Chapter 1

Introduction

Markets, economies and organizations are undergoing changes and transformations never even envisioned before. There are no monopoly markets and competition is a universal phenomenon at the global level. And in today's intensely competitive and globalised markets organizations have to establish their market supremacy. In this background a growing number of organizations have realized that their workers/employees as human resource, is a vital resources which has tremendous potential. In fact it is only through the direct involvement of this vital resource that an organization achieves its goals.

Human beings are recruited in an enterprise and are allocated roles so that they form the organization. An organisation is created to perform tasks. Therefore inadequate task definition leads to disorganization.

Yet, however much one attempts to create 'perfect' organizations, the members of which will hopefully perform tasks with single-mindedness, such organizations remain in the files and charts. In actuality people engage in activities that are irrelevant to dysfunctional in terms of the stated tasks of the enterprise. In a dynamic and fast changing world organisations also have to be more dynamic. Organisations would like to grow in various ways and forms, respond to their environments and may even like to have considerable impact on them. To be able to do these they should be able to induce dynamism in employees through developing their capabilities. Such enabling capabilities can be developed in a climate that provides some amount of initiative, trust, openness, autonomy, risk
taking, collaboration and commitment to work." An organisation sets the relationship between people, work and resources. »¹

As indicated "An institution is like a tune, it is not constituted by individual sounds but by the relations between them² i.e. the things which are unorganized are indeed like individual sounds; they must be set in a suitable relationship. Where every group of people exist in a common effort, organisation is employed to get productive results. All members of an organisation help in creating this supportive environment and helping employees to become effective in their jobs is one of the fundamentally important tasks in personnel management that any organization has to undertake. Employers depend on the quality of their employee’s performance to achieve organizational aims and objectives; employees have motivational needs for development, recognition, status and achievement. The initiative for providing this help mainly comes from the employers. The vocabulary to describe this kind of help in the context of work, included terms such as training, development, education and more recently human resource development.³

**Human Resource:-**

Human Resource may be considered a newly emerged concept which has gained so much importance in such a short time but the fact remains Human were always and will remain the most vital resource of any organization. In the development of this resource lies the growth and progress of an organization. Since human – resource affects productivity directly some thinkers feel that human – beings become human – resource

only when they acquire certain knowledge, skills, attitudes which all useful and contribute towards the productivity of an organization.

Human Resource is a broad term and it includes both the quantitative and qualitative aspects from the national stand point, the human resource can be defined as the total knowledge, skills, creative abilities, talents and aptitudes obtained in the population, where as from the view point of individual enterprise, they represent the total of the inherent abilities, acquired knowledge and skills.4

Economically, human resources have been viewed as a form of capital and as the product of investment whereby production is acquired. Ginzberg5 points out human resources are the key to economic development. However, they are being wasted through unemployment, obsolescence of skills, lack of work opportunities, poor personnel practices and the hurdles of adjusting to change. These resources account for a major share of national output, and there exists a wide scope for enhancing the productivity thought an optimum utilization and adequate development of these resources. The physical resources will not give results unless the human resources are applied to them. In addition to providing value to physical resources, the factors provide a dynamic character to the economy.1

The importance of human resources arises from the non-economic factors also. In this era of democracy, agriculture industry and even governments are only service organizations which provide goods and services to the people so long as they are willing to produce for

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themselves. The concept of freedom of enterprise and equality of persons indicate that individuals should have maximum freedom of opportunity to avail of their full development and use of their potentialities. Thus, from the political stand point, the human resource plays a very prominent role in organisations as their participants.

Moreover, the human resources are also of significance from Religious viewpoint. The spiritual literature highlighting the dignity of and the divinity within human beings has influenced management considerably is found in abundance. Last, but not the least, human resources carries a lot of significance from Psychological viewpoint also. The essence of psychological environment is motivation which provides dynamism to this unique resource. The individuals may derive motivation from their job itself through a sense of achievement and allied measures. They can also be motivated through external incentive schemes.

The economic development can't be accomplished in developing countries unless they have well-educated and highly trained, achievement-motivated and properly developed-human resources. Likewise, an enterprise can't make any progress unless it has a well-trained, efficient and adequately motivated work-team. Similarly, individuals can't derive job satisfaction and lead a high standard of living unless they are well-trained and highly developed. The management of human resources can assist in the attainment of these national, enterprise and individual goals through effective utilization and proper development of human resources.

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7 Athan P.W: Developing Reliable Human Resources. Personnel Journal, April, 1964; 43(4) pp.185-188
Origin of the Concept of Human Resource Development (HRD)

The history and origin of Human Resource Development is not very old. The term came into use only in early seventies of last century. It was first applied in 1968 in the George Kashington University. In 1969, it was used in Miami at the American Society of Training and Development Conference. In the middle of 1970’s the concept was well accepted and was understood in the terms of ‘Training and Development’ of workers.11

The concept of HRD:-

HRD is the technique or a process to help people to acquire competencies and abilities and it is a continuous but concerted process adopted by the organization to enrich the human factor deployed on the various fronts to achieve the objectives in the present and future course of time.12

HRD is a process, not merely a set of mechanisms and techniques. The mechanisms and techniques such as performance appraisal, counseling, training and organisation development interventions are used to initiate, facilitate and promote their process in a continuous way. Because the process has no limits, these mechanisms may need to be examined periodically to see whether they are promoting or hindering the desired process. Organisation can facilitate this process of development by planning for it, by allocating organizational resources for the purpose, and by exemplifying on HRD philosophy that values human beings and promotes their development.13

