

## THE IMPACT OF EMPLOYEE PRACTICES ON WORKING CAPITAL OPTIMIZATION IN TSRTC

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### KEYWORDS

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Processes,  
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Efficiency

### ABSTRACT

**Purpose:** This study aims to investigate the impact of employee practices and decision-making processes on working capital optimization at TSRTC. Specifically, it analyses current practices among TSRTC employees in managing working capital and examines how these practices influence the efficiency of working capital utilization.

**Methodology:** Employing a qualitative research design, this study utilizes a structured questionnaire to gather data from 80 employees across various departments at TSRTC. Data analysis includes Neural Networking Analysis and Regression Analysis to explore the significance of employee practices and decision-making on working capital management effectiveness.

**Findings:** The study found critical factors influencing working capital management at TSRTC. Key findings include the paramount importance of employees' perceptions of their roles and their understanding of working capital management. It highlights that, Effective cost control measures and timely financial decisions were found to significantly enhance working capital efficiency. However, challenges in accounts receivable management suggest areas for improvement.

**Conclusion:** The findings emphasize the necessity for TSRTC to establish clear communication channels for employees to contribute cost-saving ideas and feedback, enhancing organizational efficiency. It suggest that, Employees play a pivotal role in identifying opportunities for improvement and implementing changes that optimize resource utilization. By enhancing these practices, TSRTC can sustainably improve financial performance and operational efficiency, ultimately strengthening its working capital management.

### INTRODUCTION

Working capital stands as a critical gauge of a company's financial well-being and operational efficiency, showcasing its ability to meet short-term obligations and manage everyday expenses. It encompasses the management of current assets and liabilities, ensuring the business maintain sufficient liquidity for smooth operations and growth investments.

Efficient working capital management is pivotal for sustaining steady cash flow and averting financial disruptions that could hinder business continuity (**Ismail, 2017**).

Inadequate management of working capital ranks among the primary reasons for business failures, with studies indicating that a substantial 82% of small businesses falter due to cash flow issues. Hence, mastering and refining working capital management are imperative for upholding business longevity and prosperity.

Optimizing working capital involves a strategic approach to managing a company's current assets and liabilities, aiming to maximize liquidity and bolster cash flow. This process includes implementing measures to enhance operational efficiency, curtail costs, and augment revenue streams, thereby freeing up cash reserves within the company. The ultimate objective is to cultivate financial flexibility, enabling the business to fuel growth initiatives, diminish debt burdens, and enhance overall financial performance (**Ponsian et al., 2014; Vuorikari, 2012**).

Effective working capital optimization not only alleviates immediate liquidity constraints but also fortifies long-term financial stability. By refining their approach to managing working capital, businesses can redirect resources towards growth initiatives, pare down operational expenses, streamline processes, and mitigate financial risks, thereby securing a competitive advantage in the marketplace (**Mwangi, 2016**).

Human Resource Management (HRM) assumes a pivotal role in modern business management, prioritizing the growth and development of employees as a core focus. As the significance of human relations in business has burgeoned, HRM has evolved into a specialized discipline embedded across all management tiers. Effective HRM is indispensable for achieving efficiency and productivity in workplace operations, underscoring its pivotal role for business leaders. It encompasses a broad spectrum of activities, spanning from recruitment and training to performance appraisal and development (**Goswami, 2018**).

Well-managed HR practices ensure that employees are motivated, well-trained, and aligned with the company's strategic objectives, thereby optimizing the management of receivables, payables, and inventory (**Bontis & Serenko, 2007**). Employees trained in effective receivables management expedite cash inflows and foster robust client relationships, while adept payables management by staff secures favourable terms with suppliers, bolstering cash flow and minimizing costs. Additionally, meticulous inventory management practices by employees ensure optimal stock levels and swift turnover, unlocking cash reserves and enhancing liquidity (**Witasari & Gustomo, 2020**).

Integrating strategic HR practices into working capital management ensures that employees not only excel in their designated roles but also grasp their contributions to the company's financial health. This alignment fosters a collaborative approach towards achieving optimal working capital levels, thereby fortifying the company's financial stability and fuelling sustained growth.

