CHAPTER 1

INTRODUCTORY AND THE FRAMEWORK OF THE STUDY

Introduction

Human resource functions are no longer specialized functions, merely confined to the human resource or personnel department. The management of human resources is the responsibility of every manager in the present competitive business scenario. It is almost a fact that most of the problems in an organization are human related, since human being is dynamic, complex and highly sensitive to environment. Managing the human resource in any organization is therefore a challenging task, unless the organization learns to tune human resources, success will be elusive.

In the present competitive market situations one of the better ways to survive and grow is to adopt new strategies and policies for human resource management both for managerial and non-managerial staff. Many private and public sector organizations in India and abroad have realized the importance to develop their human resource.

Human Resources Management may be described as that activity in an enterprise which strives to mould the human resource into the effective organization provides opportunity for maximum individual contributions under healthy working conditions promote individual development and
encourage mutual confidence and understanding between the employer and the employees and between the employees themselves. Human resource management is responsible for maintaining good human relations in an organization. It is also concerned with the development of individuals and achieving integration of goals of the organization and those of the individuals. While people have always been central to organizations, today they have taken on an even more central role in building firm’s competitive advantage. Particularly in knowledge based industries such as software, information technology, telecom and others, success increasingly depends on ‘people embodied know how’.

The human resource dynamics prevalent in Indian Organizations are different from those in the other counties of the world. But in the recent past some new orientation is taking place in the Indian organizations due to the global impact on business activities. In the light of the changing business scenario that has led to many emerging human resource issues. In this context Reliance Industries in India need no introduction which is successfully adopting and implementing innovative human resource practices for creating competitive advantage.

The Reliance Group founded by Dhirajlal Hirachand Ambani, also known as Dhirubhai, was born on 28 December 1932 at Chorwad, Gujarat, India, and died July 6, 2002 (aged 69) Mumbai, Maharashtra, India, was an Indian rags-to-riches business tycoon who founded Reliance Industries in Mumbai with his cousin. Ambani took his company (Reliance) public in 1977, and by 2007 the combined fortune of the family (sons Anil and Mukesh) was 60 billion dollars, making the Ambani's the second richest family in the world, next to the Walton family. Dhirubhai has been one
among the select Forbes billionaires and has also figured in the Sunday Times list of top 50 businessmen in Asia. \[1\]

Dhirubhai was born on 28 December 1932 at Kukaswada near Chorwad, Junagadh district (now the state of Gujarat, India) to Hirachand Gordhandhas Ambani and Jamnaben\[2\] in a Modh family of modest means. Hirachand Gordhandhas Ambani was a village school teacher with little earning. But his wife, Jamanaben knew how to stretch every dollar in a long way. Hirachand and Jamanaben had two daughters - Trilochanaben and Jasuben and three sons - Ramnikbhai, Dhirubhai and Natubhai. Dhirubhai was the second son.\[3\] Dhirubhai was precocious and highly intelligent. He was also highly impatient of the oppressive grinding mill of the school classroom. He chose work which used his physical ability to the maximum rather than cramming school lessons. When Jamnaben once asked Dhirubhai and Ramnikbhai to help his father by earning money. He angrily replied "Why do you keep screaming for money? I will make heaps of money one day". During weekends, he began setting up onion/potato fries stall at village fairs and made extra money which he gave to his mother.

Dhirubhai started off as a small time worker with Arab merchants in the 1950s and moved to Mumbai in 1958 to start his own business in spices. After making modest profits, he moved into textiles and opened his mill near Ahmedabad. Dhirubhai founded Reliance Industries in 1958. After that it was a saga of expansions and successes.

When he was 16 years old, he moved to Aden, Yemen. He worked with A. Besse & Co. for a salary of Rs.300 (Present Day $6.49). Two
years later, A. Besse & Co. became the distributors for Shell products, and Dhirubhai was promoted to manage the company’s filling station at the port of Aden. He was married to Kokilaben and had 2 sons, Mukesh, Anil and two daughters, Nina Kothari, Deepti Salgaonkar. He also worked in Dubai for some time during his early years.

During those days of him, the Yemini Rial was made of pure silver coins and was in much demand at the London Bullion Exchange. Young Dhirubhai bought the Rials, melted them into pure silver and sold it to the bullion traders in London. During the latter part of his life, while talking to reporters, it is believed that he said “The margins were small but it was money for jam. After three months, it was stopped. But I made a few lakhs. In short, I was a manipulator. A very good manipulator. But I don’t believe in not taking opportunities.

