuous improvement.

Determine The Scope And Type Of The Audit

To uncover the needed information, the audit team must determine exactly which areas to target for review. If the organization has never audited its HR function, or if significant organizational or legal changes have recently occurred, the audit team may want to conduct a comprehensive review of all HR practice areas. On the other hand, if concerns are limited to the adequacy of a specific process or policy, the audit team can focus its review on that particular area.

Develop The Audit Questionnaire

Whether conducting a comprehensive audit or an audit of a specific practice, the audit team should invest sufficient time in developing a comprehensive document that elicits information on all the subjects of the inquiry. HR must develop a list of specific questions to ensure that the questionnaire is complete.

Collect The Data

The next phase includes the actual process of reviewing specific areas to collect the data about the organization and its HR practices. Audit team members will use the audit questionnaire as a road map to review the specific areas identified within the scope of the audit.

Benchmark The Findings

To fully assess the audit findings, the team must compare them with HR benchmarks. This comparison will offer insight into how the audit results compare against other similarly sized firms, national standards or internal organizational data. Typical information that might be internally benchmarked includes the organization's ratio of total employees to HR professionals, ratio of dollars spent on HR function relative to total sales, general and administrative costs, and cost per new employee hired.

National standard benchmarking might include the number of days to fill a position, average cost of annual employee benefits and absenteeism rates. See *Benchmarking HR Metrics*.

Provide Feedback About The Results

At the conclusion of the audit process, the audit team must summarize the data and provide feedback to the organization's HR professionals and senior management team in the form of findings and recommendations. Findings are typically reduced to a written report with recommendations prioritized based on the risk level assigned to each item (e.g., high, medium and low). From this final analysis, the audit team can develop a timeline for action that will help determine the order in which to address the issues raised. In addition to a formal report, the audit team should discuss the results of the audit with employees in the HR department, as well as with the senior management team, so that everyone is aware of necessary changes and that approvals can be obtained quickly.

Create Action Plans

It is critical that the organization actually do something with the information identified as a result of an audit. The organization must create action plans for implementing the changes suggested by the audit, with the findings separated by order of importance: high, medium and low. Conducting an audit and then failing to act on the results actually increases legal risk. See Internal Audit Used to Demonstrate FLSA Misclassifications.

Foster A Climate Of Continuous Improvement

At the conclusion of the audit, HR leaders must engage in constant observation and continuous improvement of the organization's policies, procedures and practices so that the organization never ceases to keep improving. This will ensure that the company achieves and retains its competitive advantage. One way to do this is to continuously monitor HR systems to ensure that they are up-to-date and to have follow-up mechanisms built into every one of them.

One approach is to designate someone on staff (or an outside consultant) to monitor legal developments to ensure that HR policies and practices are kept current. Likewise, organizations should keep track of the audit findings and changes made, turnover, complaints filed, hotline issues, and employee survey results to identify trends in the organization's employment-related issues. Identifying problematic issues, growth areas or declining problem spots can help in the decision of where to allocate time, money and preventive training resources in the future.

CHAPTER – V

Data Analysis & Interpretation

DATA ANALYSIS & INTERPRETATION

Analysis:

The data collected is analyzed using SPSS and Microsoft Excel in three stages.

In the first stage the number of people who have agreed and the other who disagreed under all the areas that have been audited.

In the second stage, chi-square test was conducted to find out the association between the parameters and the audited areas to find out the most efficient area.

Later, in the final stage the chi- square between the overall satisfaction level of the employees and the parameters are checked to conclude the best fit of the analysis.

Examining the satisfaction level of the employees in each of the parameters and finding out the best fit through Microsoft excel.

Work Place Productivity and Climate:

Strongly Agree	23
Agree	47
Neutral	27
Disagree	5
Strongly Disagree	0

Table.no.1 Observations for Work Place Productivity and Climate

Interpretation:

From the above chart, we can say that most of the respondents have agreed to the efficiency of workplace productivity and we can see that only 5% of the responses among the sample size which is negligible have disagreed.

