

# "HR Audit as a Tool for Workforce Sustainability: A Study in Indian Manufacturing Firm"

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## Abstract:

Managers rely on continuous feedback to assess organizational health and take timely corrective actions. This article reports the results of a human resource (HR) audit conducted at ABC Group, a metal casting and auto-ancillary manufacturer in Maharashtra, India. Using a descriptive survey of 117 employees across three plants (1,2,3), supported by interviews and record reviews, we evaluated HR policies and practices in communication, work environment, training, career development, appraisal, recognition, compensation, recruitment, health and safety, and job security. Findings indicate strong internal communication, well-structured training, and clear performance accountability. However, employees reported dissatisfaction with recruitment processes, delayed compensation benefits, inadequate health and safety measures, and low perceived job security. Hypothesis tests (t-tests and ANOVA) showed no significant differences in overall HR policy satisfaction across gender, age, and educational status, but significant differences in retention intentions by experience level and skill category. We discuss actionable improvements—strengthening safety implementation, revising recruitment methods, ensuring timely benefits, and increasing participation in decision-making—to enhance morale, retention, and labor-management cooperation.

*Keywords: absenteeism, audit, compensation, health and safety, hr audit, industrial relations, manufacturing, recruitment, training and development*

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## Introduction of the Study

Human Resource (HR) Audit has become an essential instrument for organizations seeking to maintain efficiency and competitiveness in today's dynamic business environment. With globalization, rapid technological progress, and shifting workforce expectations, companies face constant challenges that require proactive measures. To stay aligned with organizational goals and comply with legal standards, HR policies and practices must be regularly assessed and updated.

An HR audit provides a structured approach to reviewing HR functions, policies, and procedures. It acts as a diagnostic tool, helping management identify gaps and inconsistencies before they develop into major issues. By offering timely insights, HR audits not only strengthen compliance but also enhance employee morale, build trust, and improve labor-management

relations. More importantly, they ensure that HR practices contribute strategically to organizational growth rather than serving as mere administrative formalities.

In the Indian manufacturing sector—particularly in auto-ancillary industries—HR audits hold special significance. These industries employ large workforces and operate under strict quality and safety norms. Effective HR systems in areas such as recruitment, training, compensation, health and safety, and industrial relations are vital for sustaining productivity and competitiveness. However, many organizations continue to rely on traditional HR approaches, which often fall short in addressing emerging challenges like skill gaps, employee engagement, and compliance with evolving labor laws.

This study focuses on **ABC Group**, a prominent auto-ancillary manufacturer, to evaluate the effectiveness of

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its HR policies and practices. Through a comprehensive HR audit, the research aims to uncover strengths and weaknesses in existing systems, understand employee perceptions, and recommend actionable improvements. The findings are expected to help the organization enhance operational efficiency and foster long-term sustainability, reaffirming the growing role of HR audits as a strategic tool in modern business management.

### Literature Review:

Prior work positions HR audits as investigative, analytical, and comparative processes that assess how HR practices align with business objectives. Studies report benefits such as improved compliance, better training alignment, and enhanced organizational performance. Frameworks emphasize systems, operations, and climate audits, and highlight the strategic role of HR audit in aligning people practices with corporate strategy.

Human Resource (HR) Audit has evolved as a critical mechanism for evaluating the effectiveness of HR policies, practices, and programs within organizations. Early scholars such as Dale Yoder defined HR audit as a systematic examination and evaluation of personnel policies and procedures to determine their efficiency and alignment with organizational goals. This foundational perspective positioned HR audit as a compliance and control tool, ensuring adherence to legal and organizational standards.

T.V. Rao (1999) introduced the concept of strength-based HRD audit in India, emphasizing its role as an Organizational Development (OD) intervention. His work highlighted how audits could foster trust, collaboration, and continuous improvement by assessing systems like performance appraisal, career planning, and training. Similarly, Nevado (1998) argued for strategic HR audits that align personnel policies with corporate objectives, thereby transforming audits from operational checks into strategic enablers. Further contributions by G.S. Batra (1996) linked HR audit to human resource valuation, stressing that HR accounting systems must be complemented by robust auditing practices to ensure fairness and transparency. Osama Shaban (2012) reinforced this view by describing HR audit as a quality control mechanism that evaluates HR functions and their contribution to organizational strategy.