Ten years later, Dhirubhai Ambani returned to India and started "Majin" in partnership with Champaklal Damani, his second cousin, who used to be with him in Aden, Yemen. Majin was to import polyester yarn and export spices to Yemen. The first office of the Reliance Commercial Corporation was set up at the Narsinatha Street in Masjid Bunder. It was 350 sq ft (33 m²) room with a telephone, one table and three chairs. Initially, they had two assistants to help them with their business. During this period, Dhirubhai and his family used to stay in a one bedroom apartment at the Jaihind Estate in Bhuleshwar, Mumbai. In 1965, Champaklal Damani and Dhirubhai Ambani ended their partnership and Dhirubhai started on his own. It is believed that both had different temperaments and a different take on how to conduct business. While Mr.
Damani was a cautious trader and did not believe in building yarn inventories, Dhirubhai was a known risk taker and he believed in building inventories, anticipating a price rise, and making profits. In 1968, he moved to an up market apartment at Altamount Road in South Mumbai. Ambani’s net worth was estimated at about Rs.10 lakh by late 1970s. [4]

Asia Times quotes [5]: "His people skills were legendary. A former secretary reveals: "He was very helpful. He followed an 'open-door' policy. Employees could walk into his cabin and discuss their problems with him." The chairman had a special way of dealing with different groups of people, be they employees, shareholders, journalists or government officials. He exported spices, often at a loss, and used replenishment licenses to import rayon. Later, when rayon started to be manufactured in India, he exported rayon, again at a loss, and imported nylon. Ambani was always a step ahead of the competitors. With the imported items being heavily in demand, his profit margins were rarely under 300 percent."

Sensing a good opportunity in the textile business, Dhirubhai started his first textile mill at Naroda, in Ahmedabad in the year 1977. Textiles were manufactured using polyester fibre yarn. Dhirubhai started the brand "Vimal", which was named after his elder brother Ramaniklal Ambani’s son, Vimal Ambani. Extensive marketing of the brand "Vimal" in the interiors of India made it a household name. Franchise retail outlets were started and they used to sell "only Vimal" brand of textiles. In the year 1975, a Technical team from the World Bank visited the Reliance Textiles' Manufacturing unit. This unit has the rare distinction of being
certified as "excellent even by developed country standards" during that period.\[6\]

Reliance, acknowledged as one of the best-run companies in the world has various sectors like petrochemicals, textiles and is involved in the production of crude oil and gas, to polyester and polymer products. The company’s refinery at Jamnagar accounts for over 25% of India's total refining capacity and their plant at Hazira is the biggest chemical complex in India. The company has further diversified into Telecom, Insurance and Internet Businesses, the Power Sector and so on. Now the Reliance group with over 85,000 employees provides almost 5% of the Central Government's total revenue.

Dhirubhai Ambani was admitted to the Breach Candy Hospital in Mumbai on June 24, 2002 after he suffered a major stroke. This was his second stroke, the first one had occurred in February 1986 and had kept his right hand paralyzed. He was in a state of coma for more than a week. A team of doctors was unable to save his life. He died on July 6, 2002, at around 11:50 P.M. (Indian Standard Time).

In 1986 after a heart attack he has handed over his empire to his two sons Anil Ambani and Mukesh Ambani.

**Reliance after Dhirubhai**

In November 2004, Mukesh Ambani in an interview, admitted to having differences with his brother Anil over 'ownership issues.' He also said that the differences "are in the private domain." He was of the opinion that this will not have any bearing on the functioning of the
company saying Reliance is one of the strongest professionally-managed companies. Considering the importance of Reliance Industries to the Indian economy, this issue got an extensive coverage in the media.\[7\]

Kundapur Vaman Kamath, the Managing Director of ICICI Bank\[8\] was seen in media, a close friend of the Ambani family who helped to settle the issue. The brothers had entrusted their mother, Kokilaben Ambani, to resolve the issue. On June 18, 2005, Kokilaben Ambani announced the settlement through a press release.

The Reliance Empire was split between the Ambani brothers, Mukesh Ambani getting RIL and IPCL & his younger sibling Anil Ambani heading Reliance Capital, Reliance Energy and Reliance Infocomm. The entity headed by Mukesh Ambani is referred to as the Reliance Industries Limited whereas Anil's Group has been renamed Anil Dhirubhai Ambani Group (ADAG).

When the present research work was started Reliance Industries Ltd was one group. But the group was divided into two empires in the year 2005 therefore; it is difficult to study the innovative human resource management practices of all the enterprises that come under the flagship of Reliance Industries Ltd and Anil Dhirubhai Ambani Group (ADAG). Also due to limited financial resources and the vast area of operations covered by these organizations it was decided by the researcher to choose Reliance Communication (earlier known as Reliance Infocomm) which comes under Anil Dhirubhai Ambani Group (ADAG) to conduct the study, since Indian Telecom industry is one of the fastest growing telecom markets in the country and the world. Reliance Communication is
ranked 2\textsuperscript{nd} in the country on the basis of its subscribers’ base and one such company that is expected to spur the growth in future.