Policies and Procedures:

Strongly Agree	33
Agree	48
Neutral	20
Disagree	1
Strongly Disagree	2

Table.no.2 Observations for Policies and Procedures

Interpretation:

From the above chart, we can say that most of the respondents have agreed to the efficiency of policies and procedures and we can see that only 2% of the responses among the sample size which is negligible have disagreed.

Workforce Planning:

Strongly Agree	33
Agree	46
Neutral	20
Disagree	5
Strongly Disagree	0

Table.no.3 Observations for Workforce Planning

Interpretation:

From the above chart, we can say that most of the respondents have agreed to the efficiency of workforce planning and we can see that only 5% of the responses among the sample size which is negligible have disagreed.

Recruitment And Selection:

Strongly Agree	20
Agree	56
Neutral	21
Disagree	7
Strongly Disagree	0

Table.no.4 Observations for Recruitment and Selection

Interpretation:

From the above chart, we can say that most of the respondents have agreed to the efficiency of recruitment and selection and we can see that only 7% of the responses among the sample size have disagreed.

Employee Orientation:

Strongly Agree	32
Agree	51
Neutral	16
Disagree	4
Strongly Disagree	1

Table.no.5 Observations for Employee Orientation

Interpretation:

From the above chart, we can say that most of the respondents have agreed to the efficiency of employee orientation and we can see that only 4% of the responses among the sample size have disagreed.

Training And Development:

Strongly Agree	20
Agree	49
Neutral	27
Disagree	6
Strongly Disagree	2

Table.no.6 Observations for Training and Development

Interpretation:

From the above chart, we can say that most of the respondents have agreed to the efficiency of training and development and we can see that 6% of the responses among the sample size have disagreed.

Compensation Benefits:

Strongly Agree	22
Agree	55
Neutral	23
Disagree	2
Strongly Disagree	2

Table.no.7 Observations for Compensation Benefits

Interpretation:

From the above chart, we can say that most of the respondents have agreed to the efficiency of compensation benefits and we can see that only 2% of the responses which is negligible among the sample size have disagreed.

Performance Management:

Strongly Agree	17
Agree	51
Neutral	24
Disagree	11
Strongly Disagree	1

Table.no.9 Observations for Performance Management

Interpretation:

From the above chart, we can say that most of the respondents have agreed to the efficiency of performance management and we can see that 11% of the responses among the sample size have disagreed.

Health and Safety:

Strongly Agree	46
Agree	43
Neutral	12
Disagree	2
Strongly Disagree	1

Table.no.10 Observations for Health and Safety

Interpretation:

From the above chart, we can say that most of the respondents have agreed to the efficiency of health and safety and we can see that only 2% of the responses which is negligible among the sample size have disagreed.

Measuring the overall satisfaction level with the number of employees(respondents) in the organization using spss version 16.0

Hypothesis 1: Association with Gender

H₀: The satisfaction level of the employees on the HR Practices of the organization is not dependent on the gender of the employees.

H₁: The satisfaction level of the employees on the HR Practices of the organization is dependent on the gender of the employees.

Hypothesis 2: Association with Age

H₀: The satisfaction level of the employees on the HR Practices of the organization is not dependent on the age of the employees.

H₁: The satisfaction level of the employees on the HR Practices of the organization is dependent on the age of the employees.

Hypothesis 3: Association with education

H₀: The satisfaction level of the employees on the HR Practices of the organization is not dependent on the education of the employees.

H₁: The satisfaction level of the employees on the HR Practices of the organization is dependent on the education of the employees.

Hypothesis 4: Association with department

H₀: The satisfaction level of the employees on the HR Practices of the organization is not dependent on the department of the employees.

H₁: The satisfaction level of the employees on the HR Practices of the organization is dependent on the department of the employees.

