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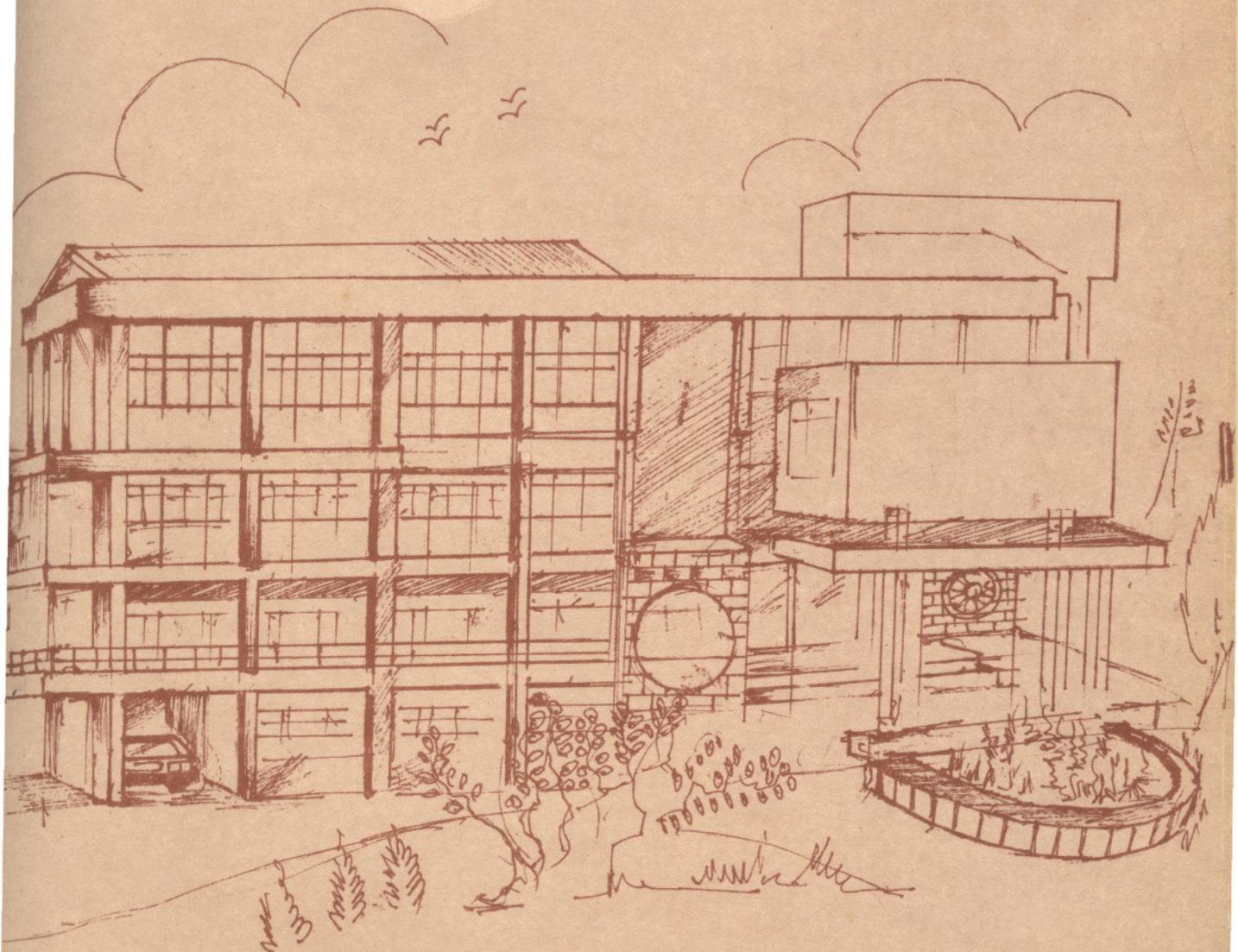
No. 8

Working Paper Series

**HRD PRACTICES AND EXPERIENCES:
SETTING UP THE AGENDA FOR FUTURE**

By

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TAPMI WORKING PAPER SERIES NO. 8
January 1997/1

The Objective of TAPMI working paper series is to help faculty members of TAPMI to test out their research ideas/findings at the pre-publication stage.