## REVIEW OF LITERATURE

**Kumar, G. S., & Shirisha, P. (2015)**, When workers report feeling fulfilled in their job and able to express their needs and wants, we say that they are satisfied. There is a lot of evidence that suggests that happy workers are more motivated, more likely to reach their goals, and have better morale overall. The prosperity of every company depends on happy employees. A low turnover rate is proportional to the degree to which employees are satisfied with their work. Therefore, it is crucial for every business to prioritize employee satisfaction with their

jobs. Even while this is common knowledge in management theory, companies appear to be ignoring it during economic downturns like the one we are now experiencing. For managers to make educated business choices, they want more than just a financial ledger to comprehend what's really happening "on the front line." The input of workers who interact directly with clients on a daily basis may be priceless since it is based on their own personal experiences. Promoting two-way communication on this issue may help establish a company culture that eliminates barriers and encourages collaboration between employees and supervisors. The ripple effects of an employee-centric culture are not limited to the four walls of a business; in fact, they may have a direct and discernible influence on the bottom line. Extensive research has shown that when workers are driven and happy, they are more likely to contribute to organizational productivity and continue to prioritize customer happiness.

**Murthy, K. G. K. (2019),**At this point in time, having access to skilled, trained, and loyal workers around the world is like finding gold. Because of this, most companies have strong human resources departments that help them hire the right people. The people who work for a company are its most valuable asset right now. Managing these people has become an important part of business because other tools that used to be important to its success aren't as strong as they used to be. The only way for businesses to gain a competitive edge these days is to deal with problems related to human resources management. Because of this, every company uses best HRM practices to find and hire highly skilled workers.

**Aparajitha Garnepudi, et.al., (2023),**For a growing country like India to grow economically, it needs to build up fast, efficient, and cheap transportation. In every country, transportation systems that carry people, like trains, planes, cars, and boats, are very important to economic growth. Bus transportation has become the main way people get around cities. The Indian government took over public transportation in 1950 when it passed the Road Transport Act, 1950. This law gave each state government the power to set up, run, and oversee the state's road transportation. The study being done now is on Quality of Work Life. The Telangana State Road Transport Corporation Hyderabad Division needs to understand the job problems of TSRTC Bus Bhavan staff because a happy traveler is the best thing for any service business. The main goal of this study is to determine how to make workers happier. Employment law, balancing work and personal life, and management

**Sudha, K. (2024).** Management of potential is always at the centre of human resource management. Talent management is a planned way to find, train, and keep people who have the skills and abilities to meet the needs of both the present and future company. It is important for managers to understand the value of human capital and help it grow. The excluding a few empirical studies on HRM in transport undertakings in general and the TSRTC in particular, are conspicuous by their absence. In the wake of liberalized industrial policy of the state government, the public-sector Undertakings (PSU's) including the TSRTC faces many human power challenges. Liberalization has opened doors to private sector. The involvement of private operators in the bus fare scheme in Telangana State is competing with TSRTC. To respond to those challenges, the TSRTC must make necessary adjustments in the recruitment and selection policies and practices. This study is an attempt in this direction.

**Arshad (2023),**The paper has been emphasized on the "Working and Performance of UPSRTC" by the operational efficiency and financial performance of UPSRTC from 1991 to 2003 are comprehensively evaluated. Using primary and secondary data sources, the research analyses income trends, expenditure patterns, and operational metrics to assess UPSRTC's management of resources amid challenges in Uttar Pradesh's road transport sector. Findings reveal persistent financial struggles attributed to fleet size reductions, central funding constraints, and operational inefficiencies. Recommendations include increased government

funding, revenue enhancement through operational improvements, cost-saving initiatives, strategic partnerships, and infrastructure upgrades to bolster UPSRTC's viability and role in state development. This study underscores UPSRTC's critical role in Uttar Pradesh's socio-economic landscape and proposes strategies for enhancing its operational and financial performance.

**Keerthi, et. al.,(2013)**, explore the optimization of facility layout in an automobile manufacturing company, specifically focusing on improving cost efficiency and production performance within the bus body building unit. The purpose of their research is to address existing layout inefficiencies through the application of graph theory and assembly line balancing principles. Methodologically, the authors conduct a case study within an automobile assembly plant, implementing graph theory techniques to propose and evaluate a modified layout. Their findings indicate a potential cost savings of 15% per bus manufactured with an investment of approximately 25 Lakhs for restructuring, yielding a short payback period of two months. The study concludes that the optimized layout significantly enhances production efficiency and cost effectiveness in the bus body building unit, highlighting the efficacy of graph theory-based approaches in facility layout optimization for manufacturing operations.

