

Vol 5 Issue 11 August 2016

ISSN No : 2249-894X

*Monthly Multidisciplinary
Research Journal*

*Review Of
Research Journal*

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ANALYSIS OF NATURE AND CHARACTERISTICS OF HUMAN RESOURCE ACCOUNTING (HRA)

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ABSTRACT

Human resource plays a very important role in the present day. They are the important limbs of the business. We can win over competitor only if we have efficient human resource thus they are very important part of the business. They can be also be compared with the heart of the human body. The impact of human resource depends upon the demographic basis and in this paper I have characterised socio economic factor. In this research



paper an attempt is made to analyse the nature and characteristics of Human Resource Accounting with socio economic factors.

KEYWORDS : Human resource , demographic basis , nature and characteristics ..

SOCIO ECONOMIC FACTORS

Socio-economic factors implicate both social and economic factors. If social and economic factors are examined clearly, it gives better comprehension and perception of both the influences on human resource accounting

Table 1
Analysis of Socio Economic Factors

| Particulars | Socio Economic Factors | | | | | Total | |
|---------------------------------------|------------------------|-------------------------|---------------------|---------------|---------------------|--------------|------------|
| | Staff | Accountant | Management Category | | | | |
| Category of Job | 131 (44%) | 44 (14%) | 125 (42%) | | | 300 (100%) | |
| Designation | Non Executive | | Executive | | | 300 (100%) | |
| | 174(58%) | | 126(42%) | | | | |
| Age | 20 to 30 yrs | 31 to 40 yrs | 41 to 50 yrs | 51 to 60 yrs | | 300 (100%) | |
| | 29 (10%) | 59 (20%) | 128 (42%) | 84 (28%) | | | |
| Gender | Male | | | Female | | 300 (100%) | |
| | 204 (68%) | | | 96 (32%) | | | |
| Qualification | Diploma | Technical Qualification | Degree | Post Graduate | Professional Degree | 300(100%) | |
| | 33 (11%) | 4 (1%) | 153 (51%) | 24 (8%) | 86 (29%) | | |
| Years of Experience | Less than 5 yrs | | 05 to 07 yrs | 07 to 10 yrs | 10 to 15 yrs | Above 15 yrs | 300 (100%) |
| | 21 (7%) | | 31 (10%) | 73 (24%) | 89 (30%) | 86 (29%) | |
| Years of Service in this Organization | Below 2 yrs | | 02 to 04 yrs | 04 to 06 yrs | 06 to 08 yrs | Above 08 yrs | 300 (100%) |
| | 26 (9%) | | 34 (11%) | 56 (19%) | 74 (24%) | 110 (37%) | |

Source: Primary Data

Category of Job: 44 percent of the sample members belong to staff, 42 percent of the sample respondents belong to Management category and 14 percent of the respondents belong to Accountants. Staff and Management category are nearly equal in sample and they are higher when compared to the response of the Accountants.

Designation: 58 percent of the sample members are Non executives i.e. staff and accountant belong to this category, the staff refer here are above the middle category, 42 percent of the respondents belong to Executive i.e., management category. Hence it is implied that most of the respondents are staff and Accountants, only a little difference between the percentage of Executives and non executives, even the non executive category of respondents are related to the upper middle category of the employees.

Age Wise Classification of the Member Respondents: 42 percent of the respondents belong to the age above 41 to 50 years, 28 percent of members belong to above 51 years age group. 20 percent of the respondents belong to 31 to 40 years and only 10 percent of the sample respondents belong to the age group of 20 to 30 years. Compared to above 20 to 40 years age group, above 40 years age group members have higher representation.

Gender Classification: 68 percent of the respondents are from male category and only 32 percent of the sample relate to female category. The male respondents are higher when compared to female respondents.

Educational Qualification Wise Classification of the Member Respondents: 51 percent, that is more than half percent of the respondents belong to Degree qualification, 86 percent of the respondents have Professional degree, 33 percent of members are qualified at Diploma level, 7 percent of the sample are qualified at Postgraduate level and only 1 percent of the respondent is qualified at Technical level. Hence the table reveals that more number of members have completed Degree. Since the study has concentrated more on the sample respondents who were aware of Human Resource Accounting, the percentage of Technical qualification found to be least when compared to other qualification.

Classification of Years of Experience of member respondents: 30 percent of the respondents belong to 10 to 15 years of experience, 29 percent of the sample members belong to above 15 years of experience, 24 percent of the respondents lies between 07 and 10 years of experience, 10 percent belong to 05 to 07 years of experience and only 7 percent belong to lesser than five years of experience. The sample has been collected from the experienced person only, since they know about Human resource accounting very well when compared to inexperienced person. So only the least percentage of respondents is lesser than five years of experience when compared to the respondents with more than 10 years of experience.

