Chapter 1

Introduction
Introduction

The aim of this chapter is to provide an introduction to the research undertaken and outline the research themes of the study. It presents the background of the research, evolution of telecom industry and rationale of the study. In addition, this chapter covers research problem, and research questions. Finally, the outline of thesis is also presented.

1.1. Human resource

The effectiveness and success of an organization lies not only in the organization's products or service, but also in its resources. Organizations have many resources, both physical and financial as well as resources that are directly related to organizational behavior, such as knowledge, ability, decision making and intelligence of the employees. Because of the value of the people within and behind the organization, it is very important that the organization takes special care to ensure the happiness and satisfaction of their employees with their jobs, regardless of how major or minor the job may be. The people behind the scenes, operating and running the organization, are by far, the most valuable resource, the company has to utilize. The Human Resources (HR) Department of any organization administers human resources through the Human Resource Systems. Human resources system in the organizational context is a process by which the employees or an organization are helped in a continuous planned way to acquire and/or sharpen capabilities required to perform various functions associated with their present or expected roles. A typical human resources system comprises various components like (i) Human resources planning, (ii) Job analysis and design, (iii) Recruitment and selection, (iv) Rewarding human resources, (v) Performance evaluation system, and (vi) Developing human resources.

1.2. Human resource development

Amongst the various components of human resource management, 'human resource development' has assumed considerable importance in the recent years, be it a business organization or a bank or an office, the development of human resource is necessary for its efficient and effective working. In an evolutionary process when developing economy struggles
to attain higher levels of living it can hardly overlook the need of developing its human resources
to meet the bigger and newer challenges of raising the quality of the masses. The concept of
HRD was formally introduced by Leonard Nadler, in 1969, in a conference organized by
American Society of Training and Development. In India, Larsen and Tubro Ltd., a private
sector company, introduced this concept in 1975. In the public sector companies, BHEL
introduced this concept in 1980. Human resource development has been defined by various
scholars in various ways:

According to Leonard Nadler, “Human resource development is a series of organized activities,
conducted within a specialized time and designed to produce behavioural changes”.

In the words of C S Sankar, “Human resource development is a development oriented planned
effort in the personnel area which is basically concerned with the development of human
resource in the organization, improving the existing capabilities and acquiring new capability of
achievement of corporate and individual goals”.

Human resource development is a total system. It has various sub systems. These subsystems are
also known as human resource mechanism or human resource development instruments. These
instruments are applied by the organization to develop the desired human resource development
climate and improve organizational effectiveness through human resource development
outcomes. There are a large number of sub-systems or instruments that can be used to develop
and facilitate human resource development. Some of the important instruments of human
resource development are: Performance appraisal, Feedback, Role analysis, Training and
development, Rewards etc.

1.3. Training and development

Training and development are the instruments of human resource development, which are used
by every organization. The importance of this subsystem has increased as a result of constant
improvement in the technology. Training is an act of increasing the skill and knowledge of the
employee to do a particular job. It aims at increasing the efficiency of the employee for a specific
job. On the other hand, development aims at overall development of the employee. It is also
termed as training program which is future oriented. Thus the present research focuses on employee development and the various practices undertaken for the employee development. The study has examined in depth the implementation of the employee development practices and the impact of these practices on the employee satisfaction and thereby on their job performance.