**Navaneetha R, et. al., (2015)**,The study to look into how employee opinions and human resource management (HRM) methods at the KSRTC are related. A cross-sectional poll was given to 318 workers, including drivers, guides, technical staff, and office staff. The goal of the study was to find out how gender, age, education level, and experience affect these views. Findings revealed that employee perceptions significantly impact their evaluation of HRM practices, with male employees and those with higher educational qualifications expressing more positive perceptions. The study emphasized the importance of focusing on employee motivation, wage structures, and job design to enhance overall HRM effectiveness within the corporation.

**Subramanian et al. (2016)** explored the importance of enhancing fuel economy and maintenance practices in urban transit, focusing primarily on buses. Their study aimed to identify methods for increasing fuel efficiency and improving maintenance to reduce costs and enhance passenger safety. Employing a qualitative methodology, the authors analyzed existing practices and identified key strategies for achieving these goals. Findings underscored the significance of efficient fuel management in lowering operational expenses and mitigating environmental impact, while robust maintenance protocols were crucial for ensuring service reliability and passenger security. The study concluded by advocating for the adoption of these practices to optimize urban transit efficiency and sustainability.

**Lekshmy et al. (2017)** The point of the study was to investigate how job happiness, emotional, moral, and ongoing commitment all effect dropout rates. The authors used a qualitative method to look at current research on job happiness and company dedication. They emphasized how important these factors are for keeping employees and getting good work from them. Findings indicated that higher levels of job satisfaction and organizational commitment were associated with reduced turnover intentions among female conductors. The study concluded that fostering job satisfaction and commitment among employees is crucial for mitigating turnover and enhancing organizational performance in public transport settings.

**Ganesan et al. (2019)** examined job satisfaction among drivers and conductors in the “Tamil Nadu State Transport Corporation” (TNSTC), given the high job stress prevalent in road transportation. The study aimed to assess satisfaction levels regarding salary, promotion,

and fringe benefits, crucial factors influencing job satisfaction and turnover rates in the sector. Employing a mixed-methods approach, the researchers surveyed and interviewed drivers and conductors to gather insights into their satisfaction levels and expectations. Findings revealed that while satisfaction with certain job attributes was satisfactory, challenges such as high job stress persisted, impacting overall job satisfaction and productivity. The study concluded by emphasizing the importance of addressing these factors to enhance job satisfaction, reduce turnover, and improve overall operational efficiency in TNSTC.

**Che Supian et al. (2019)** researched the effect of HRM practices on staff dedication at Malaysia's Road Transport Department (RTD) in the state of Perak. The study included randomly assigning 220 questionnaires to 500 individuals from different departments. Employee dedication was positively correlated with HRM practices, according to the authors' research. They found that factors like the workplace and activities for professional growth had a substantial impact on employee dedication, but factors like pay and recognition had less correlations. Employee engagement, organizational performance, and retention may all be improved by creating a positive work environment and providing opportunities for professional growth and development, according to the study's authors.

**Ramesh L. Rathod (2019)** provided an overview of Karnataka State Road Transport Corporation (KSRTC), highlighting its operational scope and performance metrics as of March 31, 1997. The study aimed to document the organizational structure, service coverage, and key performance indicators of KSRTC, emphasizing its role in meeting the transportation needs of Kannadigas and neighbouring states. Methodologically, the author compiled data on divisions, depots, routes, and vehicle utilization, drawing insights from the Corporation's extensive service network and operational statistics. Findings revealed a substantial daily passenger volume of 57.82 lakh and operational challenges such as breakdown and accident rates. The study concluded with an analysis of financial metrics, indicating a net loss margin on traffic revenue, underscoring the financial pressures faced despite extensive service provision and operational scale.

**Bondarev, S. I.,(2020)** conducted research focusing on optimizing transport processes in road transportation, specifically addressing the economic efficiency through fuel cost reduction. The study aimed to develop a mathematical model for planning international road transport, emphasizing the calculation methods for fuel demand based on varying fuel prices across different countries. Methodologically, the authors integrated theoretical and experimental approaches to validate their mathematical model, considering technical and operational vehicle parameters and factors influencing fuel consumption. Findings highlighted the effectiveness of their algorithm in calculating total fuel costs under diverse pricing scenarios, emphasizing optimal fuel procurement strategies. The study concluded by advocating for the adoption of their methodology to enhance cost efficiency in international road transport operations, thereby contributing to improved economic performance and sustainability in the transport sector.