Out of the above said group of companies Reliance Communication Ltd., which comes under the flagship of Anil Dhirubhai Ambani Enterprises group companies, is one of the India's largest private information and communication services provider, with a subscriber base of over 11 million. Reliance Communication has established a pan-India, high capacity, integrated (wireless and wire line), convergent (voice, data and video) digital network, to offer services spanning the entire Communication value chain.

The Anil Dhirubhai Ambani Enterprises group, comprising of Reliance Communication, Reliance Energy and Reliance Capital are part of the Reliance Group, founded by Shri Dhirubhai H. Ambani.

In the light of the above facts an attempt has been made in the present study to highlight the status of various aspects of human resource management practices initiated by Reliance Industries Ltd, with special emphasis on Reliance Communication which is one of the largest and fastest growing industries of the country and has a vast global presence. The study also intends to identify the leading and innovative human resource management practices adopted by Reliance Communication Ltd, for the development of its employees.

**Review of the literature**

During the course of this study entitled “Human Resource Management practices of Reliance Industries Ltd” a number of books, journals, Research papers, articles, periodicals, annual reports etc have
been consulted and reviewed. The available literature on the present study has been extensively reviewed in the following paragraphs.

- **Ravishankar S and Mishra RK (1984)** in their book management of human resource in public enterprises providing an understanding of the system of human resource management rather than merely the activities assigned to those who provided various personnel services for effective public enterprises management. The book also gave a balanced and comprehensive grasp of the concept, problems, approaches and strategies of human resource management.9

- **Verma KK and Roa TV (1989)** in their book Alternatives approaches and strategies on human resource development, presented the ways to develop human resource, their potential for organizational growth. It includes performance appraisal, potential development, performance feedback and counseling systems, career development, interventions, role analysis etc.10

- **Jogiah T (1990)** in his book ‘Frontiers of management science training and development of executives’ discussed a rigorous and in the depth research study of training and development of executives in the Indian power sector, the first of its kind in the country. Apart from providing a strong theoretical and conceptual foundation on training and development of executives, it has covered an exhaustive training and development and institutional training network. It has embodied the result of a probe into the executive training and development methods, technology, achievements and failures of Andhra Pradesh State Electricity
Board. The views of top, middle and lower level executives concerned, the training faculty and executives association are also incorporated to present a diversified account of their assessment of the electricity boards, policies and practices in India.¹¹

- **Rajen Gupta (1990)** has given commendable work in a real research study. He has been undertaken in an action research made to simultaneously improve the implantation process and develop theoretical understanding about the process of implementation. Hence it has reported on a large human resource development program in a large organization, illustrated interventions which can improve the implementations as well as has been examined the relevance of existing theoretical knowledge. It has finally proposed a model of multi level action research system (MARS) for effectively implementing human resource development programs in large organizations.¹²

- **Nair MRR and Roa TV (1990)** focused on “Excellence through Human Resource Development”, an edited compendium, has contained experiences available from 25 organizations. These experiences has dealt with human resource planning mechanism like performance appraisal, counseling and review discussions, taming organizations development (OD) interventions, carrier planning and development, job rotation and role clarity exercises.¹³

- **Rao TV (1991)** in his book Reading in Human Resource Development presented an edited compendium and dealt with a conceptual framework on development and integrated personnel policies and ended with an account of the research in HRD. It has
also focused on human resource development instruments like performance appraisal, potential appraisal counseling, training and rewards and implementation of the same in different organizations. It has also dealt with human resource development in government systems, primarily focused on educational system.\textsuperscript{14}

- **Misra Sanrupt (1992)** made attempt to study scope of personnel management in public services’ is an empirical research study of Orissa education service, this study has dealt with theoretical prospective of human resources and education, recruitment, selection, induction and placement, training and development of technical personnel, their motivation, integration, and job satisfaction, performance appraisal, carrier development, discipline and grievance handling.\textsuperscript{15}

- **Sogani Meena and Mehta Anil (1996)** in their book Training for change presented essays on different dimensions of organizational training with primary focus on role playing in facilitating goal directed change. The theme relates to the key realms of training, philosophy, strategies, leadership, Ethics, effectiveness, business and other significant areas of personnel management.\textsuperscript{16}