Sharma and Sarkhel (2024) examines the role of HR audit and their influence on employees job satisfaction. This paper highlights the critical role HR audits play in improving organizational practices and fostering a more satisfied workforce in the retail sector. Rohit and Zalake (2024) conduct study on HR audit to analyze impact on efficiency and effectiveness in

organization. Carolina, Darmayanti, Astrina And Kurniawan (2025) stated that Engaged employees will tend to give their best performance and do their work optimally to achieve the Company's goals. They analyze the influence of Human Resources Audit and Employee Engagement on employee performance.

### Contemporary Developments (2023–2025)

#### AI and Analytics in HR Audits

Generative AI and predictive analytics are transforming HR audits into continuous, real-time processes. Studies by McKinsey and KPMG India highlight AI's role in recruitment, performance management, and workforce planning, while stressing governance frameworks to mitigate bias and ensure algorithmic fairness.

#### Integration with ESG and Human Capital Reporting

Global standards such as ISO 30414 and CSRD have expanded audit scopes to include DEI, wellbeing, safety, and pay equity. Audits now verify readiness for human capital disclosures, aligning HR practices with sustainability and regulatory requirements.

#### Auditing Hybrid Work and Digital Experience

Post-pandemic realities demand audits of virtual onboarding, remote engagement, and mental health initiatives. Reports from SHRM and AIHR emphasize the need for new audit criteria addressing digital work environments and employee experience.

#### Predictive HR Analytics

Machine learning models for attrition and skill-gap forecasting are increasingly embedded in HR audits. This requires auditors to assess data quality, bias controls, and ROI of predictive tools, ensuring ethical and effective deployment.

#### Data Privacy and Compliance (India's DPDP Act)

The Digital Personal Data Protection Act, 2023 mandates stringent privacy obligations, making data governance a cornerstone of HR audits. Auditors must now evaluate consent management, data subject rights, and vendor compliance to safeguard employee information.

The literature reveals a clear trajectory: HR audits have progressed from static compliance checks to dynamic, strategic instruments that leverage technology, support ESG goals, and uphold data privacy. This evolution underscores the audit's role in not only ensuring legal compliance but also driving organizational resilience, trust, and sustainable growth.

### Objectives of the Study

1. To evaluate the effectiveness of various personnel policies and practices in the organization.
2. To identify problems faced by employees and suggest appropriate solutions.
3. To understand employee opinions and perceptions toward the organization.

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### Scope of the Study

The study covers HR functions such as recruitment and selection, training and development, compensation, health and safety, and industrial relations within ABC Group's three plants. It is limited to employee perceptions and does not include external benchmarking or longitudinal analysis.

### Importance of the Study

HR audits provide actionable insights into the strengths and weaknesses of HR systems. For ABC Group, this study helps:

- Improve HR policies and practices for better employee satisfaction.
- Ensure compliance with legal and organizational standards.
- Enhance productivity through effective training and fair compensation.
- Build trust and transparency between management and employees.

### Research Methodology

- **Nature of Study:** Descriptive, focusing on internal HR audit activities.
- **Data Collection:**
  - *Primary Data:* Collected through structured questionnaires, interviews, and discussions with HR managers and employees.
  - *Secondary Data:* Company records, annual reports, published papers, and relevant literature.
- **Sample Size:** Out of a total population of 587 employees across three plants (1,2,3) (117 employees) were selected as the sample.
- **Tools Used:** Statistical analysis including mean scores, t-tests, and ANOVA for hypothesis testing.

### Design and Sample

We conducted a descriptive HR audit using a mixed-methods approach: employee survey, interviews with HR and line managers, and analysis of internal records and policies. The sample comprised 117 employees (107 male, 10 female) drawn from three plants—1 ( $\approx$ 270 workers), 2 ( $\approx$ 200), and 3 ( $\approx$ 117). Respondents spanned age groups (<25: 12; 26–45: 69; 46–60: 29; >60: 7) and skill levels (skilled: 52; semi-skilled: 41; unskilled: 24).