**B. M. Bhatia and Om Prakash Verma (2021)** conducted a study to assess "Human Resource Management (HRM) practices within Himachal Road Transport Corporation" (HRTC), emphasizing their impact on employee satisfaction. The study aimed to evaluate perceptions and satisfaction levels among HRTC employees regarding various HRM practices including recruitment, training, compensation, and organizational culture. Methodologically, the researchers employed a judgmental sampling method with 120 respondents from Shimla district, Himachal Pradesh. Findings indicated that effective HRM practices significantly influenced employee satisfaction within HRTC, highlighting the



importance of strategic HR interventions in fostering organizational success. The study concluded that nurturing a positive HRM environment contributes to enhanced employee satisfaction and overall organizational performance in public sector transport undertakings like HRTC.

**Yue Cao et al. (2023)** addressed the optimization challenge of passenger transportation systems at airports, focusing on cost efficiency. The study aimed to develop an optimization model based on departure intervals, incorporating operational and travel costs, particularly at Beijing Capital International Airport. Methodologically, the authors utilized a genetic algorithm to solve the model, optimizing passenger operation routes. Findings from real data evaluations demonstrated that the genetic algorithm effectively converged, achieving comprehensive cost optimization while enhancing passenger transport efficiency. The study concluded that their approach offers a viable strategy for optimizing airport transportation systems, highlighting potential improvements in operational efficiency and cost-effectiveness.

**Naresh Guduru and Phaneendra (2023)** explored the significance of work-life balance, emphasizing its impact on individual productivity and satisfaction. The study aimed to analyse factors influencing work-life balance and its implications for organizational success. Methodologically, the authors reviewed literature and case studies to understand the effectiveness of work-life balance programs in enhancing employee satisfaction and commitment. Researchers found that employees reported higher levels of job satisfaction, lower rates of burnout, and better organizational performance when they were able to keep their work and personal lives in balance. Positive work environments, high levels of employee engagement and productivity, and successful organizations are all outcomes of well-designed work-life balance programs, according to the study's authors.

## RESEARCH GAP

The existing studies provide insights into employee satisfaction, recruitment practices, and job satisfaction across various transport corporations, there remains a distinct need for empirical research that quantitatively measures the direct impact of employee practices on working capital efficiency specifically tailored to TSRTC's operational context. Based on the literature reviewed, the research gap identified in the study "The Impact of Employee Practices on Working Capital Optimization in TSRTC" lies in the lack of specific focus on employee decision-making processes, including their perceptions of roles and organizational support, directly influence working capital management outcomes within TSRTC. This gap highlights the opportunity for targeted investigations to elucidate the mechanisms through which internal employee dynamics affect financial performance and operational effectiveness in public transport organizations like TSRTC.

## OBJECTIVES OF THE STUDY

1. To analyse the current practices of TSRTC employees in managing working capital.
2. To examine the impact of employee decision-making processes on the efficiency of working capital utilization in TSRTC.

## HYPOTHESIS

**H0:** There is no significant impact of employee decision-making processes on the efficiency of working capital utilization in TSRTC.

**H1:** There is a significant impact of employee decision-making processes on the efficiency of working capital utilization in TSRTC.

## SCOPE OF THE STUDY

This study aims to analyze the current practices of TSRTC employees in managing working capital and to examine how employee decision-making processes impact the efficiency of working capital utilization within the organization. It focuses on understanding the factors influencing working capital management effectiveness at TSRTC, emphasizing the role of employee practices and decision-making in optimizing financial resources and operational efficiency.

## RESEARCH METHODOLOGY

**Research Design:** This study utilizes a qualitative research approach to investigate and comprehend the influence of staff behaviours on the optimization of working capital at TSRTC. Qualitative methodologies provide thorough investigation of employee views, decision-making processes, and their impact on the efficacy of working capital management.

**Data Collection:** Data has been gathered with a meticulously designed questionnaire tailored exclusively for the purpose of this research. The survey will consist of both closed-ended and open-ended questions to collect quantitative data on staff behaviours and qualitative insights into decision-making processes about working capital management.

**Sample Size:** The research included a cohort of 80 individuals selected from several divisions within TSRTC. The chosen sample size is considered enough for capturing a wide range of viewpoints and insights about staff habits and decision-making related to working capital.