1.4. Background

The present business environment is a function of increasing globalization, changing demographics of the workforce, technological changes, intellectual capital and the never-ending changes that organizations are undergoing. In this environment, employee retention and growth, doing more with less, quality and service are the important issues affecting companies in all industries and sizes. Apart from this, with the growing consciousness and aspirations of Indian workers, the meaning of work has undergone a sea change. It is no longer satisfying the lower hierarchal needs, viz, physiological, safety, and security but due to the demographic change in the workforce the desires are on the lines of western orientation of need hierarchy i.e. the esteem needs and self-actualization needs where focus is more on personal identity and recognition in relation to the work rather than earning livelihood for mere purpose of survival. Thus with this kind of disturbances in the external and internal environment and with changing needs and desires of the employees, the organizations must continually change if they have to keep pace with the turbulence. A two year research project completed and sponsored by the American Society for Training and Development concluded that organizational change may only be successful if the employees change, develop and grow (Mc Lagan, 1989). Although organizations have to strive hard to earn the right to own employees skills, Mc Lagan (1989) argued that employees need to ensure that they have the competencies to meet the evolving needs of the organization. Thus employee development practices may help organizations gain or retain a competitive advantage in a turbulent world. From the above argument it is clear that employee development is of increasing concern to both the employees and the organization. Graddick, (1988) pointed out the growing awareness among the firms that people can be a critical element in helping the business gain a leading edge in the market place. This can be accomplished if the firm can identify the right developmental practices which inspire commitment to the organization and motivate employees to help the firm achieve and maintain a competitive advantage.
Employee development may be defined as the enhancement of capacities of individuals in terms of knowledge and experience related to their personal ability, work skills and with the benefit that the overall organization derives from development. Employee development is a concept, not confined to the four walls of education, vocational training, salary or wages and rewards but is concerned with the holistic development of the individual on and off work in alignment with the overall development of the organization. By the side of overall individual growth it is rather imperative for the companies to take the initiative to develop the skills of their employees to keep up with the competitive scenario. The development of the employees is directly proportional to improved job performance, higher productivity and perhaps company’s profits (Wan, 2007). It has been emphasized by several authors that if a company wants to strengthen its bond with its employees, it must invest in the development of its employees (Hall & Moss, 1998; Hsu et al., 2003). It entails in creating opportunities for promotion within the company and also providing opportunities for training and skill development that let employees to improve their employability on the internal and/or external labour market (Butler & Waldrop, 2001). It is often the case that organizations do a lot of employee development because it is a "good thing" or reflects some values about people management. Companies seek to optimize their workforce through comprehensive development programmes not only to achieve business goals, but also most importantly to survive and thrive for years to come.

Developing the workforce, to stay financially solvent and competitive, is only one of the objectives of employee development system. In order to maintain this valuable commodity, organizations must be aware of employee satisfaction. Many companies make the mistake of assuming that employees are only seeking financial benefits for their jobs. This assumption overlooks the high importance many people place on the intrinsic benefits of their careers. It is not only a mistake for employee satisfaction, but it has negative business consequences also. Organizations must provide the development opportunities to employees to perform effectively and efficiently which would further enhance the meaningfulness of work. Lermusi (2006) emphasized that employees valued meaningfulness of work and job variety. This would boost value placed on one’s role and identification with that role (Dodd-McCue & Wright, 1996) and create a sense of personal achievement and improved job performance (Goldfarb Consultants, 1999). Improved job performance, further promotes, job enrichment (Guest, 2002) and
participative work (Appelbaum et al., 2000); factors that relate positively with employee satisfaction. Wiener (1982) suggested that employee satisfaction is feelings or affective responses to facets of the situation or work related condition. Locke, (1973), defined employee satisfaction as “a positive emotional state resulting from the appraisal of one’s job or job experience”. From a social exchange perspective, employees are favourably disposed toward an organization to the extent that the organization provides something valuable to the employees (Blau, 1964). Following this logic, when an organization provides something valuable such as support for employee development, this should create a mindset in employees that is positive towards the organization. In further support of this theory, Kane-Urrabazo (2006) concluded from her research, “managers must put support systems and other mechanisms into place that allow employees the opportunity to empower themselves and to flourish, thus increasing their own effectiveness as well as that of the organization”. Gilbreath & Benson (2004) theorized from the results of their study, “the importance of social support to well-being means that it would be reasonable to expect that a supervisor’s supportiveness would potentially play a large role in the psychological well-being of his/her subordinates”. Apart from management support towards the development of the employees, if employees receive a training which is irrelevant according to them, they will locate other ways to learn and will eventually bypass the efforts of the learning organization. If learning organization continues to deliver incomplete solutions it will ultimately lose its value proposition and reason for existence. Thus the endeavour of an organization is to make its training more relevant to its audience. The present study aims at studying the employee development practices as the manifestation of management support and relevance of the employee development practices. A salient feature of the research is to examine the impact of these variables on the employee satisfaction and thereby job performance.