The term HRD has multifaceted meaning. The definition, interpretation and functions of HRD varies depending upon individual author’s specialization and intention. An economist would define HRD in

11 Dr. Sushil Nayyar on HRD practices in SBI. Vinsro Compu. Systems Pvt. Ltd. 2001 pp.20-21
the terms of capital assets, labour, skill and wages whereas a psychologist would perceive it as attitudes, values, perceptions and intelligence. A socialist would visualize it as the quantum of social relations and value exchange that is possible in the development process of society.\textsuperscript{14}

In this context, HRD refers to the process where by the employees of an organisation are continuously helped in a planned way to acquire or sharpen their capabilities required to perform various functions and to develop their general capabilities, rediscover and exploit their inner potential for their own and organizational development. It will also help for the development of an organizational cultural where team work and collaboration among the units, contribute to the healthy organizational dynamism and pride of employees.\textsuperscript{15}

\textbf{Need for HRD.}

The day-to-day development of science and technology and the vast changes that are taking place in every walk of life make it more essential to take the best advantage of human resource. The capabilities of the mind, the only inexhaustible (with some inception) resource of mankind would be very much useful to find out the solutions for social and physical problems.

HRD efforts are needed not only for the government organisations but also for commercial and industrial organisation. In an era of volatile environment, where organisations seek continuous improvement by developing optional strategy, the need for HRD is a vital one. This in turn will help the organisation to encourage innovation for new and improved ways of doing their own jobs or manufacturing products. However, it is needless to say that it is not easy to encounter to the process of HRD as it is an emerging issue in many of the organisations. The nature and need of

\textsuperscript{14} Madeas Management Association, \textit{Human Resource Development Concepts and Practices} 1996
\textsuperscript{15} Ram, Taneja, \textit{Planning Human Resources for Efficient Management}, Industrial Times, Bombay 1999
HRD programme mostly depends upon the nature, need of organisation and as HRD is a continuous process/mission, the organisation has to ensure whether and to what extent it will sustain the burden of HRD in the ever changing environment.\footnote{Yoder, D: Personnel Management and Industrial Relations. New Delhi: Prentice Hall of India 1972.}

In India a good number of industrial organisation have HRD staff or HRD department. In some organisations the role of HRD is either played by the personnel department or by the Chief Executive himself. With the passage of time, the industrial organisations have realized that human resources are the most important element in the field of success and future of an organisation. The need for having right number of workers of relevant categories and utilizing them efficiently has attained special significances. An overstaffing in an organisation entails an additional burden of labour cost and consequently productivity fails. It also affects the principle of delegation of authority and fixation of responsibility, morale of workforce and distribution of work accommodation. On the other hand, understaffing affects the quality of work, production schedule, marketing function and all these factors pause the way for industrial relations problem. Here HRD is imperative to have effective and required manpower planning in light of productivity of workforce. However, human competencies are very critical for those working in organisations. Unfortunately, HRD has not got that attention it deserves in the industrial sector of our country. In India, industrial sector as a core and service sector is an exception to a certain extent as HRD has been given due importance through quality circle programmes, orientations and seminars, training programmes, etc. to motivate the people and inturn to attain the goals and objectives.

Mead has stated the following objectives of HRD. According to him the objective of HRD is the develop:
1. The capabilities of each employee as an individual.
2. The capabilities of each individual in relation to his or her present role.
3. The capabilities of each employee in relation to his or her expected future role.
4. The dynamic relationship between each employee and his or her supervisor.
5. The team spirit and functioning of every organizational unit.
6. Collaboration among different units of the organisation.
7. The organisation's overall health and self-renewing capabilities which, in turn, increase the enabling capabilities of individuals, dyads, teams and entire organisations. \(^7\)

**Human Resources Development in India.**

In the Indian social life it is presumed that all are common, but some are more common and these more common people are known as uncommon because of unique philosophy of human life in the field of management. In India, the period between 1980 – 2000 could be seen as the emergence of computerization and HRD. The last decade of the last century saw the emergence of new technologies in the fields of Management Science including Human Resource Management.

HRD is certainly a fascinating subject but at the same time it is quite complex and confusing. It is fascinating because there are several dimensions of human resource which have to be considered and it is complex and confusing because it enters more into the field of behavioural science or to put it precisely into the field of psychology rather than

\(^7\) Mead M: *A Look on Human Capacities*. The Lamp Summer 1963
keeping it confined to the field of management. Human competency development is an essential prerequisite for any growth or development efforts. Rapid development in technology in the fields of computer, electronics, communication, in advanced countries is also having corresponding effect in the technological base in our country. Many organisations both in Public and Private sector have set up new departments as “HRD Department” which symbolizes the recognition of the importance of people’s competency development to cope with the advance technologies in the fields of computer, communication and electronics. But many organisations, consider HRD merely as imparting of training. Without realizing the essential meaning and real potential of HRD many such organizations merge their HRD wings with their Personnel Departments.

During the regime of Late Prime minister Rajiv Gandhi, a separate ministry was formed envisaging a broad concept of human resource and named as Ministry of Human Resource Development by merging the Ministry of Education, Culture, Youth and Women Development. Thus, Human Resource Development is perceived in democratic societies, like India, essentially as an indicator of socio-economic and cultural development of the country and the quality of life of its people.