**Sampling Method:** The method of simple random sampling was used to choose participants from the population of TSRTC workers. This approach guarantees that every employee has an equitable opportunity to be included in the research, therefore improving the statistical accuracy of the sample.

## STATISTICAL TOOL

**Neural Networking Analysis:** Neural networking analysis is a sophisticated statistical method used to analyse complex patterns and relationships within data. In the context of TSRTC employees managing working capital, neural networking can uncover insights into how various factors such as expenditure patterns, revenue streams, and operational efficiencies interact, helping to optimize financial management strategies.

**Regression Analysis:** Regression analysis is a statistical method used to investigate the correlation between a single dependent variable, like as working capital efficiency, and one or more independent variables, such as staff decision-making processes, within the context of TSRTC. Regression analysis can quantify the correlations between employee decision-making and working capital consumption. This study may provide actionable insights for increasing financial efficiency and performance management inside the firm.

## ANALYSIS DISCUSSIONS

**Objective 1 - To analyse the current practices of TSRTC employees in managing working capital.**

**Table No – 1**

**Case Processing Summary of current practices of TSRTC employees**

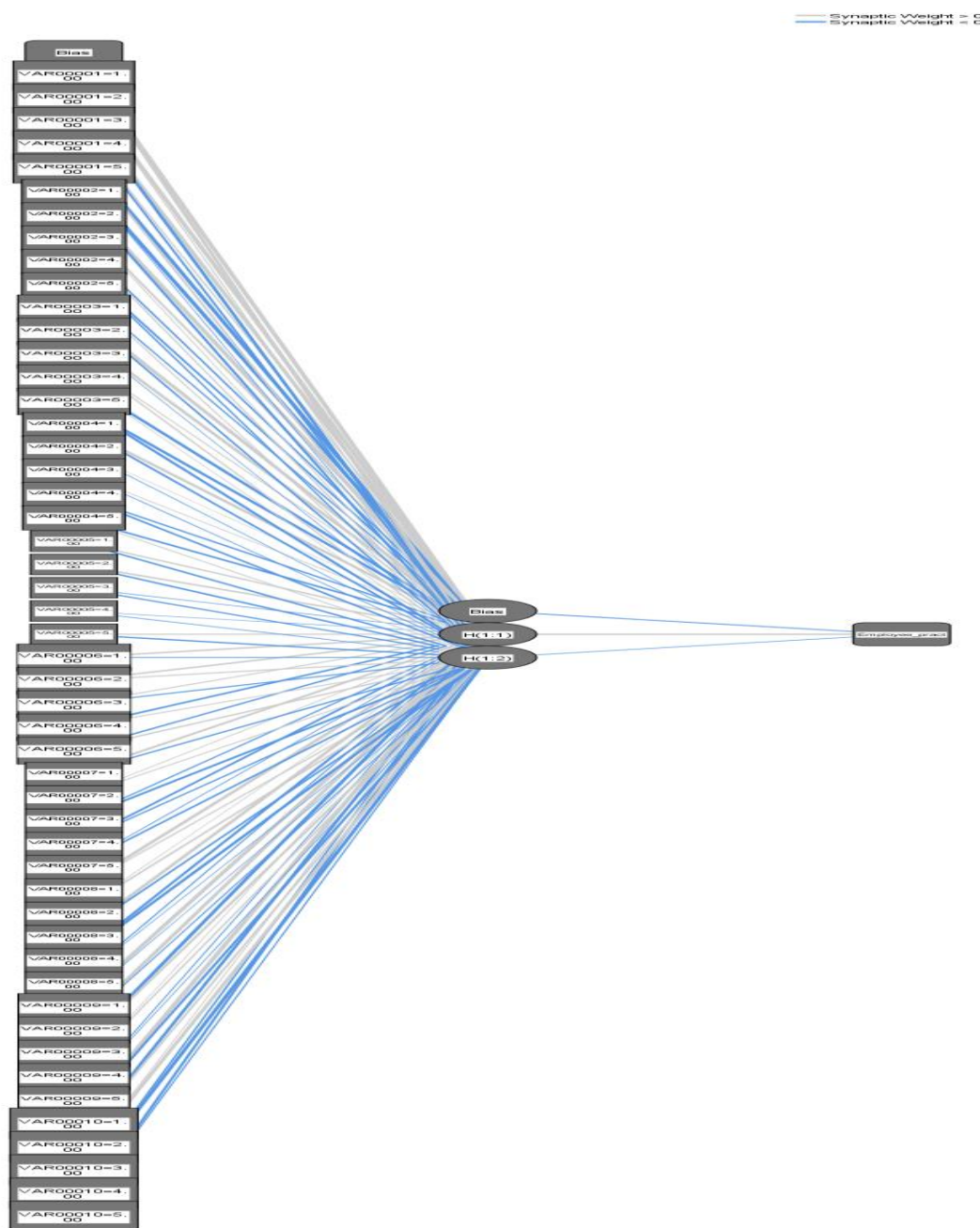
		N	Percent
Sample	Training	56	70.0%
	Testing	24	30.0%
Valid		80	100.0%
Excluded		0	
Total		80	

