

Empirical Study on Human Capital Management on Employees Impact on Knowledge management in IT Companies in Chennai

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Abstract

Human capital management is the conglomeration of human resources and their skill talents, ability, knowledge by implementing with the help of proper education, training and development of employees on knowledge awareness and its application for effective productive performance of business. Human capital management is aimed at the capabilities, abilities of employees attractiveness and their talented knowledge management effectiveness of business. Human capital managements work out for producing generating talented workforce continuously in a processed way and retain their for-business process and development.

The growth, development as well knowledge management of IT companies is to derive and develop knowledge management of human resources with the strategy of human capital management in IT companies. The main aim and purpose of this research study is to understand the impact of human capital management in IT companies with the effective use of the IT employees knowledge management. The human capital management in IT companies is to generate better knowledge manageable human resources for the IT companies productivity and profitability performance. The present study focused on human capital management and their impact on knowledge management of IT companies in Chennai environ. This is attempted to see the utility and estimate the positive and negative effects of human capital management coupled with knowledge management of IT companies in Chennai City.

Keywords

Human Capital Management Knowledge Management Training and Development Innovation, Performance Appraisal.

Introduction

Management of human resources is focused on achieving the efficiency and performance of human resources on their productivity and profitability of business. Human resources management stimulates and motivates human resources activities which is useful to derive beneficial to the employees as well as corporate organization. There is lot of research studies on human resources management and human capital management which emphasized on the impact of employees on their work, environment, performance as well productivity. Many corporates to day lay emphasis on Human Resourcement by applying and implementing human capital management towards productivity, performance as well profitability of business.

Present day corporate organization focus on to develop human resources to motivate towards their effective performance as well retain them in the corporate house. Corporate organization strategy of modern day is to consider their human resources as their investment coupled with human capital for the corporate profitable performance. Human capital management emerged out of human resources management strategy for the business organization growth as well as the growth of employees. Human capital management aimed

as investment process on human resources to motivate and support employee's competency, growth and efficiency of individual coupled with corporate organization. The present study is aimed at impact of human capital management of IT employees on knowledge management.

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Need for the Study

The Information technology industry wants to generate and develop their employees on knowledge management and their empowerment with is beneficial to the IT industry. The IT companies consider their human resources as productive and profitable to their business with their source of knowledge learning and management in IT industry. Human capital management is processed and aimed to create efficient and effective knowledge management of human resources for the IT business productive performance coupled with their goals and objectives as well as their strategies. The basics and foundations of the human resources in IT industry employees to be molded with advanced technology-based knowledge management with the support of human capital management. These transition of employees knowledge on knowledgement generates and achieve IT industry production targets and their performance. The prevailing competitive IT work environment focus on human resources management and implementation of human capital management in order to generate best knowledgement management of human resources and their productive coupled with profitable performance of business. IT industry focusing on their employees knowledge management resources for their beneficial as well as IT business benefits of development multi stage software development and implementation to various corporate houses as service provider and source of knowledge application and development of business strategy. The continuous and regular use of employees knowledgement management abilities, skill and talents with the usage of human capital management strategy is to achieve best productive efficient and effective corporate IT performance as well as profitability.

Statement of Problem

The growth, development as well knowledge management of IT companies is to derive and develop knowledge management of human resources with the strategy of human capital management in IT companies. The main aim and purpose of this research study is to understand the impact of human capital management in IT companies with the effective use of the IT employees knowledge management. The human capital management in IT companies is to generate better knowledge manageable human resources for the IT companies productivity and profitability performance. The present study focused on human capital management and their impact on knowledge management of IT companies in Chennai environ. This is attempted to see the utility and estimate the positive and negative effects of human capital management coupled with knowledge management of IT companies in Chennai City.

Scope of the Study

Human capital management provides opportunity to understand the impact and increase in productivity and profitability of IT companies. The strategic implementation of human capital management in IT companies throw an opportunity of employees knowledge management performance. The study aimed at human capital management of IT companies in knowledge management.

Research Methodology

The present study is descriptive nature. This is based in the rigorous information and analysis. The primary data of the study is collected gathered information from IT employees and processed with the help of statistical analysis with the usage of SPSS. The responses of IT employees are collected from well structured questionnaire. The empirical analysis is analyzed with the help of mathematical and statistical tools.

Sampling design and methodology

This research study of IT employees in Chennai City is collected and gathered from leading IT companies in the city of Chennai with the proper usage of questionnaire. The convenient sampling method is used in this study and sample size of this study is 552. The data analysis is employed with the help of logistic regression analysis for human capital management factors and awareness on knowledge management.

Review of Literature

The research studies on human capital management and knowledge management are overviewed in order to design and develop this empirical research study.

Imoisi Anthony Ilegbinosa (2013) They have studied the human capital as a base of investment for the upliftment of Nigerian economy. This study observes that the Government must increase their spending on education towards Human resources development for increasing standard of quality of education in this country and corporate must allowed to spend more on human resources training and development with the help of brainstorming sessions of upgradation of learning process of skill learning for human resources.

Muhammad Arsalan Shafique Awan, and Naintara Sarfraz (2013) This study focussed on impact of human capital and effective and efficient business performance. This study investigate and recommends for training and development of employees which provides base and support for attaining skill talents and competence coupled with productive performance.

Carlos M. F-JARDON and Miguel GONZALEZ-LOUREIRO (2013) This study focussed on intellectual capital of business which will help the business environment culture, human resources capital of business as well development and implementation. This study concludes that human resources are vital and important source for growth and development of business.