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HRD Practices And Experiences : Setting Up The Agenda For Future

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H R D enjoys a high profile today among business, industries and other organizations due to changing nature of economic, social and political environment. It has become inevitable for organizations to neglect H R D, and organizations are looking towards H R D to be dynamic and growth oriented or to succeed in a fast changing environment. Human resource specialists, Researchers, and Consultants are paying much more attention to various systems of H R D which are helping the organizations in developing the capabilities of the individual, his present and future role in the organizations etc. H R D systems include the various subsystems like performance appraisal, potential appraisal and career development, feedback and performance coaching, training, organizational development, rewards, quality of working life, and human resource information aim at developing attitude and skill competencies in the employees (Rao, 1992).

HRD in the early seventies was thought of just training, education, and development (Nadler, 1984). He defines it as an organized learning experience which prepares an individual to improve his job performance on the current job as well as a future job. In India, the contributions made by Udai Pareek & T. V. Rao (1981), Silvera (1990), and other prominent personalities from academics and industry towards the development of conceptual thought and systems model has been widely recognized and implemented in a number of companies. HRD practices and experiences which are available from a large no. of companies constitute a building block for an HRD culture in the country.

We have a whole spectrum of HRD experiences with traditional approach to one end, and a growing body of modern systems approach at the other. Indian system of HRD is more comprehensive and meaningful than utilitarian concept involved in the west. Essentially HRD is a humanistic concept based on respect for the dignity of man and on a belief in the potential of human being (Silvera, 1988). Sharma (1987) also acknowledge the fact that "humanization of the work place is a need highlighted by realities of the work place itself should lend further support to the similar advice given by a cross-section of humanists.

With the liberalization of the Indian economy ,Indian organizations now are going to face various challenges.They are going to face stiff competition from MNC's, have to work in an unprotected environment,and become more quality conscious. HRD professionals are going to play a strategic role in emerging global context and have to look for an approach which is going to be helpful for Indian corporates to compete with their counterparts in a changing environment. The major changes in the business can be summed up as follows:

- # Free movement of capital and easy accessibility
- # Technology no longer the preserve of few companies
- # Unrestricted flow of information
- # International quality standard
- # Service oriented world economy

Any corporation that hopes to get an edge over its rivals, can have it by innovation in the market , originality of services, and a deep understanding of customer needs. Knowledge has the capacity to provide all the three abilities, and the source of knowledge is the people. Organizations that have world class ambitions will need to nurture knowledge workers.It is very important for corporations to think of it as their core strength as it is the only competence for coping with change,to leverage all organizational capabilities,to enable customer needs to be anticipated and to generate originality of services. The approach towards people is undergoing a revolutionary change because of the acknowledgement of the fact that it is the people -and not money, machines and materials - that must run the organizations.So there is a need to look into human resource function. Corporations have to meld their objectives with individual objectives.Now the development of human resources has acquired a new dimension.It is to be used as a tool to get a competitive advantage. Corporates have to develop and execute programs and policies that align all human activities to corporate objectives.

HRD systems are concerned with developing commitment and integration of the individual employees with the organization.It also aims to humanize work , develop competencies at all levels,inculcate relevant values,and help in the multiplying ,and sharing of power by different individuals and groups in the organization.HRD should respond to the needs and aspirations of individuals and teams in terms of growth, advancement, recognition, socialization, getting necessary facilities and gains and sharing power in the organization(Pareek,1992).

HRD practices and experiences from various organizations present a picture that is not very encouraging. Rao (1990) made an extensive survey of 63 companies to find out the HRD Practices and concluded that there is a positive trend in the use of open appraisal system including the training function, take up OD activities and using employee counseling but no major breakthrough in potential development practices. Organizations still follow the traditional practices regarding reward administration and promotion decisions. Many organizations don't even have a separate HRD department and some of them treat as a function of Personnel department. In another study of 38 organizations regarding general HRD climate Rao and Abraham (1992) found that it is average and there is a scope for improvement. Even employees are indifferent toward their own development. Top management still continue to use the same practices and does not seem to improve Quality of Working Life. There is only lip sympathy and no emotional investments. There is no post-training support to implement what they have learnt and not helping in their career development. Now the top managers have started believing that development of human resources is vital for success of the organization.