- **Wright Peter and Kroll J Mark (1996)** their book comprised of two major parts first relate to the concept and techniques of strategic management and second cases in strategic management. It also reflects the change in the business environment and development in the field of strategic management in corporate governance.\textsuperscript{17}
• Harvey Don and Bowin Robert Bruce (1996) have presented conceptual and experimental approaches to the study of human resource management. A revolution is under way in how individuals use education to improve their performance. The book focuses on the development of interpersonal skills. The book also provides a conceptual framework necessary to understand the relevant issues in HRM. This text is the first to directly relate students learning experiences in HRM with these skills judged by experts to be essential for potential HR managers. ¹⁸

• Kumar Ashok (1998) in his book ‘HRM challenge of change’, dealt with management in transition and generation gap integrating organization and individual goals reconsiderations of concept of job satisfaction, approach to excellence, managerial improvement and work re-organization, super sub ordinate relations, approach to performance appraisal, supervision and discipline, manpower management and corporate grid analysis, human resource development studies etc.¹⁹

• Robert F Mager (1999) provided a practical procedure for increasing effectiveness and efficiency in an easy to understand and approachable style which simplifies the complicated task of developing instruction. This book also takes us step by step through the design and development process, providing an invaluable overview of the steps critical to achieving your organizational goals.²⁰

• P Subroa (2000) presented an analysis of development in the human resource development in a comprehensive form. He has also
attempted to loom into the current trends in the Human resource functions with a view to outline the future development that are likely to take place in the years ahead. It has also discussed in a lucid manner the topics such as job analysis, job evaluation, employee benefits recruitment and selection, line staff conflicts, social responsibility policies along with other current topics such as organizational effectiveness, followership, participative management quality circles and organizational development.  

• **Arya PP (2001)** focused on human resource development which has gained importance in working of various types of organizations. In this book he apprises the requirements of manpower and how to generate corresponding supply to build up on educational training information structure, measurement of the costs and benefits of existing human resource development program for short term, long term point of view. Apart from analyzing the concepts and issues involved in human resource development, attention is also focused on manpower planning, education and training impact of liberalization and globalization.  

• **Becher E (2002)** examined in his book that human resource system should be described to maximize the overall quality of human capital throughout the organization to build and maintain a stock of talented human capital. Human resource manager should develop strategies that provide timely and effectively support for the skills demanded and enacts performance management, policies that attract retain and motivate high performance employees. The main
motive of human resource manager should make their employees as strategic asset.  

- **Lawler E Edward (2002)** examined that how the organizations are acknowledging that human capital is their greatest asset. Organizations should actually implements practices that create true benefits for both employees and organizations. He also explains that how companies can treat people right by doing more than simply ensuring good working conditions and good pay. He gives detail specific practices designed to keep employees satisfied but still motivated to continue improving their performance.

- **Singh PN (2005)** in his book “Developing and Managing Human Resource” contributes consistently to the management literature in the current Indian context. He has drawn directly from his own wide experience in his specialized area and also in management in general. Since the term human resource management and human resource development has entered in widespread usage in Indian scene, a number of different views on their concepts, applications and outcome have been evolved.

- **George Bohlander and Thompson Snell Scott (2005)** in their book “Managing Human Resource” the authors discussed how organizations can gain sustainable competitive advantage through people. The role of human resource managers is no longer limited to serve functions such as recruitment and selection of employees. Today human resource managers assume an active role in the strategic planning decision making at top level of management. Meeting challenges head on and using human resource effectively
are critical to the success of any working organization. Managing Human Resource focuses on development of high performance work systems. They also outline various components of the system including work flow design, human resource practices, management processes and supporting technologies. The book also discusses about strategic processes used to implement high performance work system and outcomes that benefits both the employee and the organizations.  

• Aswathappa K (2005) in his book on Human and Personnel Management has made a modest but sincere attempt to understanding of human resource in its proper perspective. The contents have been logically divided into six sections to enable the reader comprehend thoroughly the vital aspects and applications of the various principals of human resource management. The sections are nature of human resource management, employee hiring, employee and executive remuneration, employee motivation, employee maintenance and industrial relations. The text is replete with illustrations, examples and anecdotes drawn from the contemporary business world. In all, the book provides a refreshing and rewarding insight into all that a reader wants to know about management of human resource.

