Enhancing Work Performance of Automobile Sales Employees in Industry 4.0

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Abstract:

The 4th industrial revolution is a combination of big data, Automation, Internet of things, and Artificial Intelligence. The 4th industrial revolution play a major role in all functional strategies of growing organizations across the world. As industry 4.0 is a blend of hardware, software and people, more jobs will be created to develop and optimize cyber physical systems where supply of skilled labour is needed to assess, install and maintain the hardware and to develop, improve and monitor the software information. The bond between Human Resource Management Practices, Leadership, Work Engagement and Employee Work Performance have been well documented through different literatures. The correlation result reveal that high correlation exists between the factors work skills and HRM practices on work performance. The regression analysis reveals that work performance is predicted by the work skills. Hence the organizations must concentrate to increase the employee performance through providing best HRM Practices, courteous leadership and recruiting and retaining the best talent for the organization.

Keywords: HRM Practices, Work Engagement, Leadership, Work Performance, Industry 4.0.

I. INTRODUCTION

Most of the organization looks the revolution on technology as a major alteration on our life and work. The beginning of 20st century saw the 3rd revolution, which was the advent of rise of Information Technology, Internet and renewable energy, mobile and other connected devices, which altered the way modern world functions. The 4th industrial revolution is a combination of advanced analytics, robotics, big data, internet of things and process digitization around the business. According to Bawany (2017), in this VUCA world (Volatile, Unpredictable, Complex & ambiguous) "the impact of digital disruption has to be managed well by the organizations for their sustainability in the market". Industries are adopting Data based decision making process. These technological innovations are fuelling the significant alteration throughout the comprehensive economy and producing enormous paybacks. The 4th Industrial revolution is the beginning of virtual physical systems which is the combination of hardware, software and people to complete work. These systems focus more on creation of data and also on analytics which lead to better and faster decision that change human behaviour. Hence the 4th Industrial revolution will play a major role in all functional strategies of growing organizations across the world.

II. EVOLUTION OF INDUSTRY 4.0

According to Professor Klaus Schwab (2017), the industrial revolutions are revolution in transportation and machine-driven production in the late 17th era, the mass manufacture revolution in 18th era and the supercomputer revolution in late 19th century. The fourth industrial revolution represents the combination of virtual physical systems, internet of things, and the internet of systems. These new technologies will have an impression on all disciplines, economies, and industries, and even challenge the human ideas and work nature. According to Whit Andrews, all the Machine can do same work which the humans can do, counterpart the human work and even do work beyond what human can do.

III. INDUSTRY 4.0 AND ITS IMPACT ON HUMAN RESOURCES

Every industrial revolution may not necessarily result in job reduction but we expect it to make the employees more productive and skilled to face the challenges coming through the technological innovations. As Industry 4.0 is a blend of hardware,

Software and people, more jobs will be created to develop and optimize cyber physical systems where the source of expert labour is required to assess, install and maintain the hardware and to develop, improve and monitor the software information. New trades and new industries create new job groups, which require human capacity as Applications creators, Cloud Computing experts, and Data scientist where all these professions are commercialized by the explosion of new skills. From the past industrial revolution, we came to know that people would project new, higher value professions that allow individuals to turn their passion into superior value for the economical sustenance in addition growth.

Now the task of recruiting and retaining skilled labour in an organization will become the need of the hour. The internal factors of an Organization like Culture, HRM Practices, Work Climate, Leadership needs to be sophisticated and external factors like Work Engagement, Career Commitment, Job Satisfaction and Work Skills needs to be developed and concentrated on. These are the biggest challenges for all the manager of an organization to get productive and qualitative work performance from the employees.

IV. LITERATURE REVIEW

Theoretical discussion on the association among Human Resource Management Practices, Leadership, Work engagement and employee work performance have been well recognized in the previous and current reviews (e.g. Al-Qudah et al., (2014); Arocena and Nuñez, (2014), Wirtz and Rigotti et al., (2016), Kumar and Pansari, (2014)

Paul Baldassari and Roux, (2017) in their study stated that, Industry 4.0 has a positive impact on employee portfolio and organizations will become a real time enterprise, where digitization will help to visualization of current and future happenings of the market. Organizations will optimize the workers by investing on skilled labour. Industry 4.0 will enable the employees to drive growth.