Hypothesis 5: Association with organizational experience

H₀: The satisfaction level of the employees on the HR Practices of the organization is not dependent on the organizational experience of the employees.

H₁: The satisfaction level of the employees on the HR Practices of the organization is dependent on the organizational experience of the employees.

PARAMETER	CALCULATED VALUE	TABULATED VALUE
Gender	4.538	1.635
Age	6.392	3.325
Education	14.206	5.226
Department	13.863	9.29
Experience in organization	9.441	5.226

Chi-Square Table on the Satisfaction Level with the Parameters

Interpretation:

As the calculated value is greater than the tabulated value we reject the null hypothesis and hence we can conclude that there is an association between the demographic parameters and the dependent variables.

Average Responses Of The Employees W.R.T.Parameters

Range of satisfaction	Workplace productivity and climate	Policies and procedures	Workforce planning	Recruitment and selection	Employee Orientation
>1	1	0	0	0	0
1.1-2	44	50	49	49	50
2.1-3	37	41	34	42	23
3.1-4	12	4	7	9	4
<5	0	1	1	2	2
Range of satisfaction	Training and development	Compensation and benefits	Performance management	Health and safety	
>1	0	0	0	0	
1.1-2	38	52	37	52	
2.1-3	45	36	43	24	
3.1-4	5	6	16	3	
<5	2	2	3	2	

Chi-Square Table on the Average Satisfaction Level with the Parameter.

INTERPRETATION:

From the above histogram, we can conclude that maximum number of employees is happy with the health and safety procedures. On the other hand, they are little bit dissatisfied with the training and development.

CHAPTER – VI

Result & Discussion

RESULT & DISCUSSION

Is there a statistically significant relationship between Human Resources Auditing and the Outstanding Performance?

Where the results of the statistical analysis showed that there are positive and statistically significant differences between human resource auditing and outstanding performance. (Mohammad Al-Sayeh Al-Zaghoudi, 2018), through his study that the human resources audit process has a positive impact and great importance in the process of improving the performance of the organization and the performance of human behaviour in achieving the goals of the organization, where the audit process can help decision makers to support and enhance their decisions through Providing them with information related to human resource management and identifying problems that can be addressed quickly to reach outstanding performance and achieve the goals of the organization it seeks through human resources management in a way that ensures the success of the organization. The researcher believes that human resources audit enhances the evaluation and improvement of human resources performance to reach the excellent level that meets the objectives of the organization and achieves employee satisfaction. This is what previous studies and research indicated.

Is there a statistically significant impact of human resources audit on improving the effectiveness of human resources?

Where the results of the statistical analysis show that there is a positive effect with a statistical significance confirming that the human resources control can achieve an improvement in the effectiveness of human resources, as previous studies and research confirmed that the control process helps to correct administrative work and controls the behaviour of employees to serve improvement Organization performance and human resource performance, (TaqraratYazid, et al, 2019). The audit processes of human resources management aim to monitor and follow up the performance of the employees in the organization, which leads to controlling the behaviour of the employees and achieving the goals that the organization seeks and addresses the problems that may face the implementation of the activities, in addition to the periodic monitor processes help in detecting risks or problems which can happen, and take remedial measures and correct the course according to the plans set by the management of the organization, and then it is possible to improve the performance of the organization and the performance of human resources and help in the effectiveness of the performance of human resources in order to achieve employee satisfaction and achieve the goals of the organization, and the study also indicated that the monitor process can improve working conditions and environment By avoiding phenomena that could impede the implementation of the activities aimed at the organization and negatively affect the performance of employees, such as absenteeism, escaping from work, failure to complete the required daily tasks. The researcher believes that the control process is a communication tool between employees and management so that problems can be evaluated and addressed, and appropriate decisions taken to correct problems in a way that serves and achieves the goals of the organization. Their decisions are to enhance the strengths and address the weaknesses in a way that ensures the improvement of the performance of the employees, which is reflected in the performance of the organization.