HRD mechanisms

Many organizations have now started implementing the HRD Programme, as HRD and the development of the organisation can’t be isolated. An effective Human Resource Management System is essential to achieve the objectives of integrating the HRD and organizational development. The following are the mechanisms of HRD, without which organizational development is impossible.
1. **Performance Appraisal**: Performance Appraisal system is the element of Human Resource Management system which has bearing on HRD efforts. It has been traditionally considered as a mechanism to control employees through salary administration, reward administration, promotion and disciplinary action. Measurement of performance, identification of potential, coaching and development are the three important objectives of any performance appraisal system. This helps in distinguishing the personnel on the basis of their performance efficiency which in turn is useful to evolve suitable incentive plan or otherwise. The appraisal system will be meaningless without an efficient administrative mechanism. An HRD oriented performance appraisal is used as a mechanism by supervisors to:-

a. Understand the difficulties of their subordinates and try to remove them.

b. Understand the strengths and weaknesses of their subordinates and help the subordinates to realize these.

c. Help the subordinates to become aware of their positive contributions.

d. Encourage subordinates to accept more responsibilities and challenge.

e. Help subordinates acquire new capabilities.

f. Plan for effective utilization of the talents of subordinates.

2. **Potential Appraisal and Development**: In organizations that subscribe to HRD, the potential of every employee is assessed periodically. Such assessment is used for development planning as well as for placement. A dynamic and growing organisation needs to continuously review its structure and systems, creating new roles and assigning new responsibilities. The identification of employee - potential to ensure the availability of people to do different jobs helps to motivate employees in addition to serve the organizational needs.
3. **Career Planning**: The HRD philosophy implies that people perform better when they feel trusted and see meaning in what they are doing. In the HRD system, corporate growth plans are not kept secret. Long range plans for the organisation are made known to the employees and are helped to prepare for change whenever a change is planned.

4. **Training**: It is linked with performance appraisal and career development. Employees generally are trained on the job or through special in-house training. P.F. Drucker (1980) summed up, "It is the essence of being a developing country that effective, productive, competent people are in a very short supply. One of the central tasks in a developing country is the development of people into Human Resource—a task of training, of developing and managing."\(^{18}\)

5. **Organisation Development (O.D.)**: OD is an intervention strategy that uses group process to focus on the whole culture of an organization in order to bring about planned change. It seeks to change beliefs, attitudes, values, structures, and practices so that the organization can better adapt to technology and cope up with the fast pace of change. This is a planned change effort which involves the total system and is related to the organization's mission and values.\(^{19}\)

6. **Rewards**: Rewarding employee performance and behavior is an important part of HRD. Appropriate rewards not only recognize and motivate employees, but also communicate the organization's values to the employees. Innovations and use of capabilities are rewarded in order to encourage the acquisition and application to skills. Promotions are generally not considered as rewards because decisions of promotions are


based on appraisals of potentials whereas rewards are based on performance.

7. **Employee resourcing**: An HR policy aims to supply an organization with the right quality and number of people to actualize its strategy. Employees resourcing affects the performance of the organisation and has significant social consequence for the individual and society. It influences employee’s skill development, their commitment to the organisation, and their careers, and it has potential for positive and negative consequences on individuals well being.\(^{20}\)

Professor T.V. Rao\(^{21}\) opines that the sub-systems should comprise the performance appraisal, potential appraisal and development feedback and performance coaching, career planning, training organisation development, rewards, employees welfare and the quality of work life and human resources information system. Dr. Udai Pareek,\(^{22}\) a pioneer in the subject of HRD philosophy in India makes a reference only to the performance appraisal feedback and counseling, potential appraisal, career development and career planning and training under HRD. According to Dr. Udai Pareek, reward system and employees welfare schemes are the hygiene factors necessary for the creation of proper environment for inducting HRD system.

In some public and private enterprises in India, where HRD has been introduced, HRD system is varying in degrees. SBI which pioneered the HRD system in India developed manpower planning, performance appraisal, training organisation development, career plan and research as


\(^{21}\) E. Abraham and T.V. Rao, HRD practices in Indian Industries – a Trend Report, Management And Labour Studies Vol. 2, No. 2 April 1986

components of HRD. The HRD model of IOC (Indian Oil Company) Ltd. are corporate planning, manpower planning, role analysis, performance appraisal counseling and feedback, succession planning, career planning job rotation, training and HR data bank.\(^{23}\)

In HMT (Pinjore), the HRD mechanisms are, recruitment selection, manpower planning, training and development performance appraisal, feedback and counseling. At the state level public enterprise in PTC (Mohali) has different HRD mechanisms such as performance appraisal, Training and development feedback and counseling, career plan, job-design and quality circle whereas in some private sector organizations like Ranbaxy (Mohali) the HRD mechanisms are recruitment, manpower planning, training and development, performance appraisal, quality of working life, job enrichment, suggestion schemes & personnel research.

However, there is no clarity about the scope of HRD mechanisms and divergent views as to the composition of HRD system have not made it possible to develop a wholistic system of HRD. The mechanisms used by an organisation depends on the size, technology, corporate philosophy and resources of the organisation.

**The Statement of Problem**

Human Resourse Development (HRD) as a function is getting more and more popular. It establishes a close but cordial rapport between bosses and subordinates for an easy interaction to motivate whole human force in the organisation. A few organizations by now have established either new departments to perform this function or at least have added new roles of HRD Mangers to their Personnel Department. But why only a few organisations, why not all the organisations have opted to establish

separate HRD departments whether it is public sector organisation or a private sector organisation? This question needs to be seriously explored. It is viewed that in some organisations HRD is considered mere as part of imparting training to employees and that training is only a job-related training. Further the organisations which merge the HRD department in personnel department consider Human Resource Management HRD and HRD as one and the same concept. Organisation who are still continuing with this practice may not be realizing but it is widely observed that all those organization where full-fledged HRD department are working, are more prosperous than their counterparts who continue to operate their HRD functions through their Training and Personnel Departments.