1.5. Telecom industry

The telecommunication industry is more than a century old. The communication industry covers a wide spectrum of services, ranging from wire line and wireless voice communications and data access, to video and content delivery. Worldwide demand for these services generated an estimated $1.85 trillion in revenue in 2010. While the industry was hurt by the recession in 2008 and 2009, the players of the industry have maintained focus on pursuing new growth opportunities to transform their businesses. The industry today finds itself in the middle of a
communications revolution as broadband and wireless technologies radically transform the industry. Future industry growth will be driven in particular by demand for broadband data, wireless and enterprise services, and functionality for customers. Rapid advances in technology will bring the telecom industry to new heights.

Figure: 1.1. Global telecom market

Source: TIA 4/10
Note: Includes all telecom equipment and services

1.5.1. Indian telecom industry

The development of telecommunication infrastructure is a crucial factor in achieving socio-economic development of the country. Indian telecom is more than 160 years old, beginning with commissioning of the first telegraph line between Kolkata and Diamond Harbour in 1839. In 1948, India had only 0.1 million telephone connections with a telephone density of about 0.02 telephone per hundred population. Since then, India has come a long way. According to TRAI report, total numbers of mobile phone subscribers have reached 875.48 million as of October 2013. The mobile tele-density had increased to 70.96% in October 2013.

1.5.2. Administration and control

The Telecom Commission, set up in April 1989, has the administrative and financial powers of the Government of India to deal with the various aspects of telecommunications. The Commission and the Department of Telecommunications (DoT) are responsible, inter alia, for
policy formulation, licensing, wireless spectrum management, administrative monitoring of the Public Sector Undertakings (PSUs) engaged in telecommunication services, research and development, and standardization/validation of equipment.

1.5.3. Emergence of public and private service providers

Telecom services and most of the manufacturing activities related to the sector were totally under the Government domain till telecom reforms began in the 1980s with the launch of the “Mission Better Communication” programme. Private manufacturing of equipment for customers' use was allowed in 1984 and the Centre for Development of Telematics (C-DOT) was established for the development of indigenous technologies. Two large corporate entities were spun off from DoT, viz, the Mahanagar Telephone Nigam Limited (MTNL) in February 1986 for Delhi and Mumbai and the Videsh Sanchar Nigam Limited (VSNL) in March 1986 for all international services. As a part of the continuing process of telecom reforms and in pursuance of the New Telecom Policy 1999 (NTP-99), the Department of Telecom Services (DTS) and the Department of Telecom Operations (DTO) were carved out from DoT in October 1999 for providing telecommunication services in the country. DTS and DTO were finally corporatized into a wholly owned Government Company, namely, the Bharat Sanchar Nigam Limited (BSNL) (incorporated on 15 September 2000) and their business was transferred to this Company with effect from 1 October, 2000. The creation of BSNL was expected to provide a level playing field in all areas of telecom services, between government operators and private operators.

The entry of private service providers brought with it the inevitable need for independent regulation. The Telecom Regulatory Authority of India (TRAI) was, thus, established with effect from 20 February, 1997 by an Act of Parliament, called the Telecom Regulatory Authority of India Act, 1997, to regulate telecom services, including fixation/revision of tariffs for telecom services which were earlier vested in the Central Government.
1.5.4. Present scenario

Indian telecommunication sector has undergone a major process of transformation in the last decade. In telecom, the anticipated big shift towards data services became increasingly visible during the year 2012-2013. According to the database on capitaline data plus, 2013, though, voice still continued to be the mainstay of the business, the sector certainly had a clear glimpse of the massive change underway in the mobile eco-system and the pattern of consumption. Teledensity, which was 78.66% at the end of March 2012, increased to 79.58% by the end of
June 2012 and then declined to 73.34% by the end of December 2012. India’s total customer base stood at 898.02 million, second only to China, with a teledensity of 73.32%, as in March 2013. The number of telephone subscribers in India increased from 904.46 million at the end of July 2013 to 906.18 million at the end of August 2013, thereby showing a monthly growth rate of 0.19%, (TRAI Report). The share of urban subscribers has declined from 60.69% to 60.57% whereas share of rural subscribers has increased from 39.31% to 39.43% in the month of August 2013 (Capitaline database Plus, 2013)

1.6. Brief Profiles of the selected units in the private and public sectors of the telecom industry

This section provides the brief profiles of the selected units of the private sector of the telecom industry.