Is there a statistically significant impact of HR audit on the organization of work?

The results of the statistical analysis indicated that there is a high relationship with statistical significance to the correlation of the impact of human resources auditing on the organization of work, as the organized work must proceed through administrative procedures through which it is possible to follow up, monitor and track the progress and procedures of implementing activities by tracking the behaviour of workers, as studies indicated And researches that the organization of work is related to the extent of the ability of administrative audit to reach all aspects of administrative work and follow up on the behaviour of workers, as a study indicates, (Miguel Ángel, Sastre Castillo, 2018), that the human element is an important and strategic element in the behaviour of the organization, through which the organization can reach to achieve high competitiveness with its counterparts from the organizations, as the process of evaluating the efforts of employees and knowing the extent of their commitment to the laws and procedures issued by Organization management can lead to the improvement and organization of administrative work and prevent potential risks that can surround the activities of the organization. The study adds that the human resources audit can also be carried out by following up the executive procedures with the plans set, studying the implementation procedures and following them up according to the plans drawn to measure the extent of commitment and address the problems that may arise and evaluate them in order to achieve the goals of the organization and reach an organized administrative work, (Abd al-Rahman Hebah, 2018) indicates through his study that the importance of administrative control appears through the good follow-up of the performance-related administrative control systems in knowing the effectiveness of administrative control to rationalize decisions in the organization, which in turn provides senior management with information through reports in order to identify difficulties and problems and the conditions that surround the organization and thus reach the points that can improve performance and organize work. (Khaled Shuwaiha, 2018) discusses in his study on the organization of work that the organizational structure of the organization is a document through which the general organization can be analysed and the appropriateness of audits in the tasks requested by the organization to achieve its goals. During the comparison with the technology used, for example, the machines, the workload, and the means used, which gives an indication of the organizational image of the organization's work and the possibilities of working to improve it, The researcher believes that the impact of human resources audit plays an important role in organizing administrative work so that workers become aware of the importance of control and follow-up, which improves their performance and supports access to organized work.

Is there a statistically significant the impact of HR audit on administrative capabilities?

The results of the statistical analysis show that there is a high and statistically significant impact on the impact of human resources audit and its relationship to administrative capabilities. The administrative process of following up the behavior of the employees leads to the employees' interest in accomplishing the tasks entrusted to them by employing their administrative capabilities in achieving their tasks in a way that meets the goals of the organization, where the organization must choose the employees who have the administrative capabilities that fit the nature of the work, in addition to developing and improving the capabilities of the employees. It has through guidance and counseling and subjecting them to

training courses that enhance and develop their administrative capabilities that help them achieve their career goals and improve the performance of the organization. (Abd al- Rahman Hebaj, 2018),(Miguel Ángel, SastreCastillo, 2018), discusses that workers' knowledge of administrative procedures It enhances the improvement of the performance of the organization, so workers must be qualified and able to assist senior management in achieving the objectives of the organization by providing them with administrative reports and information that helps senior management in making the right decisions to identify and address problems. The researcher believes that organizations should develop the managerial skills of employees and highlight the importance of employing administrative capabilities in improving work performance and the performance of the organization and the importance of periodic evaluation, through which the organization's performance can be improved. Choosing employees who have administrative skills and abilities that qualify them to accomplish tasks and achieve the organization's goals and help decision makers.

Is there a statistically significant relationship between Obstacles to Auditing HR?