It has been identified that public sector organizations need more attention on the subject of HRD. Although the government has set up separate Ministry of ‘HRD’ but our public sector organizations continue to be poorly managed. It has been identified that the lack of attention towards the concept of HRD in public sector enterprises is the main cause of their poor performance and the ascendance of Private – sector.

Very few organisations have a clear cut philosophy of HRD. Most of the organisations seem to have taken the human resource and human processes for granted. The need for making a planned effort to develop human resource in ways that are beneficial to the organisation is being felt by the organisations increasingly only in the last decade of 20th century. This is not to say that there are no HRD mechanisms being used by the Public sector organisations. Every organisation uses some of the mechanisms outlined in the HRD mechanism, it is based on a clear understanding of the purpose then it would yield results. Most organisations using the HRD mechanism do not use them with the purpose of development. It has been widely observed that Training – programmes
are organized only to consume the budgeted provisions. Incentives like fee-holidays are given only to the chosen – few employees never as a part of a planned strategy of performance - improvement or grooming the subordinates for a future senior assignments.

Similarly, only good wages and salary are not the only motivators. Till mid 80's of the last century it was assumed that workers were motivated by the economic benefits only. In certain cases it was observed that still better – financial benefits fail to bring about the desired resouts. This trend clearly established the fact that other factors viz. social, motivational and attitudinal factors also carried their weight in enhancing the performance and resulting in better productivity.

Such assumptions can also be applicable in industrial situations, where the social and economic status of an employee may contribute to develop human resource, increase morale and level of job satisfaction. The solution to the problem relating to the development and motivation of human resource at work and job satisfaction among the employees is indeed very difficult to discover. Though a layman may unhesitatingly come out with the answer that development of human resource is primarily dependent upon the size of the salary package, an employee receives, yet there may be other aspects of the job and the work environment which influence motivation and morale among the employees.

HRD has already achieved the status of a full fledged discipline from its earlier position, but the research in any discipline gets a boost, when the varied problems concerned with theory and practice attract attention for a serious study. Implementation of policy programmes effectively and efficiently can be regarded as one of the major functions of Public Administration. Various dimensions such as organizational structure, management of human resource, impact of training on motivation, morale,
personality and job satisfaction would form part of the administrative aspects in the implementation of HRD programme.

The present study has been undertaken to understand the impact of training on the public sector organizations and private sector organizations. A better understanding of the needs, motivating factors and feelings of the employees working in the organizations under study, would help us in articulating a number of problems related to the conditions of work, individual and social adjustment and opportunities for the professional development.

These significant factors touch the lives of many people. The attention needs to be focused on the motivational factors and job environment so as to identify the influences of organizational characteristics, on the employee motivation.

Secondly important aspects which need attention are the contribution of training towards employee – motivation, sense of job satisfaction and personality development.

Thirdly, it is also important to look into those measures which organizations must take to instill higher motivation among their employees. Fundamental concepts in human resource revolve around the essential nature of man and the nature of organizations. These ideas have been derived from many disciplines, because human resource integrates at the point of action all disciplines which can contribute its understanding of people in the organisation.

Review of literature

A comprehensive review of the existing literature is undertaken before finalizing the objectives and scope of the study. A large number of books and journals are consulted. Many studies are based on published
data, reports. Although a plethora of literature is available on the subject in the form of text books which could relate the theoretical aspects with policies and practices in any public and private sector is very rare. A brief view of some of the noteworthy studies will clarify the purpose of the study. It has to be admitted, however, that it is impossible to incorporate all the relevant information available on the subject. The related literature / studies have been written accordingly.

The survey of HRD practices in fifty three organisations indicates a positive trend of using open appraisal systems, improvement of training function, employee counseling and organisation development activities. This study is based on some of the mechanism of HRD i.e. performance appraisal, training and employee counseling. But qualitative performance appraisal and imparting of training does not exhaust the study of HRD and it also do not motivate the employees towards organizational goals. The study concluded that qualitative improvements are needed in the organisation. The researcher in this study, stressed on qualitative performance appraisal and training policy and has left other HRD mechanisms without which the objective of study of HRD is not fulfilled.24

A study on BHEL (Bharat Heavy Electronics Ltd.), shows low positive relationship between personal history with HRD climate. The study shows that high degree of qualification at the top does not necessarily help in building HRD climate. The HRD mechanisms such as organizational development and management policy has a significant role in the HRD climate. This study is based on the relationship of personal history and high qualification with HRD climate. The two factors contribute the HRD

climate but are not total HRD and do not contribute in developing the human resource in the organisation. According to this study, the HRD mechanisms and organizational development has a significant role in the HRD climate followed by the management policy. The study inferred that openness, trust, attitude, management and commitment favour the HRD climate. But in an organizational setting only these factor do not contribute to motivate the employees. Besides these psychological factors effective human resource management is crucial for the success of an organisation.25

A doctoral work on HRD in FCI, Regional Office, Haryana, discusses the importance of human resource development. The researcher laid stress on training needs of the employees in FCI and has also highlighted the shortcomings in Human Resource Management policies of the organisation. The main objective of the research had been to study organizational structure, policies and programmes relating to human resource development, recruitment and personnel policies, identifying training needs and to examinee human behaviour and values with reference to morale and industrial peace.26

Naidu, in his published doctoral work, has highlighted the form and structure of public sector enterprises, the composition of their Boards of Directors, parliamentary control system and managerial environment. The chapter on managerial environment, however, is basically devoted to the executive selection and succession planning at the top level and speaks about lack of autonomy and inadequacies in delegation, decentralization,


