

A Study on the Misalignment between HR Policies and Employee Needs

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ABSTRACT:

The Misalignment between human resource (HR) policies and employee needs is essential for organizational performance and employee satisfaction. This study investigates the consequences of misalignment between HR policies and changing employee needs in modern workplaces. Through an analysis of the discrepancies between standardized HR policies and the varied expectations and needs of employees, this research seeks to determine the causes and effects of such misalignment. The study uses a mixed-methods design, involving quantitative questionnaires and qualitative interviews among employees and HR professionals in diverse industries. The findings indicate that misalignment usually stems from rigid policies that do not evolve to accommodate shifting workforce demographics and individual requirements. Impacts are reduced employee engagement, increased turnover, and diminished organizational performance. The research provides guidelines for creating more adaptable and reactive HR policies that are more effective in meeting employee needs and promoting overall organizational effectiveness.

KEY WORDS: HR Policies, Employee Needs, Misalignment, Workforce expectations

I. INTRODUCTION:

1.1 Introduction to HR Policies

HR policies serve as formal commitments that dictate how employees are treated within an organization. These policies define standards for hiring, compensation, behaviour, performance evaluation, and dispute resolution. Well-structured HR policies ensure fairness, compliance with legal frameworks, and consistency in decision-making. They also provide clarity on workplace expectations and contribute to a professional and structured work environment.

1.2 HR Policies – Need

HR policies are essential for maintaining order, ensuring legal compliance, and promoting an equitable work environment. They help organizations address critical areas such as recruitment, employee conduct, workplace safety, and compensation. Having well-defined policies fosters trust between employees and management, reduces misunderstandings, and provides a framework for resolving conflicts. Additionally, HR policies help organizations adapt to evolving workforce dynamics and ensure that employees feel valued and supported.

1.3 HR Policies – 7 Main Steps for Formulation

The process of formulating HR policies involves multiple steps to ensure they are effective and relevant. The seven key steps include identifying the need for a policy, gathering relevant information, drafting the policy, consulting stakeholders, obtaining approval, implementing the policy, and continuously monitoring its effectiveness. This structured approach ensures that HR policies align with both organizational goals and employee expectations while maintaining legal compliance.

1.4 These Policies Serve Several Key Purposes

HR policies play a vital role in providing direction and structure within an organization. They help maintain fairness in decision-making, ensure legal compliance, and mitigate risks associated with employee disputes. By setting clear expectations, HR policies promote consistency in employee treatment and create a stable work environment. Additionally, well-implemented HR policies contribute to employee satisfaction, engagement, and a positive workplace culture.

1.5 Alignment Between HR Policies and Employee Needs

The effectiveness of HR policies depends on how well they align with employee needs and expectations. Organizations must recognize that employee priorities evolve over time, influenced by factors such as generational

differences, technological advancements, and work-life balance preferences. Misaligned HR policies can lead to dissatisfaction, decreased productivity, and higher turnover rates. Therefore, businesses must focus on regularly updating their HR policies to ensure they meet employees' changing needs while supporting organizational objectives.

1.6 Strategies for Achieving Alignment

To bridge the gap between HR policies and employee expectations, organizations should adopt a proactive approach. Key strategies include conducting regular employee feedback surveys, ensuring transparent communication between management and staff, making policies flexible to accommodate workforce diversity, and investing in continuous learning for HR professionals. Additionally, HR policies should be evaluated periodically to assess their effectiveness in enhancing employee satisfaction and overall business performance. Aligning HR policies with company values and long-term goals ensures a more engaged, motivated, and productive workforce.

II. OBJECTIVES:

- Identify discrepancies between HR policies and employee needs.
- Assess the current HR policies and practices within the organization to identify areas where they may not align with the evolving needs and expectations of employees.
- To make practical suggestions in the future for better coordinating HR procedures with the changing demands and expectations of workers.
- Assess the impact of misaligned HR policies on employee satisfaction and organizational effectiveness.

III. REVIEW OF LITERATURE:

Rajesh Bhagat and Priya Patel (2020) "Employee Engagement and HR Policy Alignment in Indian Manufacturing," assess how the alignment of HR policies with employee needs affects employee engagement within the Indian manufacturing sector. The study finds that when HR policies are aligned with the expectations and requirements of employees, it leads to increased engagement levels and enhanced organizational performance. Bhagat and Patel's findings highlight that misalignment between HR policies and employee needs results in disengagement and diminished productivity. Their research underscores the crucial role of policy alignment in fostering a motivated and productive workforce in the manufacturing sector.

Kramar, R. (2014) Exploring the role of HR policies in fostering sustainable organizational performance, Kramar argues that HR practices must align with both organizational values and employee needs to support long-term success. The findings suggest that sustainable performance is achieved when HR policies address strategic organizational objectives while catering to employee expectations, ensuring a balanced approach to human resource management.

Priyanka Sharma and Rajiv Jain (2021) The study, "Cultural Influences on HR Policies in Indian Multinational Companies," explores how cultural factors impact the effectiveness of HR policies within Indian multinational corporations. The research finds that integrating cultural considerations into HR policies significantly enhances their effectiveness. When HR policies fail to align with local cultural expectations, employees experience dissatisfaction and decreased performance. The study underscores the importance of adapting HR policies to reflect cultural nuances to foster a more effective and harmonious work environment within multinational companies.

IV. RESEARCH METHODOLOGY:

- **RESEARCH DESIGN:** This study follows a descriptive research design, using both qualitative and quantitative approaches to systematically analyse the misalignment between HR policies and employee needs. The research focuses on understanding how HR policies impact employee engagement, satisfaction, and retention, with an emphasis on identifying areas for improvement.