### Measures and Procedure

Survey items captured perceptions across communication, work environment, training, career development, performance appraisal, recognition,

management support, departmental support, respect and equality, compensation and benefits, job security, utilization of skills, health and safety, awareness of facilities, and recruitment. Statistical analyses included descriptive statistics, independent samples t-tests, and one-way ANOVA to test hypotheses on satisfaction and retention across demographic groups.

### Limitations of the Study

- The study is confined to three plants of ABC Group and does not cover other units or external benchmarks.
- Findings are based on employee opinions collected through questionnaires; responses may involve bias or inaccuracies.
- The study focuses on internal HR audit parameters and excludes comparative analysis with industry standards.

### Results:

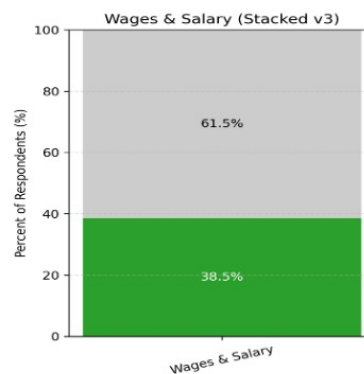
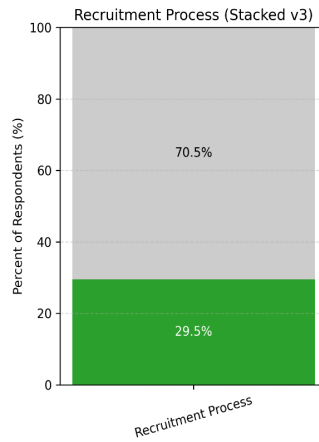
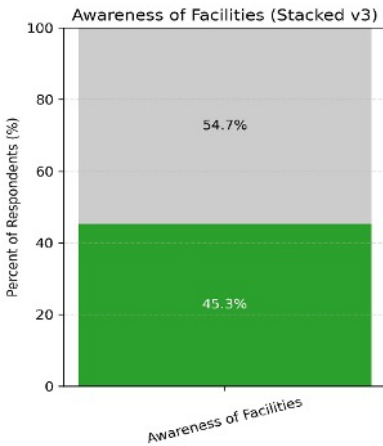
#### HR Audit Comparison Brief: ABC Group (Sangli – 1,2,3)

1: Refers to **Moulding Line**, a high-pressure, flaskless moulding machine technology widely used in foundries for precision casting.

2: Refers to **Moulding Line**, another advanced moulding system from the Japanese manufacturer SINTOKOGIO Ltd., known for high-speed, automated moulding.

3 : Typically denotes the **Vertical Wheel or Vertical moulding line**, often associated with vertical moulding machines for high-volume production of castings.

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The stacked bars show the share of respondents who **Agree + Strongly Agree** (green) versus all other responses (**Neutral / Disagree / Strongly Disagree**, grey).

### 1) Awareness of Facilities (Stacked v3) — 45.3% agree

**45.3%** of respondents agree/strongly agree that they are **aware of the facilities** available, **54.7%** fall into neutral or disagreement.

This is the **best-rated construct** among the four, indicating **reasonably effective internal communication** about facilities (canteen, transport, leave rules, welfare funds, etc.). The still-large neutral/disagree segment suggests **uneven awareness**—likely varying by plant, department, or shift.

**Implications:** Keep the current **communication pace** (bulletins, notice boards, WhatsApp groups, supervisor huddles). **Replicate** this communication playbook to **Safety** and **Benefits timelines**, where clarity is weaker.

- **KPI to track:** Communication on-time rate >**95%**; acknowledgment/read rate >**80%**; quarterly pulse on “facility awareness” >**50% agree**.

### 2) Health & Safety (Stacked v3) — 16.5% agree

Only **16.5%** agree/strongly agree that **Health & Safety (H&S)** is robust. **83.5%** are neutral or disagree—by far

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the **largest** non-agreement block across constructs. This is the **most critical gap**. Staff sentiment points to **policy-to-practice issues** (PPE usage, near-miss reporting, drill frequency, medical preparedness). The very low agreement aligns with earlier findings on **insufficient safety policy implementation** and **medical facility gaps**.