Classification of Years of Service of the respondents in this company: 37 percent of the sample members have more than eight years of experience in this company, 24 percent of the members have the experience between 06 and 08 years in this company, 19 percent of the respondents have 02 to 04 years of service in that particular company, 11 percent have 02 to 04 years of service in that company and only 9 percent have the experience of below two years in that company. From the above table it can be concluded that experienced respondents who possess the experience of above eight years in the same company are comparatively higher when compared to the respondents with less experience i.e., below two years of experience in the same company.

It is therefore inferred from the table 5.1 that with regard to category of Job, Staff respondents are slightly more when compared with Management Category of respondents. Since the accountants were very few in each company the response rate was also very less. The Non executive respondents showed keen interest in filling the questionnaire and hence the response rate was higher when

compared to the executive category, as the executives were very busy with their regular work their response was little less than non executive. 41 to 50 years of age group, particularly male respondents had the higher percentage response as they were very well aware about HRA. The respondents with professional degree and degree gave more attention to the questionnaire when compared to the respondents with Diploma, Technical Qualification and Post Graduate. The respondents with more than 15 years of experience and above 8 years of service in this company showed higher response when compared to lesser years of experience.

DESCRIPTIVE STATISTICS

The table 2 reports about the descriptive statistics analysis of socio economic factors.

Table 2
Descriptive statistics of Socio Economic Factors

| Variables | Mean | Std. Deviation | Skewness | Kurtosis |
|----------------------------------|------|----------------|----------|----------|
| Category of Job | 1.98 | 0.93 | 0.04 | -1.84 |
| Designation | 1.42 | 0.49 | 0.33 | -1.91 |
| Age | 2.89 | 0.92 | -0.52 | -0.53 |
| Gender | 1.38 | 0.64 | 1.98 | 5.24 |
| Qualification | 3.43 | 1.24 | -0.23 | -0.47 |
| Years of Experience | 3.63 | 1.20 | -0.59 | -0.50 |
| Years of Service in this company | 3.69 | 1.30 | -0.68 | -0.69 |

Source: Primary Data

The above table 2 provides the summary statistics and the levels of the variables. Summary statistics include the mean and the Standard deviation, Minimum, Maximum, Skewness and Kurtosis value. The mean, median, maximum, minimum and standard deviation can determine the statistical behaviour of the variables.

From the above table the mean score of Years of service in the company is higher with 3.69 with the standard deviation of 1.30, because as the years of service is higher they know much about the policies related to human resource accounting. The second highest is total years of Experience with 3.63 with the standard deviation of 1.20, the mean score of Qualification is 3.43 with the standard deviation of 1.24 has occupied the third position among the socio economic factors which is followed by Age, Category of job, Designation and Gender with mean score of 2.89, 1.98, 1.42 and 1.38 with standard deviation of 0.92, 0.93, 0.49 and 0.64 respectively.

ANALYSIS AND INTERPRETATION RELATED TO NATURE AND CHARACTERISTICS OF HUMAN RESOURCE ACCOUNTING

The nature and characteristics of human resource accounting refers to the basic or inherent features, character or qualities of human resource accounting. In this part the nature and characteristics of Human Resource Accounting have been analysed with socio economic variables using Descriptive statistics, Independent 't' test, Correlation analysis and ANOVA.

PERCENTAGE

The table 3 indicates the percentage of factors related to the nature and characteristics of

Human Resource Accounting among the selected 300 respondents.

Table 3
Percentage of Nature and Characteristics of Human Resource Accounting

| S.NO | Particulars | STA | A | NU | DA | SDA | Total |
|------|--|-----------|-----------|----------|----------|--------|------------|
| 1 | HR as a Major assets | 173 (58%) | 115 (38%) | 0 | 11 (4%) | 0 | 300(100%) |
| 2 | HR expenditure should be capitalized | 164 (55%) | 82 (27%) | 0 | 54 (18%) | 0 | 300 (100%) |
| 3 | HRA should be voluntary | 153 (51%) | 76 (25%) | 2 (1%) | 69 (23%) | 0 | 300 (100%) |
| 4 | HR value be presented in Balance sheet | 128 (43%) | 107 (36%) | 65 (21%) | 0 | 0 | 300 (100%) |
| 5 | HR Value should reflect in Annual Report | 163 (54%) | 96 (32%) | 3 (1%) | 38 (13%) | 0 | 300 (100%) |
| 6 | FS quality increases due to HR Value | 146 (49%) | 76 (25%) | 0 | 77 (26%) | 0 | 300 (100%) |
| 7 | Profitable company include more HRA | 153 (51%) | 65 (22%) | 2 (1%) | 74 (24%) | 6 (2%) | 300 (100%) |
| 8 | HRA should be mandatory in future | 135 (45%) | 110 (37%) | 2 (1%) | 53 (17%) | 0 | 300 (100%) |
| 9 | HRA information increases profitability | 148 (49%) | 76 (25%) | 8 (3%) | 65 (22%) | 3 (1%) | 300 (100%) |
| 10 | HRA is the best method | 159 (53%) | 69 (23%) | 2 (1%) | 63 (21%) | 7 (2%) | 300(100%) |
| 11 | HRA is needed | 176 (59%) | 194 (35%) | 3 (1%) | 9 (3%) | 5 (2%) | 300 (100%) |
| 12 | HRA should reflect in Annual report | 84 (28%) | 173 (57%) | 17 (6%) | 23 (8%) | 3 (1%) | 300 (100%) |
| 13 | HRA is useful | 117 (39%) | 136 (45%) | 21 (7%) | 17 (6%) | 9 (3%) | 300 (100%) |

