




Role of HRM Practices in Telecommunication Sector: A Comparative Study Between Public and Private Company

T.H. LALROKHAWMA¹ and SARITA SATPATHY²

¹Assistant Professor, Department of Management, VFSTR, Vadlamudi, Guntur, Andhra Pradesh-522213

² Professor, Department of Management, VFSTR, Vadlamudi, Guntur, Andhra Pradesh-522213

lalrokhawma229@gmail.com

ABSTRACT. India's telecommunication services have become one of the fastest growing businesses in the world (Forbes.com, 2011). As per TRAI (2021) data, in terms of fixed and mobile phones users, India have the second largest telecommunication network in the world with subscribers of 1179.49 million as on 31 January 2021. India has the second-largest Internet user-base with a total of 747.41 million broadband internet subscribers (TRAI, 2020). Telecom sectors play a vital role in providing support for social and economic growth while transforming multiple sectors such as IT, insurance, education, health, etc. The study focusses on human resource management practices in the public and private telecom company. The main aim of this research is to compare the existing HRM practices in BSNL and Airtel. In order to achieve the objectives of the study, three hypotheses were developed and tested using independent t-test. A pre-structured questionnaire was designed for collection of employees view on HRM practices in both public and private companies. A total of 84 respondents (BSNL=62, Airtel=22) has been considered using convenient sampling method. The findings of the study reveals that human resource practices in private telecom company are well planned, adequate and effective for employees compared to the public sector company. The findings can be used by telecommunication sectors to improve the welfare and management of employees in their company. This study shows the importance of HRM in the achievement of organizational goals and objectives.

Keywords: Public telecom company, private telecom company, performance appraisal, training and development, quality of work-life, development.

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1 INTRODUCTION

In the present era, telecommunication sector has become essential for social and economic growth of any nation. According to INVEST INDIA (2023), “The telecommunication sector is instrumental in the development and poverty reduction through the empowerment of the masses, unlocking economic growth, employment generation, bringing in FDI, and digital transformation of essential services like education, healthcare, financial services, etc.” According to report given by TRAI in 2020, India has the second largest telecom market in the world with 1183.15 million subscribers by the end of July 2019. National digital communication policy 2018 aims to draw US \$ 100 billion of investment and create 4 million new jobs in the telecom sector by the end of 2022 (www.Ibef.com). Human resource management is one of the main drivers to improve the overall organizational growth of the telecom sector. HR practices deal with formal rules and guidelines that management used in their organization for recruitment, training and development, performance evaluation and rewarding of employees (Michael Armstrong, 2009). However, unfavourable evaluations may make HR practices unsuccessful as a tool for measuring performance though they may be best for addressing organizational priorities (Meijerink et al., 2021).

Though effective HR practices are more than rules and regulations followed by organizations; HR practices also examines and address the needs and issues of employees. Generally, HR practices involves staffing, organizing, leading, directing and controlling (Michael Armstrong, 2009). These practices help to develop and administer the programs that are structured to improve the business including the whole spectrum of generating, handling and cultivating the employee-employer relationship. The study tried to find out the role of HRM practices in telecom sector as it has impact on social and economic growth of the nation. This study is limited to Aizawl district of Mizoram state, which is one of the smallest state in India. This area is selected as Aizawl district is the largest district of Mizoram state and is the headquarter and the residence of majority of their employees. The study can be carried out in larger context covering wider and larger areas, which will have higher impact for the development of telecommunication sector in the country.