26 A Doctoral Work on HRD: A Study of FCI, Regional Office, Haryana by Surinder Kr. Mehta, Department of Public Administration, Punjab University, Chandigarh, 1991.
organisation structure design, professionalism etc, in very general and broad terms without trying to correlate the observations made with the actual practices prevalent in a particular public sector enterprise.\textsuperscript{27}

Another doctoral work on Human Resource Development in Haryana Financial Corporation, (HFC) searched the organisation, its structure, the process of policy making and the selected aspects of human resource management with reference to recruitment, selection, promotion and training. The researcher hypothesized that the political parties in power influence the working of HFC and lack of systematic HRM programmes have led to decline in efficiency and job satisfaction amongst employees. The ‘training’ is imparted without any thought of measuring and evaluating the employees or organization’s need. The trainees are supposed to submit feedback to the office, but it is treated as a mere formality and as such the real picture is not presented to the management. Moreover, in the absence of personnel or training division, the training functions are looked after by the computer division and this division is staffed by the employees who have no professional knowledge about ‘training’. But mere study of personnel functions and the study of training policies do not cover the total aspect of Human Resource Development. This research work is based on the personnel policies and functions in HFC (Chandigarh) and hence any implication for human resource development and hence any implication for human resource development in the organisation could not be drawn from this study.\textsuperscript{28}

The Indian society for Training and Development (ISTD) focused on promotion of Human Resource Development. It is affiliated to International

\textsuperscript{28} A Research Work on The Organisation and Working of Haryana Financial Corporation, Chandigarh, by Pooja Rattan in the faculty of Arts, Department of Public Administration, Panjab University, Chandigarh, 2001.
Federation of Training and Development organisation, USA and Asian Regional Training and Development Organisation, Manila organized this Thirty first national convention and exhibition. The ‘theme’ of the convention was ‘Future Director’ for repositioning HRD to discuss the emerging issues in the HR arena. The participants of the convention explored the key issues that conceptualize the paradoxes in the role of human resource management function and provide possibilities for far more empowered, strategic and value adding role and also exhibited show causing HR and training related products and services.29

Kiran’s doctoral work on self-perception and managerial roles relates her study to managers in some selected business organisations. The study assesses the self perception score of individual managers in terms of their social-economic background and job related variables viz. age, rank, length of service, education, income, urban/rural background and various dimensions of the self.30

A reviewed work on Human Resource Management by Walton, observes the trends and challenges of human resource management, its model, composition of policies to promote mutuality i.e. mutual goals, mutual influence, mutual respect, mutual rewards and mutual responsibility. The theorist concluded that the policies in turn will provide both better economic performance and greater human development.31

Srivastava, compiled articles covering topics, such as organizational structure, efficiency, autonomy, accountability, pricing policies, financial

management etc. with reference to ECIL, SAIL, BHEL etc. The two articles viz. 'Human Resource Audit vis-à-vis Management Audit for Control of Public Enterprises' by Mittal and Saxena and 'The Motivational analysis of managers and non-managers in Banks and Industry by Thomas have direct relevance to the area of the present study.

In this study, the authors have suggested a system of management audit as an extended form of financial audit and has attempted to analyze the motivational patterns of managers and non-managers in banks and industries but no implication for human resource management in public sector enterprise could be drawn from the above article.\textsuperscript{12}

Bansal has presented a detailed study of the few aspects of human resource management in Steel Authority of India Ltd. (SAIL). While this study deals with human resource management practices in SAIL, all aspects of human resource management have not been covered. The study has not been conducted on managerial attitudes and beliefs vis-à-vis policies and practices.\textsuperscript{33}

An analysis on Human Resource Management policies by Anand Rao, analysed the labour management relations vis-à-vis, the committees on public undertakings and their recommendations. The objective of the study has been to point out the main thrust of recommendations of the committee on Human Resource Management department, HRM policies and labour management relations and recommendations on absenteeism, overtime, incentive scheme, productivity and welfare schemes were analysed. This study has also the direct relevance to the present subject of

the study as it is the analysis of some motivating factors which the public undertakings are ignoring.\textsuperscript{34}

Rastogi, in his study of human resource management concluded that human resource management reveals that human resource however is difficult to manage because human behaviour is highly unpredictable. It differs not only from individual to individual but open on the part of some individuals at different points of time. According to his study, the success of any ventures today depends on due recognition of human potential, capabilities and aspirations and proper utilization of human traits and emotions.\textsuperscript{35}

Another relevant study a doctoral work by Garg on Human Resource Management' in Coal India Limited with reference to manpower planning, recruitment and selection, career growth, performance appraisal, training and development, compensation, discipline and grievance handling and superannuation of executive cadre employees. The study reveals those specific aspects of human resource policies and practice which require management's attention in order to plan, attract, develop, motivate, utilize, reward and retain its executive manpower more effectively. It also highlights the relevant strength areas of the organisation that may be capitalized upon.\textsuperscript{36}

One more pertinent study on Human Resource management by Virmani reviewed the existing models of HRM that whether the models are universal and transplantable in meeting the strategic challenge. The objective of the study has been to describe some of the major developments in the field of human resource management in the context of recent changes in the global environment and can be transplanted in the Indian environment.\(^{37}\)

To unravel the practice in HRM, HT careers commissioned ‘Synergy Consultants’ to study organizational culture, training and development, role of family in retention, job security, clarity of job, job challenges etc. with the objective of studying HRM and challenges to upgrade, motivate develop and retain talent in highly volatile market. This study also provides great help in understanding better issues ardently understudy as it relates to the motivational aspects and policies related to Human Resources Development in the organisation.\(^{38}\)