• Thornhill, Adrian Lewis Phil, Millmore Mike, Saunders Mark (2006) in their book Managing Change a human resource strategy approach focused on the relationship between strategy and change and in particularly the relationships between the use of human resource strategies and the management of change.
• Balkishan V and Sivasubramanim M (2006) have presented edited papers of the academicians and HR practitioners to regenerate, refresh and rejuvenate the ideological underpinnings in the minds of those professionals who are in the process of perfecting their knowledge on human resource through critical evaluations of ideological presentation of the intellectual changed in this domain. This book has been compartmentalized into six segments viz, human resource practices, leadership, organization change, stress management, training and development and allied topics in Human Resource.\(^{29}\)

• P Chandran Mohan (2003) in his article on Human Resource Accounting in India deal with the most important asset of the company i.e. human resource and its valuation. In past less importance was given by organizations to value their human assets, moreover, it was also considered difficult to value them as there were no parameters of valuation. The importance and value of human assets was recognized in early 1990s and in 1995-96. Infosys became the first software company to value its human resource. He explains that employees are the most valuable resource like any other resource of the company.\(^{30}\)

• Malikarjunan K (2006) in the article Best of HRM Practices pointed out that HR policies form the framework for effective functions of HR management: they form the culture in business management i.e. they are the very functioning of a business enterprise. The practices should necessarily result in benefits to all the stakeholders like shareholders, creditors, suppliers, consumers
and the employees. Such practices create an awareness of the need to achieve the business goals in the best possible and ethical manner. If HR practices adopted by an organization include periodic review of employees performances adequate training for workforce and most important of all, well thought out career advancement norms for its personnel it will be the organization that will reap the full business benefits and emerge successful to the great satisfaction of all the stakeholders.  

*Ekkirala Viramaditya (2006)* in his article focused on HRM in Cross Cultural Context Challenges and Responsibilities in which he highlighted that multicultural workforce congregations have become today’s workplace realities. The cross border market terrorism sponsored by Multi National Companies evoked counter insurgency and strategic workforce from domestic business. Partnering people in this race is vital for success in the market place. He highlighted the challenges of HR professionals in orienting HR processes and practices to cross cultural work settings, building inter cultural competence and minimizing the impact of culture shock. The issues involved in cross cultural HR initiatives are discussed, reviving industry practices and the road ahead this journey.  

*Krishna S Jaya (2006)* in the article e-HR The source of competitive advantage article expressed that escalating imperatives in recent times are facing HR departments to adopt innovative, real time interactive HR transactions and delivery systems. Besides, effective management of HR increasingly turning
out to be source of competitive advantage for organizations. e-HR has emerged as a sustained trend and source of innovation at both strategic and operational level. e-HR uses the conventional IT and web enabled technologies to develop HR systems and deliveries. The implementation of e HR strategy can have far reaching benefits including advance services delivery, better productivity and cost savings.\textsuperscript{33}

\textbullet \hspace{1em} \textbf{Curringham Li Xue & Rowley Chris (2008)} Made an attempt in their study on The development of Chinese small and medium enterprises and HRM a review article provides an overview of such firms, detailing their emergence, development and the opportunities and the challenges facing them given the importance of employees and their management, they look in HRM in the light of whether practice transfers occur resulting in some convergence, versus reasons for continuing distinctiveness in Chinese context.\textsuperscript{34}

\textbullet \hspace{1em} \textbf{Rothwell J (2008)} in his study on Next Generation Talent Management A Global Challenge, focused that most business authorities believe that Talent Management has emerged as an important global business challenge. In developed economies employers anticipate may experienced workers to retire, creating a vacuum of talent that will not be easy to fill, in developing economies talent needs are fuelled by explosive business expansion and pending waves of retirements. Typically TM has focuses on attracting, developing and retaining talented people, but that is not enough for the future. Organizations will need next generation Talent Management.\textsuperscript{35}
• Longenceker O Clinton and Simone L Jack (2008) in their article on Staffing for better results key practices of high performance managers shows that organizations are constantly looking for opportunities to create competitive advantage. This article reviews and highlights the best practices of a sample of over 2000 high performance business leaders concerning the issue of progressive staffing. The findings make it clear that result oriented business leaders take great care in planning and anticipating staffing needs, developing and employing selection hurdles and developing work schedules. All these activities are paramount in creating high performance and require a partnership and teamwork between HR professionals and line managers.36

• S Seema (2008) in her article on HR Managers Exploring new dimensions examines the role of HR managers is changing the competitive environment. Managers play a key role in the future of an organization. HRM supports strategic management, talent acquisition and retention has become a significant job of a HR manager. The success of an organization depends on deploying employees who can adopt to be comfortable in the changing environment. Acquisitions and mergers are taking place so rapidly that organizations have to grow by them or get swallowed by others. There is an increasing demand for HR personnel who are capable of managing the increasing workforce.37