Al Qudah et al.,(2014) investigated the outcome of human resources management practices on employee performance. The samples of 56 were selected from lecturers and administrators, Malaysian Skills Institute (MSI) by doing simple random sampling method, the results stated that recruitment and selection and compensation positively connected with the employee performance in Malaysian Skills Institute.

Biswas, (2012) studied the influence of psychological climate, transformational leadership on employee work performance. The results reveal that, executive leadership based on leader-member belief and non-formal means of statement increases the meaningfulness of job explanation. The component of task has increased in the present work setting and meeting these challenges are fundamentally rewarding and substantial at the distinct level.

Grugulis and Stoyanova, (2011) identified the association between work skill and work performance. The result states that the skilled labour will contribute to good shop floor performance. It is suggested that soft skills may be an essential part of work but it is difficult to evaluate and segregate, which may end up in preconception about an employee in his work performance.

In Summary the above studies on HRM Practices, Leadership and Work Skills bring its impact on the Work Performance. Most of the studies concluded that people who are technically skilled and motivated through proper leadership channel shows a constructive influence on employee work performance in an organization.

V. OBJECTIVES OF THE STUDY

The objective of the study is

➤ To assess the perception of employees regarding Human Resource Management Practices, Leadership, Work Skills and Work Performance

➤ To explore the effect of Human Resource Management Practices, Leadership and Work Skills on Work Performance

VI. METHODOLOGY

This study is descriptive and causal in nature. This study attempts to know the influence of HRM Practices, Leadership and Work Skills on Work Performance among the sales employees of automobile dealers in Coimbatore city. Hence the population for the study comprises the sales employees working with the automobile dealers in Coimbatore City. The sample size of the study is 355 respondents. The tools used for analysis includes Descriptive, Correlation and Regression. The Measures used for the study is explained below.

Table 1

Constructs	Number of Items	Cronbach Alpha	Author
HRM Practices (HRMP)	12	0.807	Rhoades and Eisenberger (2002)
Leadership (LS)	7	0.791	Jones et. al., (1977)
Work Skills (WS)	17	0.893	Mehta *et al*., (2000); Verbeke and Bagozzi, (2000)
Work Performance (WP)	6	0.796	May et al., (2002)

Source: Primary data

In the above table, the Cronbach Alpha value is >0.7, which is acceptable and instruments used for this study is validated.

VII. ANALYSIS & DISCUSSION& RESULTS

The study used descriptive statistics to find out the mean and standard deviation based on the responses given by the sales employees working in automobile dealer's showrooms.

Table 2 : Descriptive Statistics

Variables	N	Mean	Std. Deviation
HRMP	355	4.2160	.53933
LS	355	4.2640	.51574
WS	355	4.2757	.49741
WP	355	4.2953	.54868

Source: Primary data

Table 2 represents the mean values for the study variables. It is inferred from the above table that among the 4 factors, the overall highest mean value is for Work Performance (M=4.2953, SD=0.54868), followed by Work Skills (M=4.2757), Leadership (M=4.2640) and the lowest mean value is for Human Resource Management Practices (M=4.2160). The highest standard deviation value is for Work Performance (SD=0.54868) followed by Human resource management practices (SD= 0.53933), Leadership (SD=0.51574) and the lowest standard deviation value is for the factor Work Skills (SD=0.49741).

The result states that the sales employees of automobile showroom are so concerned about their work performance when compared to the other variables. The work skills and leadership are also equally important when talking about employee performance in an organization. Employee performance in a sales profile job, is more considered for their incentives and compensations. So employees are self-motivated to showcase their high performance in the organization.

To find the influence of the factors Human Resource Management Practices, Leadership and Work Skills on

Work Performance, Correlation and Regression Analysis is carried out.