Stephen conducted a contextual study on training utilisation. The purpose of the research is to develop a conceptual framework for understanding training suggestion, utilization and to empirically investigate the framework utilization. The researcher used socio-cultural evolution as a theoretical work because it deals with the origin and use of social patterns. The researcher concluded that the comparatives of an establishment environment have no effect on the quantity and quality of training. He father concluded that the establishments that have technologically complex


job are likely to utilize training, regardless, of the competitiveness of their environments.39

A professional study by HR Focus'; with 154 HR professional of different organisations shared their secrets for keeping training programmes included in company budgets. The study shows that such programmers are useful and helpful in maximizing their efficiency and keep training high in quality and targeted to meet the areas of strongest needs. But this study is limited to the training of professionals of human resource only, and is of not much relevance to the present subject of the study.40

Price Water House Canfields, in yet another germane study outline that a prominent banking organisation achieved rather negative results after a large investment in an extensive training programme, primarily because of its failure to analyze the training needs within the organisation. The study recommended the organisation to analyze their training needs systematically.41

In yet another relevant study, especially from. Indian point of view and setting, Shamshul Haque undertook the study of training on Executive Development in organisations in concern with inducing management behaviour change through acquisition, understanding and user of new knowledge, insight and skills. But this study is limited to the development of executives through knowledge and skill only, i.e. training is limited to skills only and not related to the behavioural aspects in the organisation.42

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40 HR Focus, August 2002, Volume 74, No. 8.

41 HT Career, 5th Dec. 2002- Human Capital Index of Indian Companies.

A relevant study on behavioural science, training, skill based training and management science training of managers in public enterprise by Misra suggests that the acquisition of technical enterprise can lead to feeling of self – confidence, which in turn permit a manager with new ways of behaviour and a technically expertise manager will be treated differently by others in his work. The objective of this study covers the study of training from all aspects but is limited to the study of managers only and do not cover the other employees of the organisation. 43

In the comparative study of Bharat Engineering Corporation (BEC) in 1982 and 1987 by Sharma, on the organizational climate reveals that the training was not accorded much in this sick company. The company had no in house training programmes and the company and its employees hardly reacts over a period of five years in which the company's performance hardly improves from 21 percent in 1982 to 37 percent in 1987. 44

A doctoral work on Executive Training and Development in public and private enterprise in and around Chandigarh is open to executives / staff belonging to the management group in sampled enterprise. The researchers laid more stress on the training of executives to increase and develop their effectiveness in and outside the organisation but like other studies, this study is also limited to executive training and development. 45

In yet another study based on relevant survey in various organisations it has been observed that training programmes need to give less emphasis to teaching methods and skills and focus more on the value. Changing the value system of employees could help in increasing value system congruence between individuals and the organisation, which could help modify work behaviours wherever needed. Changing the value system of course, would, require efforts that are not confined to classrooms. Much more intensive socializing and interactive actions will be needed, since value based training focuses on the whole person rather than just on disseminating conceptual knowledge or imparting skills.\textsuperscript{46}

In an experimental case by Anandaran observed the failure of workmen training in improving the quality of products. The management introduced skill development training activities for its workmen. Technical up gradation programme, skill improvement programme and general development programme was implemented but immediate and tangible results were not observed.\textsuperscript{47}

Biswaajeet, discussed relevant conceptual issue involved in training and linked training with organizational development technique of eighty companies, their proportion in due sample being fifty- fifty in public sector and corporate sector. The researcher gathered data with the help of a questionnaire consisting of three parts first seeking demographic details; second, seeking responses of the respondents on a set of prepared statements on training needs of the organisation on a five point scale; and the third, a questionnaire on training evaluation on the job, impact of


training and, interestingly enough, improvements noticed after undergoing the training. The researcher suggested the organisations to set-up performance improvement departments as an improvement on the traditional training departments which will provide additionally performance oriented services.\textsuperscript{48}

Bhatia's work is basically of a text book mature and primarily aimed at training and development process, methods, approach, climate, evaluation with some specific areas vis-à-vis. for cultural diversity, web-based training, team building, apprenticeship etc. The author has also discussed the organisation development interventions, executive development, HRM and HRM in India from a purely theoretical perspective.\textsuperscript{49}

A doctoral work in the context of motivational dynamics and work efficiency of library professional staff in performing three function of accumulation, preservation and dissemination of knowledge, opens with a discussion centering on the importance of the study in hand, goes on to highlight the role which the library and its staff are desired to play in helping the university to perform its functions of dissemination of learning, search for new knowledge, provision for professional education to satisfy the occupational needs of the society. The researcher concludes that the work efficiency as a behaviour of man will be determined by the dynamic changes in the need of systems of man and his environment from time to time and from culture to culture.\textsuperscript{50}


\textsuperscript{50} A Doctoral Work in \textit{Motivational Dynamics and Work Efficiency in the University Libraries} by Jugal Kishore, Panjab University Dept. of Library Sciences, 1978.
Naulin presented the study of factors that motivate public and private sector managers. The results of a motivation questionnaire returned by 42 middle managers indicated that both sectors perceived work and responsibility as the top motivators along with salary.\(^{51}\)

Another relevant study by Costly and Todd, revealed that the satisfaction of employee affiliation needs (nah) can be beneficial to an organization. The study further indicated that when employee affiliation needs are satisfied by association with others on the job; there is a decrease in absenteeism and turnovers and when there are co-operative work group affiliations, productivity tends to be high and costs are low.\(^{52}\)