Primary Data Human Resource, HRA-Human Resource Accounting, FS-Financial Statements, STA-Strongly Agree, An Agree, NU-Neutral, DA-Disagree, SDA-Strongly Disagree.

HR as a Major asset: 58 percent of the respondents have unequivocally concurred that "Human Resource as a noteworthy resource" for the organization, 38 percent of the specimen respondents additionally have concurred that "HR as a noteworthy resource" and just 4 percent of the example have couldn't help contradicting the announcement that "Human asset as a noteworthy resource".

HR expenditure should be capitalized: Nearly 55 percent of the specimen has strongly concurred that "Human Resource consumption ought to be promoted", 27 percent of the respondents likewise have concurred that "HR use ought to be promoted" and just 18 percent of the example have differ to the announcement that "HR use ought to be promoted".

HRA should be voluntary: 51 percent of the respondents have emphatically concurred that "HRA ought to be willfully joined" in the Annual reports of Indian organizations, 25 percent have concurred with the announcement "HRA ought to be deliberate" and 23 percent of the example respondents have couldn't help contradicting deliberate connection of HRA in Annual reports. 1 percent is unbiased with intentional HRA.

HR value is presented in Balance sheet: 43 percent of the specimen individuals have strongly consented to the announcement "Human Resource esteem must be exhibited in Balance sheet", 36 percent of the respondents have consented to this announcement and 25 percent have stayed unbiased to the announcement that "HR esteem must be displayed in Balance sheet".

HR Value should reflect in Annual Report: 54 percent of the respondents have strongly concurred that "HR esteem ought to reflect in Annual reports", 32 percent of the specimen individuals have consented to the announcement and 13 percent of the respondents have differ that "HR esteem ought to reflect in Annual report" and 1 percent has stayed unbiased to the above articulation.

FS quality increases due to HR Value: 49 percent of the respondents have strongly concurred and 25 percent have concurred that "Budgetary proclamation quality increments because of human asset esteem" though 26 percent have differ that "Money related articulation quality increments because of human asset esteem".

Profitable company include more HRA: 51 percent of the specimen individuals have strongly concurred and 22 percent have consented to the announcement that "Productive organization

incorporates more HRA" data while 24 percent have differ and 2 percent have emphatically differ to the announcement and 1 percent stood unbiased to the announcement that "Beneficial organization incorporate more human asset bookkeeping data".

HRA should be mandatory in future: 45 percent of the example respondents have strongly concurred that "HRA ought to be compulsory in future" and 37 percent of the respondents have consented to the announcement that "HRA ought to be obligatory in future" and just 17 percent of the respondents have differ to the announcement and 1 percent of the specimen has stayed unbiased.

HRA information increases profitability: 49 percent of individuals from the sample have unequivocally concurred and 25 percent have concurred that "Human asset bookkeeping data builds benefit" of the worry. In opposite 22 percent have differ and 2 percent have firmly differ that "HRA data expands gainfulness" and 1 percent of the example part stood nonpartisan to the announcement.

HRA is the best method: 53 percent of the example respondents have strongly agreed that "HRA is the best technique" and 23 percent of the respondents have consented to the announcement that "HRA is the best strategy" and just 21 percent of the respondents have differ and 2 percent have emphatically differ to the announcement and 1 percent of the specimen stayed impartial.

HRA is needed: 59 percent of the example individuals have unequivocally concurred and 35 percent consented to the announcement that "Human asset bookkeeping is required" while 3 percent have differ and 2 percent have emphatically differ to the announcement and 1 percent stood nonpartisan for the announcement, "HRA is required" for Indian organizations.

HRA should reflect in Annual report: 57 percent of the respondents have agreed that "HRA ought to reflect in Annual report", 28 percent of the example individuals have unequivocally consented to the announcement and 7 percent of the respondents have differ and 1 percent of the specimen part have emphatically differ that "HRA ought to reflect in Annual report" and 1 percent has stayed nonpartisan to the above articulation.

HRA is useful: 45 percent of the respondents have agreed that "Human resource accounting is helpful" for the Indian organizations, 39 percent have unequivocally concurred that HRA is helpful and 6 percent of the example respondents have differ and 3 percent have firmly differ that "HRA is helpful". 7 percent of the specimen individuals have stayed nonpartisan to the announcement that "HRA is valuable".

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