1.1 Bharat Sanchar Nigam Limited (BSNL)

BSNL is launched on 15th September 2000 by Department of Telecom Services, Government of India as a Public sector company. The company’s operation was started from 1st October 2000 through its headquarter at New Delhi. It is one of the prominent and biggest telecom service provider in the country. BSNL has modernized its network through the incorporation of 100% digital new technology switching network. It also has a customer base of more than 1079.77 lakhs subscribers as per their website. BSNL was launched in Mizoram state during 2003-04 with 2450 subscribers. Since it was the first telecom service provider in the state, the number of subscribers jump rapidly within a short span of time and reached 1,99,484 in 2016-17. But, the number of subscribers gradually declines due to competition from private

players like Airtel, Vodafone, etc. As per Mizoram Economic Survey 2016-17, BSNL has installed 225 towers across the state. This decline in the growth rate of BSNL can be seen from Mizoram Economic Survey 2019-20, in which BSNL has 2,05,835 subscribers across the state of Mizoram.

1.2 Bharti Airtel Limited

Bharti Airtel Limited is one of the leading global telecommunication company with its headquarter at New Delhi. Based on subscribers, Airtel telecom ranks amongst the top 3 mobile service providers in the world. It has expanded its operations across 17 countries in Asia and Africa. It is one of the most trusted telecom company with over 490 million customers across its operation.

In Mizoram, Airtel was launched on 20th June 2006 with 11 towers serving 23,850 subscribers. As per Mizoram Economic Survey 2016-17, Airtel has the highest subscribers at 3,95,211 among telecom service providers. It also has the most installed mobile towers in the state with 235 across the state. Airtel started providing its high speed 4G services from August 2015 in the state of Mizoram. According to Mizoram Economic Survey 2019-20, Airtel has a total subscriber of 4,57,566 across the state.

2 REVIEW OF LITERATURE

Chakraborty and Biswas (2020) studies supported the concept that HR practices are useful in boosting the performance of every business. They also mentioned some of the HR practices which benefits the performance of the firm, these are, training and development, planning on retention of employees and succession, job analysis and design. They also found that it is better to nurture employees on particular quality than giving the daily monitoring and management because proper HR activities will provide environment for workers to optimize their potentials.

Blom et.al (2020) found that there were differences in the affect of HR practices for both private and public sector. However, their study does not mention which sector was more affected by the HR practices. They feel that there is no clear distinction between private sector, public sector and semi-public sector. So they invite future researchers to investigate these discrepancies further.

Allam (2019) in his study of two telecom company in Saudi Arabia found that it is necessary for higher official in a company to provide a clear job description, bias-free performance appraisal system, security, health system and good working culture at the workplace to increase the productivity of their employees.

Salem et al. (2017) identified various policies which have impact on the performance of employees in an organization. These policies are recruitment and selection, rewards and recognition, training and development, and performance appraisal.

According to Razzaq et al. (2017) in their research to find the impact of HRM practices on employee commitment found that a good HRM practices on

compensation and carrier planning has a positive impact on employees' commitment. They suggest that for a company to have employees' commitment, it is necessary to implement compensation and reorganization process in their company.

S.N. Pathi (2016) studied the reasons high attrition of employees and provide solutions for managing attrition of employees in a business. Firstly, it is the duty of every company to follow scientific and systematic way of recruiting employees. It also suggested company to adopt manpower planning as a proactive and effective tool for not only recruiting and selecting manpower requirements, but to make the employees comfortable and loyal to the company which will eventually help in the retention of efficient employees.

Bharathi et al. (2015) in their study on the impact that voluntary and involuntary attrition of employees in IT sector have on the behavior of employees in the organization found that the attrition of employees in this sector is mainly due to lack of work time inflexibility and improper flow of communication within the organization.

As per Dhingra and Gakhar (2014), there are top five common practices like E-learning, sharing of job, high visibility assignment, rotation of job, and apprentice which are better utilized in public telecom sectors as well as less utilized practices such as planning for succession and carrier, training, stretch assignment and cross cultural. They also reveal that lack of providing training requirement and planning systematically decrease the rate of employee's development in the organization. The study make suggestion for development practices to be continuous and well planned in public telecom companies.

S Nittana (2013) studied the quantitative outcome of Human Resource Management. The study suggested top management to be aware and supportive to their employees for better development.