1.6.1. Bharti Airtel Ltd.

Bharti Airtel Ltd is one of the world's leading providers of telecommunication services with presence in 19 countries including India & South Asia and Africa. The company is the largest wireless service provider in India, based on the number of customers. The company offers an integrated suite of telecom solutions to its enterprise customers, in addition to providing long distance connectivity both nationally and internationally. The company also offers digital TV services. These services are rendered under a unified brand 'airtel' either directly or through subsidiary companies. The company operates in four strategic business units, namely, mobile, telemedia, enterprise, and digital TV. The mobile business offers services in India, Sri Lanka and Bangladesh. The enterprise business provides end-to-end telecom solutions to corporate customers and national and international long distance services to telcos.

The company also deploys, owns and manages passive infrastructure pertaining to telecom operations under its subsidiary Bharti Infratel Ltd. Bharti Airtel Ltd was incorporated in the year 1995 with the name Bharti Tele-Ventures Ltd. The company was promoted by Bharti Telecom Ltd, a company incorporated under the laws of India. The name of the company was changed from Bharti Tele-Ventures to Bharti Airtel Ltd with effect from April 24, 2006 in order to reflect their brand essence, objective and the nature of their business activities.
1.6.2. Aircel Ltd.

Aircel Ltd is a mobile phone service provider in India. The company offers both prepaid and postpaid GSM cellular phone coverage throughout India. The company is a joint venture between Maxis Communications of Malaysia and Apollo Hospital Enterprise Ltd of India. The company is India's fifth largest GSM mobile service provider with a subscriber base of over 36 million and is the fastest growing mobile operator in the country. It is the market leader in Tamil Nadu, Assam, North-East and Chennai. The company is present in 18 Telecom Circles, which include Mumbai, Pune, Uttar Pradesh East, Uttar Pradesh West, Delhi, Andhra Pradesh, Karnataka, Kerala, Kolkata, Assam, Bihar, Chennai, Himachal Pradesh, Jammu and Kashmir, North-East, Orissa, Tamil Nadu and West Bengal. In addition, it has also obtained permission from Department of Telecommunications (DoT) for providing International Long Distance (ILD) and National Long Distance (NLD) telephony services. The company has two wholly owned subsidiary companies, namely Aircel Cellular Ltd and Dishnet Wireless Ltd. Aircel Cellular Ltd is the market leader in Chennai Metro Telecom circle and Dishnet Wireless Ltd is providing Cellular Mobile Services in North Eastern Circle, Assam, West Bengal, Orissa and Jammu & Kashmir Telecom Circles. Aircel Ltd was incorporated on December 20, 1994 as Srinivas Cellcom Ltd with its registered office located at Chennai. The company was established for providing Cellular Mobile Telephone Services in the Tamil Nadu Telecom Circle. The company was a subsidiary of Aircel Televentures Ltd, which was the subsidiary of Sterling Infotech Ltd, owned by NRI businessman, C Sivasankaran. The company commenced operations in 1999 and became the leading mobile operator in Tamil Nadu within 18 months. In December 2003, they launched commercially in Chennai and quickly established itself as a market leader.