Table 3: Correlation

Variables	r	Sig
HRMP	0.594	0.000
LS	0.490	0.000
WS	0.799	0.000

Source: Primary data

Table 3 presents the results of correlation analysis. The results show that from the 3 factors that influence work performance, significant positive correlation with work performance exists with all the 3 factors namely: Human Resource Management Practices, Leadership and Work Skills. Hence it is found that high correlation exists between the factors work skills (r=.799; p=0.000) and HRM Practices (r=.594; p=0.000) on work Performance, indicating high impact of both the factors work skill HRM Practices on work performance. Industry 4.0 has a great impact on recruiting skilled employee to demonstrate higher work performance in the organization to achieve his individual goals. The skill may of both Soft Skill and Technical skill, where the world is moving towards technological advancement. Skilled people will be needed to maintain the technology for the organization sustenance and a positive HRM Practices in an organization motivate the employees to perform well in his/her work. Every Organization must change the approach of HRM Practices in developing the talent and retaining those talents. The focus of the organization needs to be on enhancing the Work skills and HRM Practices of employees to have well performing work force, which directly influence the business outcomes in industrial revolution. The other factor namely Leadership (r=.490, p=0.000) also shows a moderate correlation on work performance which enables the employees to increase their work productivity.

Table 4: Regression Analysis- Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig.
1	.799	.638	.637	.33056	622.315	.000
2	.805	.648	.646	.32665	323.402	.000

Source: Primary data

From the above Table 4 it is found that the adjusted R² value is 0.646. This infers that 64.6% variability in the Dependent variable i.e. Work Performance is being predicted by the Independent variable Human resource management practices and work skills and the regression model is significant (F= 323.402; p<0.000).

The result state that employee work performance is foreseen by the variables HRM practices and work skills in this study. Automobile sales organization may concentrate on HRM practices they follow for their employee growth and developing the skills of the sales employees through different training and development programmes

Table 5: Regression Coefficient

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.528	.152		3.472	.001
	AVGWS	.881	.035	.799	24.946	.000
2	(Constant)	.371	.159		2.340	.020
	AVGWS	.789	.046	.715	17.168	.000
	AVGHRMP	.131	.042	.128	3.082	.002

Source: Primary data

The result of model 2 states that 64.6% of the variability in Work Performance is predicted by Work skills and HRM Practices. It also reveals that among the two independent variable Work skills has the highest positive influence of 0.715 on the dependent variable work performance ($\beta = 0.715$ positive, t = 17.168 positive, p <0.001), followed by HRM Practices ($\beta= 0.128$ positive, t=3.082 positive, p < 0.001) which has a positive influence on Work Performance. Sales employees must have work skills like communication, negotiation, adaptability, self-motivation, computer skills etc. to perform their task in a better way.

The other variable Leadership does not have positive influence on work performance. Even though it plays a major role in today's competitive market, it is not positively considered by the sales employees of the organization. The reason could be that in this type of target-oriented job, employees must showcase their skills and talents to sell the product and achieve their targets, where the roll of leadership may be less but here Transformational leadership may act as indirect variable where employees are self-motivated and help others to achieve their targets.

VIII. CONCLUSION

Revolutions often lead to big transformations. The organizations that adapt these changes are those who will survive throughout years. In 4th Industrial revolution, organizations effectively transform their business process and optimize investment on their employees are likely to flourish. Organizations who productively optimize their systems and leverage the "Intelligence of Things (IoT) will lead us to Industry 5.0. The functional strategy like Human Resource Department's which deals with Man power must concentrate on developing their people to face this challenging revolution by providing continuous support. Employee Work Performance is the major contribution to any business outcome. Hence organizations must concentrate to increase the employee performance through providing best HRM Practices, courteous leadership and recruiting and retaining the best talent for the organization. As the digital transformation expands and 'war for talent' endures, organizations must deliberate a good designed approach to build a strong leadership pipeline to lead the digital era. The Indian government should stimulate Public and Private Research collaborations in building acquaintance and human wealth to the benefit of all. They must intend to accelerate automating simple activities to free up for more creativity and value creation.

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