The HRD survey 1996 (reported in Business Today, Jan 7-21) covering 653 respondents (477 managers and 98 human resource managers and 78 CEO's) have rated their organization people management policy and practices. The findings are as follows-

- # The lack of ability to attract best professionals
- # Absence of an effective appraisal system
- # Low compensation package vis-a-vis the industry
- # Absence of team spirit
- # Lack of clear careers planning
- # Lack of job satisfaction
- # Unsatisfactory practices while implementing managerial exits or worker exits
- # Ineffectiveness of exit interviews.

HRD PRACTICES OF INDUSTRIES: TWO CASE EXAMPLES

The present study which was carried out to find out the current scenario in organizations, was exploratory in nature and the information was collected by visiting these industries and interviewing PERSONNEL/HRD staff people. The data was collected from two industries namely Arvind Mills, and Madras Refineries Limited. HRD Practices of these industries are being presented here-

ARVIND MILLS

Arvind Mills, a Lalbhai group company is one of the largest textile producers in Asia with a product portfolio that spans the entire gamut of cotton and blended textiles. Arvind is the fourth largest manufacturer of DENIM in the world .

Retention and motivation strategy

How Arvind mills motivate and retain employee.

Delayed to accelerate career growth	Facilitated asset building by extending loans	Trained to develop skills and enrich jobs
Reduced grades from 18 to 9	Raised loan ceiling to to Rs 27 Lakh	
Cut reporting level from 7 to 3	Revamped designations	Post-VRS Scheme fell from 1000 to 700

MANPOWER OBJECTIVES:

1. Attracting the best technical and managerial talent with entrepreneurial spirit
2. Successful implementation on internal customer concept.
3. Arvind Quality of life program(AQLP).
 - a. worker and manager clubbed together in a single team
 - b. satisfying their all primary needs such as LTC, Vehicle loan, medical facility, children's fee, and stress relieving program.
 - c. promote informality by organizing families party house
 - d. addressing all employees by their first name.
 - e. no senior manager has a PA(Even CEO does not have one).
4. Multiskilling- job rotation.

TRAINING AND MANAGEMENT DEVELOPMENT:

1. Group familiarization program (GFP)-familiarize entrants with corporate vision, values, functions.
2. Critical learning output under training(CLOUT)-working in the deptt. for some time and find out the areas where they can excel.

3. **Cross functional team (CFT)**-Condensed training in various deptt., participate in various problem solving exercises, and undertake various time bound projects.

4. **On the job experience (OJE)**

5. **Out bound training (OBT)**-structured training program conducted by internal and external facilitators to help and enhance the overall personality.

6. **Mentor-protege program**-each trainee was assigned to a mentor (a senior manager) who extends the role of friend, philosopher, and guide to the trainee.

Training methods- seminars, syndicates conducted at the fountain programs it maintains a conference hall "TULIP" At Its Denim International Plant at KHATREJ.

PERFORMANCE APPRAISAL: It has three goals =

- to motivate employee through feedback
- to identify training needs
- to monitor the employee progress/performance

CAREER DEVELOPMENT:

Has well planned program for preparing its employees for their next career move by job rotation, job enrichment.

SWOT ANALYSIS OF HRD PROGRAM

STRENGTHS:

1. Low employee turnover (8% for AM compared to 12-15% for the industry)
2. Flexibility of work force due to multiskilling
3. Better union- management relations
4. Informalcy and transparency
5. Promotion of AQLP

WEAKNESSES:

1. Job insecurity due to lay off of 2000 employees and 200 managers.
2. This may lead to low morale and commitment.
3. No potential appraisal of employee.

OPPORTUNITIES:

1. Better growth prospect for products in national and international market.
2. Exploit the potential of employees for growth of the organization and personal development.

THREATS:

1. Competition from other similar organizations related to technology, quality of the product.
2. Automation may lead to further downsizing of the work force.

MADRAS REFINERIES LIMITED

MRL is involved in the business of hydrocarbons- their handling, processing and marketing of a wide variety of petrochemicals and end products .The Govt. of India has 67% stake in the company . Other stake holders are National Iranian Company and Amoco India.

HRD OBJECTIVES:

- a) To retain and induct personnel who are drawn from among the best talents available for organization's requirement.
- b) To ensure systems, procedures and practices of HRD which are worthy of emulation.
- c) To identify areas for training and development of employees which not only help the employee in their self development but also help them in meeting challenges on account of high growth and diversification.