1.6.3. Mahanagar Telephone Nigam Ltd (MTNL)

MTNL is state owned Indian telecom services provider. The company was established in 1986 by the Indian government. It provides a range of telecom services including fixed line, mobile, broadband and national and international long distance. At the end of March 2013, the company had 1.12 million broadband subscriptions, 4.99 million mobile subscriptions and 3.46 million fixed line subscriptions.
1.6.4. Bharat Sanchar Nigam Ltd. (BSNL)

Bharat Sanchar Nigam Limited (abbreviated BSNL) is a State-owned telecommunications company headquartered in New Delhi, India. BSNL is one of the largest Indian cellular service providers, with over 83.6 million subscribers as of January 2011, and the largest land line telephone provider in India. BSNL, then known as the Department of Telecommunications, had been a near monopoly during the socialist period of the Indian economy. During this period, BSNL was the only telecom service provider in the country. MTNL was present only in Mumbai and New Delhi. During this period BSNL operated as a typical State-run organization, inefficient, slow, bureaucratic, and heavily unionized. As a result subscribers had to wait for as long as five years to get a telephone connection. The corporation tasted competition for the first time after the liberalization of Indian economy in 1991. Faced with stiff competition from the private telecom service providers, BSNL has subsequently tried to increase its efficiencies. The corporation (then DoT), however, failed to achieve the egalitarian growth and India languished among the most poorly connected countries in the world. BSNL was born in 2000 after the corporatization of DoT. The corporatization of BSNL was undertaken by an external international consulting team consisting of a consortium of A.F.Ferguson & Co, JB Dadachanji and NM Rothschild - and was probably the most complex corporatization exercise of its kind ever attempted anywhere because of the quantum of assets (said to be worth USD 50 Billion in terms of breakup value) and over half a million directly and indirectly employed staff. Satish Mehta, who led the team, later confessed that one big mistake made by the consortium was to recommend the continuation of the state and circle based geographical units which may have killed the synergies across regions and may have actually made the organization less efficient than had it been a seamless national organization. Vinod Vaish, then Chairman of the Telecom Commission, made a very bold decision to promote younger talent from within the organization to take up a leadership role and promoted the older leaders to a role in licensing rather than in managing the operations of BSNL. The efficiency of the company has since improved, however, the performance level is nowhere near the private players.
Figure: 1.3. Service provider wise market share as on 31st March, 2013

Source: www.telecomlead.com

1.7. Rationale for studying employee development in telecom industry

The study aims at examining the employee development practices in the telecom Industry. The telecom services have been recognized the world-over as an important tool for socio-economic development for a nation. It is one of the prime support services needed for rapid growth and modernization of various sectors of the economy. The Indian telecom sector is witnessing great competition. MTNL and BSNL are the major public players, whereas Airtel, Idea, Vodafone, Tata, Reliance, BPL, Aircel are the leading private players in the country. Low cost and increasing competition ensured that the share of private sector in the total telecom space stood at 85.51%, as in December 2012, as against a mere five per cent in 1999. The private sector is actually now playing an important role in the expansion of telecom services. With this rapid
growth in Telecom Sector, the need for trained professionals in bound to rise and so is the training need. According to the report by Naukrihub 2012 the total training market in telecom sector is estimated at Rs 400 crores. Many top players are spending a huge amount on training and development. For example, BSNL alone spends more than 100 crores on training and development of its employees through the Advanced Level Telecommunications Training Centre (ALTTC) and 43 other regional training institutes. Reliance has also established Dhirubhai Ambani Institute of Information and Communication Technology. In addition to that, Bharti has also tied-up with IIT Delhi for the Bharti School of Telecommunication Technology and Management (naukrihub.com, 2012). With large size of population and rising incomes there is significant headroom for growth in the telecom sector. This will result in more investment and career opportunities in telecommunication sector. The telecom companies, in order to sustain growth and market share in the market, have to continuously innovate their business strategies where business alliances, brand and human resources will be the strategic differentiators. According to the Chairman of Bharti Airtel, Mr Sunil Bharti Mittal, focus on productivity improvement can be achieved through organizational restructuring, enhancement in people engagement and employee value proposition. Thus as the telecom markets are facing immense competition between the incumbents and the new potential entrants, employee management and development evolves as the significant key success factors.