• Singh (1966) Attempted to highlight the labor management of sugar Industries of Uttar Pradesh in his published doctoral thesis entitled “Labor Management in Sugar Industries”. The author look
into all the aspects of industrial relations i.e. recruitment, placement and training, conditions of work and employment, welfare, wages and financial incentives, morale etc. He found that one of the major problems which the sugar industries of India are facing is low productivity of labor. He also found that main defects on respect of conditions of work of employment do not relate to industry. It has also been found that no initiative on the part of employer willfully is taken to improve the conditions. 38

- **Turner, Clack and Geoffrey (1968)** have made a study to look into the problems of labor especially in motor industries in New York in their research project entitled “Labor Relations in Motor Industries”. They found that there is a remarkable rise in number of strikes in British car industries. They assumed that in the car firms the strike waves seem to have arises from authentic causes and grievances. They concluded that the recent strikes reflect a failure of institutions to provide the solutions of labor problems. 39

- **Masood M Jawaid (1983)** in his research on the topic “A case study of personnel management in the cotton textiles industries of Kanpur” critically and analytically examined the problems of workers employed in the cotton textiles units of Kanpur and suggests measures for bringing about improvement in the industrial relations in the industry. He emphasized to put the industry on even keel through improved human relations. Personnel problems therefore require immediate attention and wider outlook. Organization of industries is on organization of men, material, and machinery. Proper conditions between these three and continuous
review of labor management relations is essential for the efficient working of these industries. Unless there are cordial human relations exuding a sprit of cooperation between persons working in different capacities in the Kanpur cotton industry, it is difficult to keep the industry at its optimum efficiency.40

- Singh Mahandra (1984) in his research studied the Manpower Management in Indian Industries A case study of Modi Enterprises in which he pointed out that the success and continuity of a business organization depends on the productive efficiency of its employees who are real appreciating assets. In the past much of the time and efforts was spent on a variety of things which had a little impact on the productivity ignoring human element for long. It dates back to the early years of 1940s when the employees and the management realized that the industrial productivity could only be enhanced through an effective management of industrial manpower resources. The problems of hiring, holding and motivating the employees have been faced by all big and small industrial undertakings. The manpower management function is assuming more significance under the continuous changing socio-economic, political and technological conditions.41

- Ahmad Mahboob (1995) made an attempt in his dissertation on the topic “Human Resourced Development in Indian Railways” to study the human resource utilization and their management in Indian Railways. In this study attempts have been made to critically examine the efficiency of human resource as well as Indian Railways in the fast changing business environment. Indian
Railways are the biggest service industry employing more than 16.6 lacks workers spread over length and breadth of the country. A dynamic, effective workforce and their management are essential for the success of Indian Railways. This study is an attempt to correlate the success of Indian Railways with effective utilization of human resource.42

- **Khan Ali M Younus (1996)** made an attempt to study the various Personnel Policies and Practices in Bharat Heavy Electrical Limited (BHEL) A study of BHEL’s personnel policies and practices i.e. recruitment, promotion, transfer benefits, training and development, industrial welfare, pay and allowances, award and incentives. The study shows that BHEL’s personnel policies are commensurate with national economic policy and conforms to the global standards. The study also reveals that the personnel of BHEL are skilled, experienced and hard working. BHEL’s schemes, programmes and policies as regards recruitment, promotion, transfer benefits, training and development, industrial welfare, pay and allowances, award and incentives have been suitably tuned to the changing needs and times. HBEL has been making continuous investment in the development of its personnel for success and growth.43

- **Naseem Ghazanfar (1999)** in his research on the topic “Human Resource Development and its Role in Development of Tourism in India” made an attempt to study the role of human resource development in Indian tourism which is one of the most efficient and commendable earner of precious foreign exchange for the
Tourism is a capital extensive industry and broadly the promotion of international tourism will mainly be the responsibility of the central government. Development of tourism does not confine to development of infrastructure but it is equally dependant upon trained and efficient human resource. Tourism industry is famous for its service and therefore its personnel should be highly professionalized. Human resource development in the expanding tourism raises a sense of critical new problems that are of concern to both private and public interest. Without human resource management no industry can perform its work even in technological era.44

* Ahmad Farug (1999) in his thesis on the topic “Strategic Human resource Management (SHRM), A Case Study of Firms in Bangladesh” made a modest attempt in highlighting the latest development in the area of SHRM in Bangladesh business firms. The study shows that how the practices of SHRM are responsible for the improvement in productivity in firms in Bangladesh. The study also reveals how the growth domestic product increasing gradually in Bangladesh from 1949 to till the date.45

* Islam Ziaul (2001) in his research on the topic Manpower Management in India’s aluminum industries, a case study of HINDALCO Company, focused all the important issues relating to the manpower management and their adequate utilization by critically examining and appropriate suggestions are given for improving function of Hindalco. The study is made on the three aluminum industries Nalco, Hindalco and Indal to examine the
overall strength of manpower, its training and development and business sector. The study also examines the recruitment and remuneration. It is an attempt to integrate and coordinate the relevance importance of manpower and the success of these industries. 46