Miner's work is one of the widely recognized works in the realm of motivation and management studies. He presented a study of managerial motivational patterns to be related to nAch and nPow. He conducted that the firms should hire their low and middle managers from candidates who score high on both nAch and nPow.\(^{53}\)

Trank and Cornalies, focused on the validity of Mc Clelland's leadership motive pattern for two levels of management i.e. personnel and professional in the organisation. Three types of outcome measures were used, attitudinal variables taken from survey responses of subordinates; objective measures of administrative performance taken from company records and a variable representing the importance of "status" of the location in which the manager worked. The results indicated that the

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leadership motive pattern was not related to administrative job performance or "subordinates" morale. For first line supervisors it had been nAff that was related to job performance and favourable subordinates attitudes and not for power or the leadership motive pattern. The results of this study were interpreted in the light of the technical-professional nature of the employee sample. This study contributes to a growing literature that suggests that the motivation to influence others may not be critical for managerial success in a technical professional setting.54

Cheraghi studied the significant differences between public and private sector employees on the importance, satisfaction and motivation potential of nine reward categories. The study revealed that public sector employees were less satisfied with the way their social, esteem and autonomy needs were met than the private sector employer and there were no significant differences between the two groups in terms of the degree to which they were motivated by social rewards, self actualization need, compensation and direct economic benefits.55

Karril and Khurana examined the quality of work life of 491 managers drawn from three sectors of industry-public, private and co-operative in relation to six background variables viz. age, duration, qualification, experience, native/migrant status, number of dependents and income level and three motivational variables viz. job satisfaction, job-involvement and work involvement.


The result of this study indicated a significant correlation between quality of work life of managers and some background variables and with all the three motivational variables.\textsuperscript{56}

While reviewing the literature on 'Morale', one can't ignore the works of Megginson in this area. He examined the relationship of morale and productivity. The morale score was based on attitude measures in four areas. The intrinsic job satisfaction score did not differentiate the efficient and inefficient work groups. Employee's centered supervision had a positive relationship with employee morale in a workgroup.\textsuperscript{57}

Wood and Greenfield presented a detailed study of a few aspects of morale and the objective of this study is somewhat akin to the present study. The study of 82 managers from private sector and government sector concluded the managers in private sector were more likely to be on fast track (promotions) and high fear of success category while managers in public sector were more likely to be on slow track, low fear of success category.\textsuperscript{58}

Kahn (1960), conducted a study among 6000 workers and identified four components of job satisfaction. Those were intrinsic job satisfaction, satisfaction with the company and supervision satisfaction relating to rewards and mobility opportunities.\textsuperscript{59}

Tiffin & Mc Cormick\textsuperscript{60}, Rohilla\textsuperscript{61}, Sarkar and Patnaik\textsuperscript{62}, Mill\textsuperscript{63}, Blum and Naylor\textsuperscript{64} and Hinrich\textsuperscript{65}, all identified different job factors, influencing job


\textsuperscript{57} Megginson, L. C. Personnel: A Behavioural Approach to Administration, Homewood, 1967.


\textsuperscript{60} J. Tiffin, E. J. Mc Cormic (1965): Industrial Psychology (6th Ed.) New Delhi, Practice Hall of India, p. 44.
satisfaction. They were security, income, pay packet, recognition of the work done, opportunity for advancement, behaviour of superior, responsibility and achievement.

Balasubramaniam and Narayanan during their attempt to explore the relationship between personality dimensions of extroversion-introversions, neuroticism and job satisfaction observed that emotional stability seems to contribute to job satisfaction.66

Sharma and Bhasker described level of job satisfaction and dissatisfaction as the experience of a person within the organisation and not that of his background or personality. In other words, employees are not predisposed to feel either satisfied or dissatisfied with their jobs, when they enter an organisation. They develop such positive or negative feelings as a result of the experiences, they have with the job assigned to them and the treatment they receive from their superior in the organisation.67

The needless feelings of conflict, if persistent will not only dampen a person's enthusiasm to do well but also will create a great deal of contempt toward the supervisor and the company. In fact, it has been found that the stressors which produce the most unhealthy behaviour in individuals are the emotional aspects of the job.68

68 Alan A. Mclean, Job Stress and The Psychosocial Pressures of Change Personnel (Jan-Feb. 1976) p .41
The effects of the sources of stress on various measures of physical and mental health, ranging from absenteeism to physical health were studied for 1500 workers. The investigators referred to the sources as "strain indicators" and defined as

1. Work under load or under utilization
2. Work overload
3. Resource inadequacy
4. Insecurity
5. Non-participation.

The job stress from the situations described were related to the manifestations of poor mental health as escapists thinking, depression, low self esteem, low life and job satisfaction, low motivation to work, intention to quit job and absenteeism.69

Choudhary70 compiled papers on the effect of technology on morale. Two textile mills are compared, one which frequently alters the type of cloth produced and has a more elaborate system of management and the other with the same kind of production plan for a long period. The study reveals that the worker satisfaction was higher in the second mill because it has a less elaborate organizations and reporting structures etc.

During an attempt to explore the relationship between personality dimensions of extroversion, introversion, neuroticism and job satisfaction observed that emotional stability seems to contribute to job satisfaction.71

A few cases in available literature are found where passing references are made to the fact that the study of personality is crucial for the success of the organisation.