1.8. Research problem

Despite the fact that Indian Telecom Industry in public sector has a huge infrastructure and had early mover advantage, still its performance is low as compared to its counterpart in private sector. Though the public players of the telecom sector (BSNL, MTNL) are having close to 73 per cent share in the basic services, the private players occupy 75 per cent of the subscriber base in cellular services, which has emerged as the fastest growing sector in the Indian Telecom Industry (TRAI Report). The PSUs are lagging behind in the competition in the fastest growing segment besides having the largest share in the fixed wire lines and high penetration in the rural market. Inspite of public sector having the inherent advantages of being pioneer in the trade, one of the key factors behind its low performance, is the lack of motivation amongst its human resources.
The above phenomenon appears to stem from a vast disparity in the employee development practices of the two sectors. In other words, we can say that the nature of ownership of the companies affects the employee development practices in several ways. Rondinelli & Iacano (1996) argued that State ownership in the developing world grew for slightly different reasons, mainly to promote growth. In the post-colonial countries of Asia, Africa and Latin America, governments sought rapid growth through heavy investments in physical facilities. Thus there was tremendous growth in the use of State Owned Enterprises (SOEs), throughout much of the world especially after World War II which, in turn, led to privatization many years later. The term "privatization", was first coined by the well known management guru Peter Drucker, before it was adopted by Thatcher (Thatcher, 1993; Yergin & Stanislaw 1998). The goals of privatization as described in Price Waterhouse (1989), are to (i) raise revenue for the state, (ii) promote economic efficiency, (iii) reduce government interference in the economy, (iv) promote wider share ownership, (v) provide the opportunity to introduce competition, and (vi) subject State owned firms to market discipline. The perceived success of the British privatization program encouraged many other countries to pursue this path through public share offerings. During the last two decades, governments across the world have been changing public services through reorganization and restructuring in an attempt to attain higher performance and quality (Pollit & Bouckaert 2004; Solomon 1986). In addition, managers in the public sector have been encouraged to adopt private sector management models (Box 1999; Ferlie et al., 1996). The arguments for State ownership rests on the actual or perceived market failure, and nations have responded to this with State ownership. Privatization in turn is a response to the failings of state ownership. To the extent that privatization promotes competition, privatization may result in efficiency. Comparing the performance of state owned to privately owned firms is one way through which the impact of government ownership on firm performance can be analyzed. Ehrlich et al. (1994) find a significant link between ownership and firm specific rates of productivity growth. Their results suggest that private ownership leads to higher rates of productivity growth and declining costs in the long run. The public sector is at a very lower side. The opportunities for the advancement in the career including internal promotions are far from satisfactory in the public sector as compared to its counterpart - private sector. The lack of satisfaction, motivation and efficiency in the public telecom appears primarily to be the outcome of lack of developmental opportunities in this sector. It has also been stated that if the public
telecom with its vast infrastructure is taken over by the private telecom sector, the revenue to be thus generated will go up by three-four times over what is being generated now by the public sector telecom. The recent development of new technologies like 3G and 4G, is likely to complicate the problem further in the two sectors which may need greater monitoring and regulation of this industry. The performances of employees are, to a great extent, dependent on development opportunities, that is why the performance of private telecom sector is better than that of public sector. There is a growing discontentment among the personnel of the public telecom sector because the developmental opportunities are relatively less. Their salaries and promotions are, by and large, based on their pay scales and seniority in service. Therefore, it demands a revolutionary change in this direction. So it is very desirable that an in-depth study should be conducted to find out the lacunae in the employee development system and spot out the actual points where the shoe is pinching. To address the above issue, the present study examined a broader question of effect of the nature of ownership on the employee development practices. In particular the study aims at examining:

- The difference between the extent of implementation of the existing employee development practices in the public and private sectors of the telecom industry

- The difference in the perception of the employees towards the existing employee development practices between the public and private sectors of the telecom industry