- **Shahid Faisal (2002)** studied Human Resource Management in food processing industries with special reference to Heinz India Ltd, and pointed out that the growth of modern industry and corporate giants has established that a good management is not attributable only to effective organizational culture. It is indeed the outcome of the inter policy of a number of factors, to a great extent it is due to the ingrained vision of key members who navigate the organization and are the main driving force of their growth. The success of an organization of course greatly depends on a variety of factors particularly vision, leadership, teamwork style, human resource information system etc. The strength of those factors cannot exist alone but should be effectively galvanized to activate them in the nucleus of the organization’s structure which is dynamic in nature. This study also suggests a long range of strategy to make a considerable improvement in food processing industries in India through the effective implementations of human resource.47

- **Garg Jhilmil (2003)** has made study on Human Resource Related Policies and Strategies of Information Technology in India, this study shows that one of the important duties of modern manager is to get things done through people. He has to bring employees into
contact with the organization in such a way that the objectives of both groups are achieved. He must be interested in the people, the work, and the achievements of assigned objectives. To be effective, he must balance his concerns for people and work. In other words he must know how to utilize human as well as no human resources by translating goals with action. It is with this significance of human resource development that in the present work she examined the role compensation, management training and development of personnel, their mobilization and recruitment of human resource as a factor of organizational development.  

**Research Gap**

From the foregoing review of literature it is evident that there are plethora of research studies on the variegated aspects of human resources policies and practices. It is nevertheless found that there is still dearth of research studies mainly focusing on the human resource policies and practices in Telecom and IT industry in India in post liberalization and globalization regime. The present study is conducted against this backdrop. It includes empirical studies on human resource in Telecom and IT industry including planning, recruitment, selection and development and wage and salary administration, etc.

**Need For Research**

1. Reliance Communication is a leading telecom company ranked 2\textsuperscript{nd} in the county on the basis of the subscribers’ base.

2. The undertaking selected is of unique in nature, size and organization structure.
3. The units and operations of the organizations are spread in different political, socio economic conditions, which might affect the styles, techniques and policies of human resource.

4. An important has reason has been the proximity of research avenues to the work place of the researcher.

**Scope of the study**

There are very few empirical studies on Human resource Management. Very few researchers outside corporate management have attempted to study Human resource Management and its variables. Unlike the previous studies the present study is an empirical study hence, the focus is on the development of its variables viz, performance appraisal, job satisfaction, human resource and its impact of computerization on changing work technology and the work culture. The present study is conducted with a focus on creating a competitive advantage through the effective utilization of human resource.

**Aims and Objectives of the study**

The main objective of the study is to go through the various innovative practices of Human Resource Management of Reliance Communication Ltd and try to find the correlation between organization’s success and Human Resource Management. The specific objectives of the study are:

1) To study the various innovative human resource management practices of Reliance Communication.
2) To see the degree of satisfaction of employees pertaining to various innovative human resource management practices of Reliance Communication.

3) To understand the relation of success and the contribution of human resource in Reliance Communication.

4) To suggest measures to overcome the problems of Human Resource Management and increase the productivity of manpower.

Hypothesis

Organizations are gaining sustainable competitive advantage through people by adopting innovative practices of Human Resource Management. It is hypothesized that:

- **Ho1.** Reliance Communication is adopting and implementing the various innovative Human Resource Practices with the maximum support and satisfaction of their employees. (Irrespective of the age, qualifications, position and sex of the employees)

- **Ho2.** The motivated and satisfied workforce is contributing to the maximum of their abilities to the success and growth of the organization.

- **Ho3.** The role of human resource is quite significant of Reliance Communication for creating a competitive advantage over their competitors.

- **Ho4.** A dynamic, effective workforce and their management are essential for the success of an enterprise.
The following research was conducted to study the role of human resource management in an organization, which is quite significant. It was assumed that Reliance Communication requires human faculty and human skills for better performance. Other facilities like finance, material and machinery form a significant segment of this sector. Yet, without the presence of competitive human resource other factors may not contribute significantly for the success and growth of the organization.

**Research Methodology and Design**

For the purpose of this study one questionnaire (attached as appendix A) was prepared for the survey to judge the responses of the employees regarding the various human resource policies of the Reliance Communication. Reliance Communication covers nationwide, terabit bandwidth covering 99% of the population. Broadband connectivity in 180 cities and wireless connectivity in 673 towns and cities using 60,000 route kilometers of optical Fibre.