The results of the statistical analysis show that there is a difference and a statistically significant relationship between the obstacles to auditing human resources. This may be due to the limited interest of organizations in educating and guiding workers and highlighting the importance of auditing in improving administrative work and upgrading the organization. Also, organizations must train and qualify their employees in the administrative aspects that serve and achieve the goals of the organization because the rehabilitation and awareness processes contribute to assisting decision-makers and senior management in achieving the goals of the organization by providing qualified workers capable of managing the affairs of the organization and assisting the auditors in carrying out their tasks. (TaqraratYazid,et al, 2019) indicate that the audit process helps in controlling and following up the performance of employees to achieve the goals of the organization, and (Aishawy Ahmed, 2018) also indicates that the human resources audit process leads to improving performance in terms of productivity and quality in addition to Effective control to achieve competitive advantage. The researcher believes that the organization should educate workers about the importance of auditing processes through which it can improve the organization's performance and achieve its goals, in addition to auditing processes that help workers in developing their skills and abilities that qualify them to achieve competitiveness, and workers must also realize the extent of the importance of auditing in following up and organizing administrative work Which helps them in developing their skills and abilities through which they achieve the competitiveness of the organization in which they work.

Results:

The study reached a set of results, as the development and improvement of the capabilities of workers in educational institutions helps in improving the performance of educational institutions and achieves competitiveness with other educational institutions.

The audits of human resources help in following up and controlling the behaviour of employees in educational institutions to serve the goals of the institution and create an educational environment that meets the goals of society and the target groups.

Compliance with the frameworks, legislation and laws of the educational institution creates an organized environment that achieves the practice of audits well, which leads to improving the performance of the educational institution.

One of the educational institution's tasks is to provide the appropriate environment for workers to exercise their tasks and perform well, about job satisfaction, provide the necessary logistics, provide awareness of the importance of auditing in improving the institution's performance, and assist workers in developing their skills and abilities to serve the objectives of the educational institution and improve overall performance.

Administrative reports, follow-up, and evaluation processes play an important role in improving the performance of the educational institution, through which it is possible to provide senior management and decision-makers with the information and data necessary to address and evaluate potential problems to achieve the goals of the educational institution and improve the performance of employees and the educational institution.

CHAPTER – VII

Conclusion

CONCLUSION

Findings from the Data:

It can be concluded that there is an association between the areas that are audited and the demographic parameters taken.

Observed Findings:

After observing the entire HR department and auditing the analysis has been done and the following findings are given

- Firstly, the most important thing is that the industrial relationship within the department is very healthy and also transparent. All the employees here in the department are harmonious and are very free to move to the boss at any time for taking any suggestions or even for giving any suggestions.
- They easily communicate with the employees within the department and solve the grievances of the general employees which show unity among them and also a place of knowledge sharing.
- The other department employees who pass by the HR department greet with happiness and also share their personal things. This shows that the department is working very well as an advisory board rather than working as a department of rules, laws and also strictness.
- The time office which is responsible for recording the working hours of the employees, overtime, leave, absence etc is very well developed and also a lot of time saving activity other than signing in the registers which eat up a lot of time. Any case any disturbances in the recording and updating of the employees status are very well handled and solved in no time.
- The recruitment and the selection process are also done very transparently. There is not even a single sign of biasness in the judgments made by the department. The whole process from the starting of the starting with scrutinizing the resumes till sending the offer letters is clear and visible.
- Coming to the performance appraisals system in the organization, it is following a very well scheduled manner of appraisal procedure so that it doesn't undergo any sort of problem and also mainly in avoiding the dissatisfaction of the employees for their grades.
- There are a very good number of welfare facilities such as transport, food, medical facilities etc. provided by the department.