Katou (2008) in the study on the influence of HRM practices on organizational performance in the Greek industrial sector found that the overall firm strategy and the overall performance of the firm are well connected with HRM practices.

Qureshi and Ramay (2006) studied the effect of HR practices on the performance of organization. Their study found that the success of organization depends on the efficiency of HR practices followed by organization which is reflected in the outcome of the employees.

Collins (2005) in the study of small enterprises point out the outcome of the employees in an organization is impacted greatly by the excellency of HR practices followed by the organization.

Pawan S. Budhwar and George Boyne (2004) in their study found that there are number of differences and similarities in the HR practices followed by private and public sector organization.. However, they conclude that private sector organization are better in adopting HR practices especially like training and development, and providing compensation to employees.

Cooke (2000) mentioned the importance of performance aspects such as efficiency and effectiveness a part from productivity and competitiveness. The study continues to say training is a means of increasing the performance of individual employee through the acquisition of information and skills.

Huselid (1995) mentioned that in order to increase the skill sets of the employees it is important to have efficient methods of selection. For a better outcome, he emphasized the need of conducting training for employees which will support the selection method, thus, bringing a better workforce in the organization through employee harmony.

3 OBJECTIVE OF THE STUDY

The purpose of this study is to evaluate the current status of HRM practices followed by public and private sector telecommunication companies in Aizawl district of Mizoram state by comparing two major service providers – BSNL and Bharti Airtel.

4 HYPOTHESES

H₁: There is significant difference in HRM practices in terms of ‘Quality of work-life and welfare measures’ between public and private telecom companies.

H₂: There is significant difference in HRM practices in terms of ‘Training and development’ between public and private telecom companies.

H₃: There is significant difference in HRM practices in terms of ‘Performance appraisal technique’ between public and private telecom companies.

5 METHODOLOGY

This is an empirical study which is based on data collected through primary and secondary sources. The primary data has been collected through pre-structured questionnaire which was distributed to employees of both BSNL and Airtel company. The secondary data has been collected from company’s websites, reputed journals, company annual reports, magazines, daily newspapers, etc.

5.1 SAMPLING

The research was conducted on two of the oldest telecommunication companies-BSNL and Airtel at Aizawl district, the capital of Mizoram state. During the time of this data collection, there were 228 employees in BSNL and 70 employees in Bharti Airtel company. For this study, 150 samples have been selected using convenient sampling method (115 from BSNL and 35 from Airtel). A total of 150 questionnaires was distributed among the targeted population but only 115 data were received. Out

of this 115 samples, 31 samples have been rejected due to incomplete and missing values. So, the final 84 samples (62 from BSNL and 22 from Airtel) were analyzed using cross tabulation, reliability statistics and independent t-test.

6 DATA ANALYSIS AND INTERPRETATION

6.1 Demographic information of the respondents

Table-1: Demographic status of respondents

Demographic variables		BSNL	Percentage	AIRTEL	Percentage
Employee level	Executive	18	29.0	3	13.6
Gender	Male	42	67.7	15	68.2
Age	21-30	15	24.2	10	45.5
Work experience	0 to 1 year	4	6.5	2	9.1

Source: Data collection

From table-1, it is clear that majority of the respondents in the public sector (71%) and private sector (86.4%) belongs to non- executive category. In case of gender, there are more number of male employees in both the sectors. When considering the age of employees, Airtel company have younger generation compared to BSNL company. This older generation in BSNL company brought tremendous experience in the organization compared to their competing Airtel company.

6.2 Reliability Analysis

Table-2: Reliability Statistics

Cronbach's Alpha	No. of Items
.876	23

Source: Data analysis

Table-3: Reliability Statistics

Variables	Cronbach's Alpha	No. of Items
Quality of work-life and Welfare measures	.772	10
Training and development	.628	6
Performance appraisal technique	.655	7

Source: Data analysis

For checking inter-item reliability for these 23 items, Cronbach's Alpha has been used. From table-2, the overall reliability of 23 items tested in this study gave a result of .876, which is acceptable. Table-3 also gave a positive sign by displaying Cronbach's Alpha value more than .60, which is usually considered as an acceptable level.