As mentioned earlier, private sector is facing severe domestic and foreign competition while the public sector is struggling with escalating personnel costs, sluggish productivity, federal budget cuts and declining State revenues. As a result, both sectors must take a closer look at personnel practices and their significance. Lack of a motivated work force is one of the major problems facing the public and private sectors (Khojasteh, 1993). Amongst various reasons studied by different researchers for low motivation and satisfaction of the employees such as: job content, financial rewards, social atmosphere, work life balance, personal characteristics (Sokoya, 2000) one of the much unexplored reasons is the lack of developmental opportunities. This gap has come up after going through the past literature that despite the importance of workplace training, many research studies on job satisfaction do not address satisfaction with workplace training as an element of overall employee satisfaction, and many job satisfaction survey instruments do not
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include a “satisfaction with workplace training” component (Schimdt, 2004). In this context the study aims at finding:

- *The impact of the employee development practices on the employee satisfaction and thereby job performance in the telecom industry as a whole*

1.9. Key definitions

This section on key definitions explains the use of the main terms employed, and how these terms will be interpreted for the purposes of this study.

**Development:** It is defined as the growth or realization of a person’s ability, through conscious or unconscious learning. Development programs usually include elements of planned study and experience, and are frequently supported by a coaching or counselling facility (Manpower Services Commission, 1981).

**Employee development:** It is a system of assisting employees to develop themselves within their current jobs or advance to fulfill their goals for the future. This is done with appropriate development practices imparted by the management of the organization. Employee development was defined as improving employee competencies and skills over the long term through a variety of methods such as mentoring, coaching, succession planning, etc.

**Employee development practices:** These are planned and formal methods adopted in an organization to improve the employee skills and competencies on the present job

**Management support:** A support by the management/supervisor as perceived by the employees is the degree to which the employees feel that they are supported by their supervisor (Gagnon & Michael, 2004).

**Relevance of employee development practices:** Perceived relevance, in its most general sense, refers to those things which we perceive as instrumental in meeting needs and satisfying personal desires, including the accomplishment of personal goals (Keller, 1987).
**Employee satisfaction:** Employee satisfaction could be defined as the extent of employee's gratification or prosperity that the former get from their job (Morhead & Griffin, 1998). Employee satisfaction with training and development is a major factor in decisions regarding people’s career (Violino, 2001).

**Job performance:** has been defined as the total expected value to the organization of the discrete behavioural episodes that an individual performs over a standard period of time (Motowidlo, 2003)

**Public sector:** The public sector is that portion of society controlled by national, state or provincial, and local governments. In other words, public agencies are owned, funded and controlled collectively by members of political communities at different levels of government (Bozeman, 1987).

**Private sector:** The private sector is the part of a country's economic system that is run by individuals and companies, rather than by the government. In other words, private sector firms are owned by entrepreneurs and shareholders.

### 1.10. Organization of the study

The study is organized into five chapters. They are as follows:

**Chapter I** provides an introduction to the study including the background, statement of the problem, the research questions and their significance, definitions, and limitations.

**Chapter II** reviews the literature and endeavours to build the theoretical groundwork on which the research is based. The concepts of the training, development and employee development are introduced in this chapter. It presents a detailed view of the evolution of and the typology of employee development practices. Various models of training and development are studied. The chapter also includes discussion on the key discipline areas of management support, relevance of development practices, employee satisfaction and job performance and then proposes a model of the key disciplines in the development of a conceptual framework for the research
Chapter III details the research methodology including justification of the choice of the research paradigm and the reasons behind the choice of the research methodology. It also explains the sampling methods chosen and describes how the data was gathered. It includes methods of analysis of each of the research objective.

Chapter IV presents the data analysis and results. It provides the interpretation and discussion of the results of the data collected from the present employees of the telecom industry.

Chapter V concludes the study. It provides the recommendations and implications for practical use of the findings in employee development practices. It also mentions the limitations of the study along with the suggestions for future research.

1.11. Summary

The chapter introduces the concept of human resource, human resource development, training and employee development. It provides the background of the study and a brief description about the telecom industry and about the four companies of the private and public sector selected for the study. The chapter justifies the selection of studying employee development practices in the telecom industry. It discusses the research problem, addressing various issues of employee development. Finally the organization of the study has been presented.