*Source – Primary data*

The table summarizes the distribution of TSRTC employee practices related to managing working capital into training and testing samples. A significant majority, 70% of cases, are allocated to the training sample, while the remaining 30% constitute the testing sample. This balanced distribution ensures robust analysis and validation of current practices through rigorous statistical testing and model evaluation in the research study.

**Figure No – 1**  
**Neural Networking of current practices of TSRTC employees**





Source – Primary data

The neural network diagram illustrates the TSRTC employee practices in managing working capital. It employs two hidden layers to process input data, aiming to generate optimized outcomes represented by a single output layer. This structure allows for comprehensive modelling and prediction of factors influencing working capital management, enhancing decision-making capabilities within TSRTC.

Table No – 2

**Independent Variable Importance of current practices of TSRTC Employees**

	Importance	Normalized Importance
Understanding of your role in managing working capital.	.134	89.2%

Effectiveness of TSRTC's training programs for working capital management.	.092	61.3%
Confidence in decision-making impacting working capital management.	.112	74.4%
Contribution of employee communication and collaboration to working capital management.	.088	58.5%
Efficiency of resource utilization in managing working capital.	.049	32.7%
Support from TSRTC management for working capital management tools and resources.	.114	75.7%
Frequency of implementing innovative practices in working capital management.	.074	49.4%
Effectiveness of feedback mechanisms for improving working capital management.	.075	49.9%
Awareness of TSRTC's working capital management policies and procedures.	.110	73.2%
Significance of your practices on overall working capital management at TSRTC.	.151	100.0%

*Source – Primary data*

The Table No. 2 presents the independent variable importance scores for current practices of TSRTC employees in managing working capital. The table shows that, the highest importance value is attributed to "Significance of your practices on overall working capital management at TSRTC" with a normalized importance of 100.0%, indicating its critical role in influencing working capital outcomes. The tables presents other factors include "Understanding of your role in managing working capital" (89.2%), "Support from TSRTC management for working capital management tools and resources" (75.7%), and "Awareness of TSRTC's working capital management policies and procedures" (73.2%). These findings suggest that employee perceptions of their role, organizational support, and policy awareness strongly impact effective working capital management practices within TSRTC. The importance table presents factors such as "Efficiency of resource utilization" (32.7%) and "Frequency of implementing innovative practices" (49.4%) show comparatively lower normalized importance, indicating potential areas for improvement in resource allocation and innovation adoption strategies. It concludes that, prioritizing employee understanding, management support, and policy clarity is crucial for optimizing working capital management practices at TSRTC, ultimately enhancing organizational efficiency and financial performance.

**Objective 2- To examine the impact of employee decision-making processes on the efficiency of working capital utilization in TSRTC.**

**Table No – 3**  
**ANOVA of employee decision-making processes on the efficiency of working capital**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.503	5	3.701	4.160	.002 <sup>b</sup>
	Residual	65.836	74	.890		
	Total	84.340	79			

a. Dependent Variable: Working Capital

Source – Primary data

Table No. 3 presents the results of ANOVA examining the impact of employee decision-making processes on the efficiency of working capital utilization in TSRTC. The regression model shows a significant F-value of 4.160 with a corresponding p-value of .002, indicating that employee decision-making processes collectively have a statistically significant impact on working capital efficiency.