Table-4: Quality of Work-life and welfare measures

Sl. No.	Statement	BSNL	AL%	AIRTEL	AL%
1	Management gives priority to operate HR practices effectively	3.3 4	45.2	4.27	96.1
2	There is an appeal process if the employee disagree with the HR policies	3.6 3	58.1	3.82	77.3
3	HR practices help in cooperation and team-work	3.3 2	48.4	4.00	77.3
4	HR practices help to reduce grievances	3.2 4	45.1	3.86	63.7
5	Team meeting conducted	3.2	53.2	4.41	90.9

	efficiently in the company	3			
6	Supervisor shows concern for your right	3.4 8	54.9	4.59	95.4
7	Supervisor involve employees in decision making	3.5 6	70.9	4.27	90.9
8	Employees openly discuss their problem with the manager	3.5 2	53.2	4.05	86.4
9	Employee have good understanding of HR policy	3.5 3	43.6	4.00	72.8
10	Employee received HR outcomes it deserve	3.3 2	53.3	4.45	95.5
	Overall average	3.4 1	52.5	4.17	84.6

Source: Data analysis; Note: M- mean, AL- agreement level

Table-4 above shows that employees of both the company have positive response regarding the given statements. It can also be seen that respondents from Airtel company have higher mean and agreement level in all the statements compared to respondents from BSNL company.

Table-5: Training and development

Sl. No.	Statement	BSNL	AL%	AIRTEL	AL%
1	Organization provides training to new employees	3.9 8	83.8	4.50	90.9
2	Training assessment done based on employee performance	2.9 6	30.6	4.45	100

3	Organization conduct training program regularly	3.5 5	51.6	4.14	95.5
4	Organization consider training as a necessary strategy	3.4 7	48.4	4.68	100
5	Training material is used in the workplace	3.8 2	82.2	4.41	100
6	Employees are satisfied with the training and development program	3.4 0	54.8	4.32	90.9
	Overall average	3.5 3	58.5	4.26	96.2

Source: Data analysis

Table-5 above shows the mean and agreement level of employees regarding training and development under the HR practices used by BSNL and Airtel company. It can be seen that there is variation in the mean in all the statements in which the means are higher in case of Airtel company compared to BSNL company. The variations in the mean is highest in the statement for training assessment done based on employee performance, which denotes that Airtel company will have better efficient employees compared to BSNL company.

Table-6: Performance appraisal technique

Sl. No.	Statement	BSNL	AL%	AIRTEL	AL%
1	Current performance appraisal technique is effective for appraisal of employees	3.4 7	48.4	4.68	100

	performance				
2	Performance appraisal conducted once a year or have a specific period	3.9 4	83.9	4.14	77.3
3	Performance appraisal is conducted just for formality or does not have distinct objectives	2.8 5	30.6	1.95	4.5
4	Performance appraisal utilized for separation of incompetent employees	2.7 9	16.1	4.73	100
5	Performance appraisal utilized for promotion of competent employees	2.9 4	27.5	4.64	95.5
6	Salary is based on performance rating by the management	2.1 8	6.5	4.32	90.9
7	Regular feedback provided by the organization regarding performance appraisal technique	3.2 3	33.9	3.91	68.2
	Overall average	3.0 5	35.2	4.05	76.6

Source: Data analysis

Table-6 shows the result of employees' view regarding the performance appraisal technique used by BSNL and Airtel company. It can be seen that there are variations

in the results given by the respondents of the two company, but the variations gap is large in case of three statements. Unlike the previous statements, table-6 shows a higher mean for BSNL employees in the statement of 'Performance appraisal is conducted just for formality or have distinct objectives' which denotes that employees of BSNL feels that performance appraisal technique does not have much meaningful effect in the administration of the company.