- There are also two suggestion boxes provided to the employees who feel nervous to come to the department with a problem.
- The canteen is well maintained and with some motivational charts on the walls.
- The breakfast and food menu for employees is being discussed by the health care doctor and is then designed which shows the degree of care Shantha is taking for its employees.
- The other main thing I have observed is the waste management. The leftover food is carefully segregated by employees themselves and dropped in identified bins so that it saves time and even maintains hygiene.
- One appreciable thing is that all the employees starting from the top management to the lower cadre receive the same food in the canteens.
- HR team drives with all cross section of employees to avoid inequality and improve a sense of togetherness among employees. This is a very good sign which shows their accountability, simplicity and also concern.
- Sodexo coupons are given to employees every month based on their cadre.
- Extracurricular activities such as awareness programs on women's health, the debates on importance of women in a family etc are been initiated which increases the confidence in women as there are more number of women employees in the organization.
- The attrition rate in the organization is very low i.e. only 7.3% compared last year which is a very good

Conclusion:

An HR audit is much like an annual health check. It can perform the same function for the organization. An audit is a means by which an organization can measure where it currently stands and determine what it has to accomplish to improve its HR functions. It involves systematically reviewing all aspects of Human Resources, usually in a checklist fashion, ensuring that the government regulations and company policies are being adhered to. The key to an audit is to remember that it is a tool to discover and find ways to realign to organizational strategies. There will always be room for improvement in every organization.

The HR practices are followed very well followed and implemented in the organization. Hence, by this study we can conclude that all the nine different areas that have been audited have a direct dependency on the demographic parameters that have taken.

CHAPTER – VIII

Recommendations

RECOMMENDATIONS

- The recruiting process can be still more modified by implementing a new process through social media-LinkedIn. Through this technique the interested and eligible candidates can upload the resumes online according to the given job descriptions and book a slot for written test which saves time. Moreover they also can interact with the recruiter online and know more about the company.
- Normally, internal referrals given by the management or the staff are more accountable and also committed. Hence, it is good in encouraging the internal reference policy. Giving a certificate of appreciation, a thank you note or a token of gift to the person who referred a very good candidate helps in increasing the competitive spirit and also a kind of satisfaction.
- Issuing patent rewards- this is a system which has been placed by many companies to give employees an incentive because it gives them a way to recognize employees, especially those creative to disclose their inventions and go through the patent process.

From the company's side of things, the company's biggest problem is always getting inventors to write down the initial disclosure. Without the disclosure, the process does not go forward and other people in the company cannot participate in protecting the idea. Patent reward systems may bring out enormous emotional energy from some very creative people, often the people on whom the future of a company can be built.

- Issuing of sponsorships- educational sponsorships can be given to the employees who are very talented and are studying in a very good institutions with some applicable conditions.
- Non-monetary awards- the organization should give non-monetary awards such as trips to some places coups etc. for the employees who worked very good, full attendance and also who achieve their targets.
- It can also implement some more awards such as project icons, safety award, employee of the month award etc. All the above increases the employees organizational commitment, gets motivated, helps in reducing the level of attrition which as a result increases the turnover of the company.
- Adding of some psychological questions in the written test which helps in knowing the persons human relation and ethical values.
- This helps in finding out the person with a hard brain and a soft heart.

- Introduction of monthly survey through questionnaires on topics such as motivation, organizational climate, etc. which helps in continuous assessment and amendments in the procedures of HR if required.
- Conduct kaizen events whenever necessary.
- There should be light music playing around the office premises with a thin volume. This helps in giving a pleasant feeling for the employee as soon as he/she enters the office.
- The walls of the offices can be filled with famous quotations by legends, remarkable arts, and renowned places in the city or even an art gallery. This helps in developing motivational feeling among them and also gives synergic results.

CHAPTER - IX

Limitations & Scope For Future Reasearch

LIMITATIONS & SCOPE FOR FUTURE RESEARCH

LIMITATIONS OF THE STUDY:

- The study is limited only to the employees in the organization.
- It included the employees of all the departments except the HR department to avoid biasedness in the output.
- The study was conducted under the assumption that the information given by the respondents is authentic.

SCOPE OF THE STUDY:

- As HRD plays a crucial role in any type of organization, it is applicable everywhere to find out the efficacy rate of the HR practices.
- Particularly, the organizations which are facing the problem of man power planning or the gap between the top management and the bottom line, it can be very useful.
- The study helps to find out the association between the HR practices.

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