- **SAMPLING DESIGN:** The study employs a simple random sampling method to ensure a fair representation of employees from various levels within different organizations.

- **SOURCE OF DATA COLLECTION:**

Primary Data: Collected through structured questionnaires and interviews with employees and HR professionals.
Secondary Data: Includes books, journals, published articles, government reports, and previous research in the field.

- **SAMPLE SIZE:** The research is based on responses from 57 employees across various organizations in Vadodara.
- **TOOL OF DATA COLLECTION:** To ensure comprehensive data collection, a structured questionnaire was used as the primary data collection tool. This research adopted a quantitative and qualitative approach, incorporating both open-ended and closed-ended questions to gather insights from employees regarding the misalignment between HR policies and employee needs.

V. ANALYSIS AND INTERPRETATION

The data analysis reveals key insights into the misalignment between HR policies and employee needs. The workforce is predominantly young, with 80.7% of employees aged between 20 and 30 years, and 75.4% of the workforce being male, indicating a significant gender disparity. Additionally, 56.1% of employees have a tenure of one to three years, reflecting a relatively new workforce with potential retention challenges.

Awareness and accessibility of HR policies show mixed results. While 38.6% of employees are well aware of HR policies, a considerable portion (56.1%) has only partial awareness, and 5.3% lack awareness altogether. Furthermore, although 54.4% of employees find HR policies somewhat easy to access and understand, 7% report difficulty in comprehending them, highlighting gaps in effective communication.

Employee perceptions regarding HR policies indicate that 50.9% believe policies are only somewhat fair and consistent, and 52.6% feel that HR policies only partially align with employee needs. This suggests that existing policies may not effectively address critical employee concerns such as career advancement, work-life balance, and inclusivity. The level of employee engagement and satisfaction also reflects areas requiring improvement. While 57.9% of employees express satisfaction with career growth opportunities, 38.6% remain neutral, suggesting that existing growth pathways may not be sufficiently clear or motivating. Work-life balance emerges as a major priority for 71.9% of employees, while benefits (49.1%) and career opportunities (47.4%) are also key factors influencing job satisfaction.

Transparency in HR processes, particularly in promotions and appraisals, remains a significant concern. About 38.6% of employees feel that their feedback is not solicited, and 28.1% believe their input is not considered in decision-making, indicating a lack of inclusivity in HR policies. This lack of transparency contributes to mistrust and dissatisfaction, which in turn affects employee commitment. Notably, 63.2% of employees have considered leaving the organization due to HR policy misalignment, with their top priorities being flexible work arrangements (31.6%), career growth opportunities (26.3%), and greater transparency in HR practices (22.8%).

The findings highlight the need for HR policies to be more employee-centric, addressing concerns related to career development, flexible work structures, and greater inclusivity in decision-making. By bridging these gaps, organizations can enhance employee engagement, job satisfaction, and long-term retention, ultimately creating a more productive and motivated workforce.

VI. FINDINGS:

The organization has a predominantly young workforce, highlighting the need for policies that emphasize career development, learning opportunities, and work-life balance to align with their ambitions and expectations. A significant gender disparity exists, with males being the majority, indicating the necessity for targeted efforts to promote gender diversity and inclusivity. While some employees are aware of HR policies, others have only partial or no understanding, reflecting gaps in effective communication and accessibility. HR policies are perceived to only partially align with employee needs, suggesting they may not fully address expectations related to career growth, flexibility, and overall well-being. Additionally, many employees feel that their feedback is either not solicited or considered, highlighting a lack of inclusivity in policy formulation and decision-making processes.

Employee satisfaction with career growth opportunities is mixed, revealing gaps in skill development programs, promotion opportunities, and long-term growth pathways. While some employees appreciate the organization's efforts to support work-life balance, others believe there is room for improvement, particularly in flexible work arrangements. Employees desire more flexibility in work schedules, better career advancement opportunities, and greater transparency in organizational processes. Although inclusivity and diversity are valued, they are secondary priorities compared to other concerns.

A pressing issue is the lack of transparency in HR processes, particularly in promotions, appraisals, and policy changes, leading to mistrust and ambiguity in workplace decisions. The misalignment between employee needs and HR policies is directly linked to employees' intentions to leave the organization, emphasizing the need for stronger retention strategies. Overall, flexible work arrangements, career growth, and transparency rank as top priorities, underscoring the necessity for HR to realign its focus to better meet employee expectations.

VII. CONCLUSION AND SUGGESTIONS:

To improve HR effectiveness, organizations should ensure all employees understand HR policies through regular training, accessible digital resources, and simplified handbooks. Structured mentorship programs, leadership training, and defined promotion pathways can support career aspirations. Expanding flexible work arrangements, remote work options, and mental health resources will enhance well-being. Encouraging anonymous feedback, conducting frequent surveys, and integrating feedback into decision-making will foster inclusivity. A structured recognition and reward system should be introduced to consistently motivate employees. Additionally, regular departmental audits and employee involvement in policy formulation will help create a fair and transparent HR framework.

This study highlights the importance of aligning HR policies with employee needs to foster a motivated and satisfied workforce. Key gaps include career growth opportunities, flexible work arrangements, inclusivity, and the consistent application of policies. These shortcomings have resulted in reduced trust in HR practices and lower engagement. HR teams must prioritize listening to employees and developing policies that cater to their needs. Emphasizing flexible work arrangements, career development programs, and fair, transparent policies will be essential. Regular policy updates and improved communication can strengthen trust and support. Aligning HR policies with employee expectations will enhance satisfaction, drive organizational growth, and create a more positive work environment.

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