6.3 HYPOTHESIS TESTING

H₁: There is significant difference in HRM practices in terms of 'Quality of work-life and welfare measures' between public and private telecom companies.

Table-7: t-test for Quality of work-life and welfare measures

Compan y	Mean	SD	Sig.	t- value	Sig (2- tailed)
BSNL	34.17	3.89	.606	-7.87	0.00

Source: Data analysis

From the above table-7, it can be noted that the value of mean score is higher in case of Airtel compared to BSNL. The p-value of 0.00 ($p < 0.05$) indicates the mean difference between the two company is statistically significant.

H₂: There is significant difference in HRM practices in terms of 'Training and development' between public and private telecom companies.

Table-8: t-test for Training and development

Company	Mean	SD	Sig.	t-value	Sig (2- tailed)
BSNL	21.08	1.89	.435	- 11.340	0.00

Source: Data analysis

Table-8 shows the mean difference between BSNL and Airtel company which is almost identical. The t-value of -11.340 at $p=0.00$ concludes that the HR practices for training and development are significantly different in BSNL and Airtel company.

H₃: There is significant difference in HRM practices in terms of 'Performance appraisal technique' between public and private telecom companies.

Table-9: t-test for Performance appraisal technique

Company	Mean	SD	Sig.	t-value	Sig (2-tailed)
BSNL	21.38	2.80	.541	- 10.536	0.00

Source: Data analysis

In case of table-9, independent t-test shows that HR practices regarding performance appraisal technique in public and private telecom company varies significantly. This means that there is significant difference between BSNL and Airtel company in their HR practices in terms of performance appraisal technique.

7 FINDINGS

1. There are only 30.6% respondents from BSNL agreeing to the statement that training assessment is done based on employees' performance whereas there are 100% respondents agreeing to this statement in Airtel company.
2. It is good to see that both sector believes that their supervisors listen to employees when making decision for the company. Also, the respondents from Airtel company shows the benefits of HRM in building team-work among employees and reduction of grievances unlike the respondents from BSNL.
3. In BSNL, HR policies are not seen to have effect in the decision of promotion of employees but promotion is rather based on seniority. But, in case of Airtel, employees get promotion mainly through their performance appraisal and training completion in the company.
4. The existing appraisal technique is more effective in Airtel compared to BSNL. Majority of the respondents in BSNL (83.9%) and Airtel (77.3%) mentioned that performance appraisal was conducted only once a year or on a specific period.
5. There are only 6.5% of respondents in BSNL feeling that the salary and increment of employees is based on their performance rating.

6. 30.6% of respondents from BSNL believes that performance appraisal is conducted just for formality or does not have any distinct objectives but only 4.5% respondents from Airtel supports this statement.
7. Majority of the respondents in both the sector are found to be overall satisfied with the HRM practices in their company. However, HR process is adequately planned and effectively executed in Airtel company compared to BSNL company.

8 RECOMMENDATIONS

1. Top management must concentrate on HR practices in order to have efficient working environment.
2. Team meeting must be conducted regularly to enable employer-employee coordination.
3. It is always necessary for managers or supervisors to listen or seek suggestions from their subordinates before making any strategic decisions.

9 CONCLUSION

It is common belief in business world that employees are the most important assets in every company. They are the driving force and reasons for the smooth functioning of a company. This study compared the perceived attitudes of the employees in public and private sector company with regards to existing HRM practices. The result of this study shows strong difference in each of the three dimensions of HRM practices between public and private telecommunication company. It can be seen from the analysis that majority of the respondents in both the sector are satisfied on HRM practices. However, the private sector company (Airtel) shows a well-planned, adequate and effective HR processes compared to public sector company (BSNL). It is necessary and important to have effective implementation of HRM practices for higher productivity of employees and establishment of efficient competitive environment inside the company.

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