SOCIAL OBJECTIVES:

1. Training facilities in athletics to spot and nurse potential talent.
2. Provision of potable drinking water facilities in neighborhood villages.
3. Organizing health care camps in villages with the help of NGO's.
4. Provision of general rural facilities like improvement in school temples, bus shelters.
5. Physical economical rehabilitation center for handicapped.
6. Propagation of alternative source of energy and development of appropriate technology.
7. Sanitation facility in neighborhood areas.
8. Exhibition/trade fair and science fair in rural areas and participation in the science centre.
9. Construction of hospital and stadium (including land).
10. Creche facilities.
11. Conducting sports.

TRAINING AND MANAGEMENT DEVELOPMENT

MRL along with its corporate growth plans has incorporated the need for planned HRD programs. This need was accentuated by the growth of the organization which opened up new avenues for job rotation and creating challenging opportunities to supervisory personnel and non supervisory. An important objective was to fulfill the growth needs of the organization and minimize stagnation of employees. The organization organized an INDUCTION/SUPERVISORY DEVELOPMENT PROGRAM for promoting employees from nonsupervisory level and for fresh recruiters. Training & development program was integrated with personal and professional development and achieving organizational goals.

Identification of training needs is done on the basis of discussion among employee and his supervisor and HRD Manager. It is organized and conducted to facilitate personality development, management development, and knowledge, skill and attitude areas.

The priority areas are-

- a) safety/environmental pollution control
- b) fire fighting
- c) management development
- d) personal growth
- e) energy conservation
- f) technology transfer
- g) corporate plans/targets

The training is provided in the company, and outside also. It has its own training school known as RESOT (Refinery Engineering School of Training) in the field of petroleum technology and organises programs for different levels.

Employees are also sponsored for training programs in different training institutions in India and abroad and they also get opportunity for higher studies in technical and management institutions. Apart from the training program in the class room employees are made to undergo a simulator training program using a VAX 3400 computer. They have installed an expert system for the FCCU with the collaboration of a US company. This has a complex knowledge base of the catalytic unit and they have the knowledge base into levels accessible to different categories of employees. The employees face a real situation and the process is simulated and the employee is made to take decision on the spot. CAD-CAM is being introduced to create a prototype of the original process model to give the employee a feeling of reality.

Role analysis workshop has also been planned as a part of improving job clarity for various roles, arrive at key performance area and identify critical attributes in terms of knowledge, skill, and attitude in the company. It is done by way of discussion the person occupying the role and those who has significant interaction in his job performance.

CAREER DEVELOPMENT:

Various strategies were evolved for career development-

1. Develop core management team familiar with new management concepts/practices.
2. Nominating junior executives for MDI, Gurgaon for higher studies
3. Nominating middle and top management cadre to management education program for managerial training
4. Produce specialized MDP's in decision making, team building, MIS.
5. Development programs to be dovetailed with CP Programs.

SETTING UP THE AGENDA FOR FUTURE

In the post liberalization era where organizations at least have realized the relevance and importance of HRD, if not implemented them, the new people management which talks about aligning human resources to organizational strategies, will adopt such practices in the interest of individual as well as organization. Organizational transformation is needed to treat human resources as assets rather than costs. Due to globalization, time compression, quality, computer and communication revolution, cultural diversity, business ethics, spiritual management, demise of the command system a paradigm shift has become the necessity for the corporates.

The role played by HRD is going to help them in this regard. The major role of HRD can be conceptualized as follows-

- * Developing a highly skilled and flexible work force through continuous training, enlargement of operating jobs and redeployment.
- * Retraining developed talents by reviewing system relating to compensation and appraisal.
- * Building commitment and loyalty and by protection from technology related unemployment
- * Creating a conducive work environment to motivate employees so that they release their full potential
- * Create a self-management and commitment based culture.
- * Synregize the potential of people and technology

Thus we can see that the major focus of HRD is to become an integral part of business. This can be achieved by

- empowering employees,
- team building efforts focussed on productivity,
- having a dynamic/flatter/matrix organizational structure,
- adopting a people sensitive management practices and styles,
- strengthening organizational communication,
- focus on man machine interface,
- institutionalize employee involvement.
- sustain individual effectiveness through performance feedback and counselling.

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