**Table No – 4**  
**Coefficients of employee decision-making processes on the efficiency of working capital**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.881	.333		5.645	.000
	Timeliness of financial decisions for optimizing working capital.	.134	.045	.198	2.971	.014
	Effectiveness of inventory management in minimizing excess stock.	.085	.020	.121	4.228	.040
	Efficiency of accounts receivable management for timely payment collection.	-.189	.065	-.270	-2.903	.016
	Effectiveness of cash flow management for sufficient operational liquidity.	-.013	.003	.017	4.193	.011
	Effectiveness of cost control measures in reducing unnecessary expenses.	.341	.115	-.434	-2.971	.004
a. Dependent Variable: Working Capital						

Source – Primary data

The Table No. 4 presents the coefficients of employee decision-making processes on the efficiency of working capital utilization in TSRTC. The analysis presents the effectiveness of cost control measures shows a strong positive coefficient .341, ( $p = .004$ ), indicating that stringent cost control practices significantly enhance working capital efficiency within TSRTC. Table shows that, timeliness of financial decisions shows a positive coefficient of .134, ( $p = .014$ ) and effectiveness in inventory management .085, ( $p = .040$ ) indicating positive impacts working capital of TSRTC. The table shows the efficient accounts receivable management  $-.189$ , ( $p = .016$ ) and effectiveness in cash flow management is negative  $-.013$ , ( $p = .011$ ), suggesting that negatively effect on working capital efficiency. Therefore, fostering effective decision-making practices, particularly in financial timeliness, inventory management, accounts receivable, and cost control, is crucial for optimizing working capital utilization and enhancing overall financial performance in TSRTC. The study concludes that TSRTC should establish clear communication channels to allow employees to suggest cost-saving ideas and provide feedback on existing measures. This two-way communication can help identify areas for improvement and ensure employee buy-in. The

study highlights, Employees play a central role in identifying cost-saving opportunities, implementing changes, and ensuring efficient resource use. While, minimizing waste, improving cash flow, increasing profitability, enhancing efficiency, and mitigating financial risks, effective cost control measures contribute to a healthier financial position and better working capital management for TSRTC. They suggest that engaging employees in these initiatives and fostering a culture of cost consciousness can lead to sustained improvements in financial performance and operational efficiency. The results support rejecting the null hypothesis (H0) and accepting the alternative hypothesis (H1), demonstrating a statistically significant impact of decision-making on working capital efficiency.

## **FINDINGS OF THE STUDY**

1. The study found that the variable "Significance of your practices on overall working capital management at TSRTC" holds the highest importance value of 100.0%. This underscores the critical role that employees' actions and decisions play in the effective management of working capital.
2. The variable "Understanding of your role in managing working capital" was identified as highly important with a normalized value of 89.2%. This finding indicates that employees' comprehension of their responsibilities significantly influences the efficiency of working capital management.
3. The analysis highlights that "Support from TSRTC management for working capital management tools and resources" showed a normalized importance of 75.7% organizational backing and resources in empowering employees to manage working capital effectively.
4. The study found that the effectiveness of cost control measures has a strong positive coefficient of .341 ( $p = .004$ ). This indicates that stringent cost control practices significantly enhance working capital efficiency within TSRTC.
5. The regression analysis finds the timeliness of financial decisions showed a positive coefficient of .134 ( $p = .014$ ). This suggests that making timely financial decisions positively impacts working capital management in TSRTC.
6. The findings present Efficiency in accounts receivable management revealed a negative coefficient of -0.189 ( $p = .016$ ). This indicates that current practices in managing accounts receivable negatively affect working capital efficiency, suggesting the need for improvements in this area.

## **CONCLUSION OF THE STUDY**

This study investigated the impact of employee practices and decision-making processes on working capital optimization at TSRTC. The primary objectives were to analyze current employee practices in working capital management and examine how employee decision-making influences efficiency in this regard. Findings indicate that employee perceptions of their roles, support from management, and awareness of policies significantly affect working capital management effectiveness. Key factors such as stringent cost controls, timely financial decisions, and effective inventory management were identified as enhancing working capital efficiency. The study concludes that establishing clear communication channels at TSRTC for employees to suggest cost-saving ideas and provide feedback on existing measures is crucial. This approach facilitates identifying areas for improvement and ensuring employee engagement. The research underscores the central role of employees in identifying cost-saving opportunities, implementing changes, and optimizing resource use. Effective cost control measures were found to enhance TSRTC's financial position and

working capital management, thereby supporting sustained improvements in financial performance and operational efficiency.

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