**Implications:** Run an H&S **implementation audit**: verify SOPs → PPE issuance logs → compliance audits → incident/near-miss registry completeness and **root-cause analysis**.

**Tighten emergency readiness** (first-aid, ambulance tie-ups) and **increase refresher training coverage**.

- **KPI to track:** Recordable incident rate (per 200k hours) **downward trend**, PPE adherence >95%, H&S training coverage >90%, drill completion as per schedule.

**3) Recruitment Process (Stacked v3) — 29.5% agree; 29.5% agree/strongly agree** that the **recruitment process** is fair/consistent. **70.5%** are neutral or disagree. Perceptions of **fairness** and **process rigor** remain **weak**. The large grey sector implies **inconsistent candidate experiences**—potentially differing by role, plant, or hiring manager. Earlier concerns about **limited opportunities for experienced/skilled candidates** appear to **persist**.

**Implications / quick wins:** Introduce **structured selection scorecards**, **panel calibration**, and clear **selection criteria** communicated to candidates. Track **time-to-fill** and **offer-to-join conversion**; run a small **candidate experience survey** post-process.

- **KPI to track:** Time-to-fill ≤30 days, structured-selection coverage **100% for critical roles**, offer-to-join conversion ↑, candidate experience score ↑.

**4) Wages & Salary (Stacked v3) — 38.5% agree; 38.5% agree/strongly agree** that **pay is adequate/fair**. **61.5%** neutral or disagree. Sentiment is **borderline**—close to mid-scale but still **more negative/neutral** than positive. This typically reflects **timeliness** issues in benefits and **perceived pay equity/appraisal fairness**.

**Implications:** Establish **benefits SLAs** (payout dates and escalation), run a **pay-equity variance** analysis by role/grade/tenure, and **calibrate appraisals** (rating norms, reviewer training, appeals mechanism).

**KPI to track:** Benefits timeliness >98% within SLA, pay-equity unexplained variance <5%, appraisal calibration **100%** cycles with documentation.

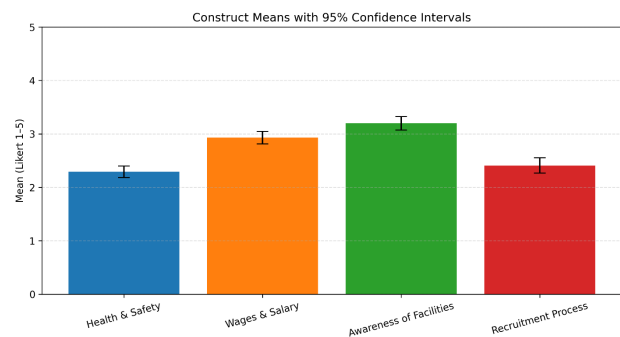
**Overall reading across charts**

- **Strongest area: Awareness of Facilities** (45.3% agree). Maintain the communication rhythm and **extend** it to weaker areas.

- **Weakest area: Health & Safety** (16.5% agree). Treat as **highest priority**—policy-to-practice alignment and visible dashboards.
- **Process areas to improve: Recruitment** (29.5% agree) and **Wages & Salary** (38.5% agree)—focus on **structure, transparency, timeliness, and equity**.

**Suggested next steps (linking charts to action)**

Construct	Immediate action	1–2 quarter KPI target	Expected chart movement
Health & Safety	PPE audits; near-miss RCA; drills & refresher training	PPE adherence >95%; training >90%; incident rate ↓	Green share ↑ to ≥35%
Recruitment	Scorecards; panel calibration; publish criteria & timelines	Time-to-fill ≤30 days; structured-selection coverage & <b>100% (critical roles)</b>	Green share ↑ to ≥40%
Wages & Salary	Benefits SLA; pay-equity review; appraisal calibration	Benefits on time >98%; equity variance <5%	Green share ↑ to ≥50%
Awareness of Facilities	Maintain cadence; replicate to safety/benefits comms	On-time comms >95%; acknowledgment >80%	Green share ≥50% and sustained



This bar chart compares the average Likert-scale ratings (1–5) for four HR audit constructs:

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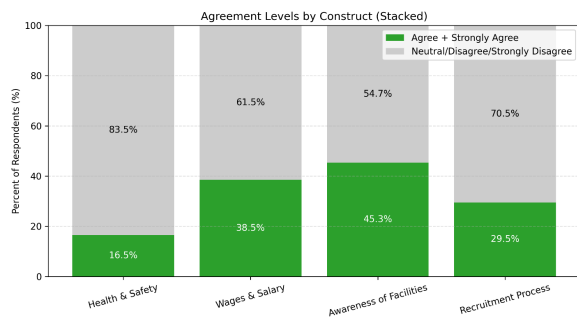
**Health & Safety, Wages & Salary, Awareness of Facilities, and Recruitment Process.** Each bar includes an error line representing the 95% confidence interval (CI).

**Observations:**

- **Awareness of Facilities** has the highest mean score (~3.20), indicating relatively strong performance in communicating available facilities.
- **Wages & Salary** follows with a mean of ~2.93, suggesting moderate satisfaction but room for improvement.
- **Recruitment Process** is lower (~2.41), reflecting dissatisfaction with fairness and transparency in hiring.
- **Health & Safety** is the lowest (~2.29), signaling significant gaps in safety measures and policy implementation.
- Confidence intervals are narrow, meaning the estimates are stable and reliable.

**Interpretation:**

- The organization excels in **facility awareness**, but **health and safety** is a critical weakness.
- Recruitment and compensation practices need structured improvements to raise employee confidence.
- Priority should be given to safety audits and recruitment process reforms.



This stacked bar chart shows the percentage of respondents who **Agree + Strongly Agree** (green) versus those who are **Neutral/Disagree/Strongly Disagree** (grey) for each construct.

**Observations:**

- **Health & Safety:** Only 16.5% agree, while 83.5% are neutral or disagree—indicating severe dissatisfaction.
- **Recruitment Process:** 29.5% agree, 70.5% do not—suggesting fairness and transparency issues.
- **Wages & Salary:** 38.5% agree, 61.5% do not—borderline performance with concerns about pay fairness and timeliness.

- **Awareness of Facilities:** 45.3% agree, 54.7% do not—best among constructs but still below 50%, showing uneven communication.

**Interpretation:**

- **Health & Safety** is the most urgent area for intervention.
- Recruitment and compensation require structured audits and KPI-driven improvements.
- Facility awareness is relatively strong but should be leveraged as a model for improving communication in other areas.

Focus area	Immediate action(s)	KPI(s) to watch (quarterly)	Expected shift in charts
Health & Safety	PPE audits; near-miss & incident RCA; drill cadence	Recordable incident rate ↓; PPE audit >95%; H&S training >90%	Mean ↑ to ≥3.0; Agreement ↑ to ≥35%
Recruitment Process	Structured scorecards; panel calibration; publish criteria	Time-to-fill ≤30 days; structured-selection 100% (critical roles); offer-join ↑	Mean ↑ to ≥2.8; Agreement ↑ to ≥40%
Wages & Salary	Benefits SLA; pay-equity variance; appraisal transparency	Benefits timeliness >98%; pay-equity variance <5%; calibration 100%	Mean ↑ to ≥3.2; Agreement ↑ to ≥50%
Awareness of Facilities	Maintain cadence; replicate comms playbook	Comms on-time >95%; acknowledgment >80%	Sustain Mean ≥3.2; Agreement >50%

**Compensation Audit, H&S Implementation Audit, and Recruitment Governance, and HR Audit Comparison Brief: ABC Group (Sangli – 1, 2, 3)**

**Comparison Table: Earlier Audit (2013–14) vs Current Signals (2022–2025)**

Dimension	Earlier audit (file)	Current signals	Gap / Action
Recruitment & Selection	Dissatisfaction with policy/processes; limited opportunities for	Active HR roles handling end-to-end hiring; induction &	Formalize scorecards, bias controls; publish time-to-fill