Neenu Wilson and Sebastian Rupert Mampilly (2014) This study established the relationship between human capital and human resources performance and correlates both. It is concluded that human capital management application in corporate provides leverage and improves business performance.

Faruz Zaman, Nehal Mahatb and Syed Jafar Raza Rizvi (2014) This study focused on training, leadership, responsibilities and evaluation of human resources is to assist knowledge management and contribute to business. It is observed that Human Resources management and knowledge management works towards betterment of business.

Research Gap

The research studies review pertaining to Human Capital Management and knowledge management provides back ground to design and develop human capital management and its relevance of knowledge management in Chennai IT industry.

Data Analysis

Impact of human capital management on Employees awareness on knowledge management is analysed in depth with the Regression analysis which is narrated as under:

RELATIONSHIP BETWEEN PERSONAL AND ORGANISATIONAL VARIABLES IN IT COMPANIES AND THEIR PERCEPTION TOWARDS KNOWLEDGE MANAGEMENT

In this section the researcher estimates the individual and collective relationship between the independent variables gender, age, marital status, educational qualification, managerial level, length of service and income of the employees and their overall perception towards various stages of knowledge management process. The application of linear and multiple regression analysis on the independent personal and organizational variables over the dependent factor knowledge management brought the following results.

Table 1 Knowledge management

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1	.249 ^a	.062	.050	.58861
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The variance measurement and indicator index of relationship between personal and organizational variables and recruitment and selection perception is revealed in the form of $R^2 = .062$, its subsequent value of the relationship through adjusted $r^2 = .050$ and standard error which is derived through the interactions of independent demographic variables and the dependent variables recruitment and selection is found to be .58861. It implies there is a significant relationship between employee's perception towards knowledge management and their personal background.

Table 2 Knowledge management

MDL	F	Prove
REGSN RSDU	5.148	.000 ^b

It can be ascertained from the two way analysis of variance in the regression MDL that the fisher F- value = 5.148, $p=0.001$ are statistically significant to consolidate the relationship between independent personal and organizational variables and the dependent variable knowledge management. The following table is able to clearly reveal individual influence of all the independent variables taken into account.

Table 3 Knowledge management

MDL	t	Prove
CT	21.856	.000
Gender	-2.553	.011
Age	-.056	.956
Marital	4.185	.000
Education	.892	.373
Managerial level	.278	.781
Total service	1.678	.094
Income	.032	.975

The individual co-efficient table identified the respondent age ($t=-2.553$ $p=0.011$), marital status ($t=4.185$, $p=0.000$), is creating deep and significant impact on IT companies perception towards knowledge management. It also shows that the employees in IT companies in different segments of age and marital status group are able to differentiate their comments and knowledge management process in their organizations.

IMPACT OF HUMAN CAPITAL MANAGEMENT ON EMPLOYEES AWARENESS ON KNOWLEDGE MANAGEMENT

The results of logistic regression analysis for human capital management factors and awareness on knowledge management is given below

Table 4 Employees opinion on knowledge management

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OBS		Knowledge		CUP
		No	Yes	
Knowledge management	No	0	33	.0
	Yes	0	519	100.0
OVP				94.0

The table of classification it is found that there are two categories of employees namely the employees without awareness on knowledge management process and another domain is employees with the more awareness on knowledge management process. The impact of human capital Management factors on these two opposite domains are clearly estimated in the following tables.

Table 5 Domain- no awareness Knowledge management

LOG	B	S.E.	Wd	Deg FD	Prove	Exp(B)
t COM	2.755	.180	235.565	1	.000	15.727

In the case of no awareness on knowledge management domain the human capital Management plays the significant role due to the significant WD co efficient 235.57, $p=.000$. The following table gives the major role of human capital Management factors in no awareness domain.

The below table show that it can be ascertained that out of nine human capital Management factors the researcher is able to identify the recruitment and selection, performance appraisal, knowledge management, training and development, innovation, play a major role in creating awareness of employees on knowledge management process. A similar approach in the awareness domain is also given in their following tables real impact of human capital Management factors in creating awareness among the employees to various knowledge management process.

Table 6 INF of HCM on knowledge management awareness

HCM	COEFF	STRR	WD	Deg FD	Prove	Exp(B)
RS	-.369	.566	.426	1	.514	.691
PAS	.600	.450	1.779	1	.182	1.822
KM	4.067	.619	43.217	1	.000	58.371
TD	.759	.357	4.511	1	.034	2.136
CG	-.232	.348	.444	1	.505	.793
PRO	.192	.345	.311	1	.577	1.212
INN	-.936	.445	4.419	1	.036	.392
CC	.717	.403	3.170	1	.075	2.049
EP	-.378	.327	1.337	1	.248	.685
CTT	-12.554	3.634	11.932	1	.001	.000

The human capital Management factors are statistically significant at 5% level. It implies that there are some significant impact of knowledge management, training and

development, innovations factors in creating awareness among their employees towards the various knowledge management processes.

Conclusion

Human Capital Management is essential and vital for IT companies in India with the back ground of creation and Implementation of knowledge management. The study concludes that in IT industry play an important role in Human Resources variables like recruitments and selection, performance appraisal, knowledge management, training and development , innovation play a major role in creating awareness of employees on knowledge management process. In IT companies Human Capital Management application have significant influence on employees knowledge management which in turn base better performance of business. This study further observes that some significant impact of knowledge management, training and development, innovations awareness among the IT employees in the city of Chennai towards knowledge management process learning and development.

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