The services of Reliance communication are present in the following states of India.

- Andhra Pradesh
- Assam
- Bihar
- Chattisgarh
- Delhi
- Goa
- Gujarat
- Haryana
- Himachal Pradesh
- Jharkhand
- Karnatakas
- Kerala
- Madhya Pradesh
- Maharashtra
- Orissa
- Punjab
- Rajasthan
- Tamil Nadu
- Utter Pradesh
- Uttaranchal
- West Bengal
For the purpose of survey 50 cities and small towns of Uttar Pradesh, Delhi, Haryana, Punjab, Rajasthan, Madhya Pradesh and Uttaranchal were covered as the study sample.

The relevant information obtained was collected through the questionnaires both by mail as well as by personal interview. Through and detailed personal interviews with different employees working at different levels were conducted for the purpose of the study As far as the collection of basic information relating to the Reliance Infocomm is concerned data was collected from official records, annual reports of the company etc.

Keeping in view the gravity of the situation the direct personal observation were followed to obtain reliable information as much as possible and therefore, tried to investigate by the researcher on the spot to make patient and purposeful observations, so as to know how the employees are behaving and responding in response for various human resource policies of the organization.

The available data have been analyzed through the application of various statistical methods, combined with economic reasoning.

**The Universe of the Study**

For the purpose of conducting this study the universe selected mainly covered 50 cities and small towns of Uttar Pradesh, Delhi, Haryana, Punjab, Rajasthan, Madhya Pradesh and Uttaranchal. The communication services of Reliance are available in almost every region of India, considering the time limit, financial resources, and geographical area to be covered it was not within the reach of the researcher to survey.
all the regions. Hence efforts are made to cover all the nearby States and cities as extensively as possible to see the impact of various human resource policies on personnel of Reliance Communication.

The Final Sample

The questionnaire as mentioned above after pre testing were sent to majority of the personnel of Reliance Communication and the responses received from 150 employees that formed total planned sample for the purpose of the study. The responses from these employees were received both through mail as well as personal contact.

Statistical Tools Used

The role of statistical tools is important in analyzing the data and drawing inferences there from. In order to drive the substantial results from the information collected through questionnaires, statistical tools like Proportion Test and Pearson’s Chi Square Test have been used.

The information gathered from questionnaires from employees was further supplemented on the basis of discussion, made with the concerned persons and with scientific observations. This has made the data more authentic and reliable.

Analysis of Data

The collected data have been codified and tabulated in the respective chapters. Relevant statistical relationships have been established and analyzed. The analysis of data has helped in understanding the relationship between the progress of Reliance Communication and management of its human resource. Besides this various problems concerning human resource management have also been
discussed. The analyses of data have been presented in the respective chapters of the thesis.

**Interpretation of Data**

The data have been interpreted with some concrete conclusions. The problems identified concerning the human resource management of Reliance Communication and some suggestions to overcome such problems have also been evolved on the basis of interpretations of data. Various statistical methods, formulations and techniques have been applied for interpretation of data.

**Limitations of the Study**

Though in the present research work attempts have been made to analyze the problems on unbiased methods but there are certain limitations behind the study which cannot be neglected. Some limitations of the study are mentioned as under:

1. It has not been possible to obtain all types of information from the employees; they did not cooperate in providing primary data from the organization. They did not speak clearly about the organization’s policy of managing human resource.

2. Sufficient funds were not available to carry on the research work on depth.

3. Shortage of time was another limitation attached, since the thesis has to be completed within specified period of time the as the topic is vast and many more years are required than available to carry on the research in depth.
4. Reliance Industries are spread in almost every part of India and also abroad hence it was not within the reach of the researcher to conduct surveys in every part.

5. Lack of interest on the part of employees in providing the relevant information or filling the questionnaire.

In spite of these above limitations faced during the study, the present study has been taken in an honest mood of academic enquiry, and some valuable suggestions of practical significance have also been incorporated in the thesis.

**Presentation of the Study:**

Finally the researcher has made an attempt to give a shape of the study in the form of thesis. A detailed report on the survey has been given in the relevant chapters. The overall study covers six chapters. Chapter first deals with the introduction, review of literature and research methodology, while second Chapter deals with the origin, meaning, nature, need and importance of human resource management. The third Chapter focuses on a profile of various industries working under the flagship of Reliance. The fourth chapter is providing the details of the various innovative practices of human resource management of Reliance Communication. The fifth chapter is devoted to analysis and interpretation of the data and finally the last chapter i.e chapter six is related to the summary, conclusion and suitable suggestions to be followed by the Reliance Communication and other industries. At the end a detached bibliography, questionnaire and appendix have been given.
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