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	experienced/skilled (Tables 4.69–4.72)	formalities visible	& selection criteria; periodic recruitment audits
Training & Development	Strong access & job-fit training (Tables 4.14–4.17)	Employee reviews cite strong learning/hands-on	Adopt ISO 30414 training metrics (coverage, hours, impact) and report quarterly
Compensation & Benefits	Salary reasonableness and benefit timeliness weak (Tables 4.49–4.52)	Mixed reviews on fairness/appraisals; compliance tasks active	Compensation audit: timeliness SLA, pay-equity, appraisal transparency & appeal process
Health & Safety	Policy & implementation weak (Tables 4.61–4.64)	Limited public H&S metrics; site lists facilities	H&S implementation audit: PPE adherence, near-miss logs, medical response, drills; publish H&S dashboard
Recognition & Job Security	Recognition insufficient; job-security concerns (Tables 4.30–4.33; 4.53–4.56)	Mixed views on culture/appraisal fairness	Define recognition criteria, career ladders; communicate appraisal cycles and job-security policies

- Policy & SLA review: benefits payout timelines documented and communicated
- Payroll accuracy: random sample reconciliation (attendance vs payslip)
- Pay equity analysis: role/grade/tenure comparisons and outlier remediation
- Appraisal process: criteria visibility, rater calibration records, appeals tracked
- Grievance metrics: TAT, resolution rate, escalation logs

**B) Health & Safety Implementation Audit Checklist**

- Policy-to-practice mapping: SOPs, PPE issuance logs, compliance audits
- Incident & near-miss registry: completeness, root-cause analysis, corrective actions
- Emergency readiness: first-aid, ambulance tie-ups, drill frequency & outcomes
- Training coverage: % workforce trained, refresher cadence, test scores
- Workplace inspections: housekeeping, signage, hazardous area controls

**C) Recruitment Governance Audit Checklist**

- Workforce plans: demand forecasting, requisition approvals, job descriptions updated
- Candidate sourcing & diversity: channel mix, fair opportunity indicators
- Structured selection: scorecards, panel calibration, interview records
- Experience & skilled candidates: evidence of fair evaluation and offer ratios
- Offer-to-join conversion: onboarding quality, induction completion, early attrition tracking

**Hypothesis testing**

**H0- There is no significant difference about overall satisfaction of the skilled. Semi-skilled and unskilled employees**

**H1- There is significant difference about overall satisfaction of the skilled. Semi-skilled and unskilled employees**

	Gender	N	Mean	Std. Deviation	Std. Error Mean
<b>Overall satisfaction about HR policy of the company</b>	<b>Female</b>	<b>10</b>	<b>2.50</b>	<b>1.269</b>	<b>.401</b>
	<b>Male</b>	<b>107</b>	<b>2.99</b>	<b>1.201</b>	<b>.116</b>

**Audit Checklists**

**A) Compensation & Benefits Audit Checklist**

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Table:Independent Samples t-Test for Equality of Means						
	t	df	Sig.	Mean Difference	Std. Error Difference	Results
Overall satisfaction about HR policy of the company	-1.229	115	.221	-.491	.399	Retain Null Hypothesis

Tables indicates that there no significant difference in the satisfaction of the employees of the company. Because, the male and female employees of the company having same perception about the satisfaction level. The Independent Samples t-Test for Equality of Means indicates that *t -1.229 df 115 and sig .221* it directs to retain null hypothesis; it means there is no significant difference in the satisfaction of the male and female employees of the company under study.

**2.H0- There is no significant difference about retention of the employees belongs to different age groups**

**H1- There is significant difference about retention of the employees belongs to different age groups**

Tables indicates that there no variation in the level of satisfaction in the employees belongs to different age groups. The ANOVA test indicates that there is no significant difference in the satisfaction of the employees belongs to different age groups. Table shows that there is no significant difference in the level of satisfaction of the employees (*F 1.797 df 3 and sig .152*)

Table : Age Group of the Employee & Retention (Mean Statistics)				
	N	Mean	Std. Deviation	Std. Error
<25	12	3.33	1.231	.355
26-45	69	2.93	1.102	.133
46-60	29	3.38	1.321	.245
>60	7	3.71	1.254	.474
Total	117	3.13	1.193	.110

Table: ANOVA					
Sum of Squares	df	Mean Square	F	Sig.	Result
7.516	3	2.505	1.797	.152	Retain Null Hypothesis

**Suggested HR Audit KPIs (Quarterly)**

Area	KPI	Definition/Target
Recruitment	Time-to-fill	Avg days from requisition to offer; target: <=30 days (role-dependent)
Recruitment	Structured-selection coverage	%roles using scorecards /panels;target: 100% critical roles
Training	Training coverage	% workforce trained per quarter; target: >90%
Training	Training hours per FTE	Avg hours; target based on role (e.g., 12–20/qtr)
Compensation	Benefits timeliness	% benefits paid within SLA; target: >98%
Compensation	Pay equity variance	Variance vs median by role/grade; target: <5% unexplained
Appraisals	Calibration completeness	% appraisal cycles with calibration & appeals; target: 100%
H&S	Recordable incident rate	Incidents per 200k hours; target: downward trend QoQ
H&S	PPE adherence audit score	Compliance score from audits; target: >95%
Engagement	Recognition index	% staff receiving recognition per policy each quarter; target: >25%
Engagement	Grievance TAT	Median resolution days; target: <7 days

**8–12 Week Field-Ready HR Audit Plan (1, 2, 3)**

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Timeline	Focus Area	Activities
Week 1–2	Mobilization & scoping	Mobilization & scoping: confirm modules (Recruitment, Training, Compensation, H&S, IR), access HRIS/payroll, finalize sample sizes; stakeholder interviews
Week 3–4	Evidence collection	Evidence collection: policies/SOPs, payroll & benefits logs, H&S registers, training records; conduct employee pulse survey and manager interviews
Week 5–6	Process walk-throughs	Process walk-throughs: recruitment cycles, onboarding, appraisal calibration, grievance handling; shop-floor H&S inspections and drill observations
Week 7–8	Analytics	Analytics: KPI baselining (time-to-fill, training coverage, benefits timeliness, H&S metrics), pay-equity analysis, recognition index; gap analysis vs prior audit findings
Week 9–10	Remediation design	Remediation design: compensation SLA fixes, recruitment scorecards, H&S corrective actions, recognition framework; define owners and timelines
Week 11–12	Reporting & sign-off	Reporting & sign-off: deliver audit report, dashboards, action tracker; management review and implementation roadmap

We analyzed aggregated frequency distributions (Strongly Disagree–Strongly Agree) for four

constructs—Health & Safety, Wages & Salary, Awareness of Facilities, and Recruitment Process—each composed of four items. We computed weighted means (1–5) and standard errors from discrete distributions and summarized construct-level statistics by aggregating item counts. We display stacked distributions and mean estimates with 95% confidence intervals to show the shape and strength of employee sentiment.

### Practical Implications

- Strengthen safety governance: update policy, conduct regular safety audits, invest in PPE and emergency response, and monitor implementation.
- Revamp recruitment: adopt structured, competency-based methods; widen sourcing; reduce cycle time; ensure fairness and transparency.
- Guarantee benefits timeliness: automate workflows for claims, publish SLAs, and track compliance.
- Increase employee voice: institutionalize suggestion systems, quality circles, and joint committees; close the loop on ideas.
- Enhance recognition: align rewards with measurable performance; diversify recognition (monetary and non-monetary).
- Build job security signals: communicate workforce plans, career paths, and promotion criteria; strengthen internal mobility.

### Future Scope

- Extending the audit framework to include technology-driven HR audits, such as AI-enabled compliance checks and predictive analytics for attrition and skill gaps.
- Incorporating ESG and human capital reporting metrics (ISO 30414) for sustainability and global compliance.
- Auditing hybrid and remote work policies, which have become critical in the post-pandemic era.
- Evaluating data privacy compliance under India's DPDP Act and global data protection regulations.
- Conducting longitudinal studies to measure the impact of HR audit interventions on employee engagement, productivity, and organizational performance.

### Conclusion

The HR audit at ABC Group underscores the value of systematic evaluation of people practices. By closing gaps in safety, recruitment, compensation timeliness, and participation, management can strengthen morale, cooperation, and retention while sustaining performance standards.

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