Rainey gave attributes of public sector employees relative to private sector employees. The study shows that regarding personal characteristics of employees of public sector, there are variations in personality traits and needs. The public sector employees are higher on dominance and flexibility and need for achievement and lower on work satisfaction and organizational commitment to the private sector employees.72

Warrier, a prominent name in the field of study of management, interviewed, 13 private and public sector managers. The study indicated that while public sector managers were concerned inclusively with work related values, there values were secondary to private sector managers, their most important concern being interpersonal relationship. The differences in the value system between the two organisations were attributed to the differences in the culture of these organisations, bureaucratic in public sector and non-bureaucratic in private sector. The researcher further concluded that such differences in organizational culture call for different personality types if they are to succeed as managers.73

Jackson reviewed research on the personal attributes of personnel, executives and human resource managers and reports of two surveys of 328 male and 125 female personnel executives to demonstrates their vocational interests and personality pattern. Results revealed high degree of similarity between both male and female personnel executives. Notable


exceptions between the sexes were that while both sexes were high in achievement and dominance as compared to the norms, women were somewhat higher on these norms.74

In Indian context, Sinha observed that the problem of selection of supervisors/managers and officers in industry has not received adequate attention and no-systematic research has been reported so far but. The researcher undertook the study of work efficiency of technical personnel in relation to their aptitudes, personality and motives. The sample comprised of male students of Indo Swiss training center and industrial workers' from PTL and APL. The researcher finds APL workers yielding a superior mean score in comparison to ISTC and PTL samples. The superior performance of ISTC sample may be on account of their rigorous selection procedure. In order to avoid wastage of manpower and to enhance productivity in industrial setting, it would be profitable both for the management of industrial plants and workers to know before hand, what the potentialities, personality make-up and motives of the workers are.75

Vanita's doctoral work accepted measurement of directly measurable aspect of personality as a working definition of personality. The researches employed Eysenck's personality theory to study certain personality traits, aptitudes and attitudes related to supervisory effectiveness.76

One can't ignore the work of J.M. Jerath in the arena of 'Personality'. The researcher reviewed the effectiveness of executive in communication,
morale building, rapport followed by an understanding of the people, emotional stability, sense of responsibility and impartiality in official dealings compounded with a positive value system helps in promoting welfare and improvement. The researcher further concluded that the human approach and commitment to the organisation lend colour and drive to personality.\textsuperscript{77}

Dwivedi's work on personality reported that supervisory in higher levels are capable enough to cope with demands of their jobs in the face of various personality difficulties because of their high level of income and education. Whereas the supervisors at the lowest level failed to adjust to complex requirement of their job because of their low income and education level.\textsuperscript{78}

Another doctoral work by Neelam on executive effectiveness in relation to personality, self-perception value and achievement motivation concludes that executive's effectiveness was found to have a significant negative correlation with religious values and emotional controls.\textsuperscript{79}

Sohan Lal's study of commercial bank branch manager effectiveness in relation to personality, job-satisfaction and adjustment, the researcher concluded that although the impact of organizational and situational factors upon the individual's performance can't be under assessed, yet personal factors appear to be more prominent determinants of individual manager's performance. The personal factors such as intelligence, knowledge, health, attitude towards work and organisation,


\textsuperscript{78} Dwivedi, R.S. - Diagnosis and Managing Leadership Among Indian Managers, Lok udyog, November. 1985

\textsuperscript{79} A Doctoral Work on Executive Effectiveness in Relation to Personality, Self-Perception Value and Achievement Motivation by Neelam Rattan (1986), Department of Psychology, P.U., Chd.
personality traits, satisfaction derived from job, adjustability etc. differentiate the highly effective and less effective managers.80.

Poonam’s comparative study on managerial effectiveness in relation to personality, motivation, organizational commitment and quality of working life in public and private sector is an attempt to examine managerial effectiveness in terms of managerial styles and identify personal and organisation prediction of managerial effectiveness. The researcher studied 120 public sector managers, 120 private sector managers, 80 top level, 80 middle level and 80 lower level managers. The study reveals that there was almost a complete exclusion of personality, motivational, organisational commitment and quality of working life in case of the top level managers and of personality and motivational variables in the public sector than in private sector.81

Sharma and Bhasker explored the level of job satisfaction/dissatisfaction as the experience of a person within the organisation and not that of his background or personality. In other words, according to the researcher employees are not predisposed to feel either satisfied/dissatisfied with their jobs, when they enter an organisation. They develop such positive or negative feelings as a result of experiences, they have with the job assigned to them and the treatment they receive from their superiors in the organization.82

80 A Doctor Work on Commercial Banks Branch Managers Effectiveness in Relation to Personality, Job Satisfaction and Adjustment by Sohan Lal Gupta Deptt. of Business Management and Commerce, P.U., Chd, 1986
81 A Doctor Work of Managerial Effectiveness in Relation to Personality, Motivation, Organisational Commitment and Quality of Working Life by Poonam Dhir, Deptt. of Psychology, P.U., Chd., 1991.
82 Baldev Sharma and Sarita Bhasker(1991), Determinants of Job Satisfaction Among Engineers in a Public School Undertaking ASCI Journal of Management 20:4, p.4
Nair attempted to study the nature and extent of behaviour of managerial personnel employed in the heavy engineering companies, one in public sector and the other in private sector. According to the researcher the organisational setting plays a decisive role in electing behaviour. He attempted to identify organisational climate factors that cause difference in behaviour in public and private sector organisations and study the interactive effects of these factors with the relevant personality variables of employees.\textsuperscript{83}

The reviewed studies do not give clear picture of the personality characteristics of effective managers. It does suggest, however, that organisational ownership pattern and hierarchy would require different personality patterns to achieve effectiveness.

\textbf{Inferences drawn from the literature}

The review of literature on the subject shows that there is much material in the form of books and articles on the subject. Work has been and work adequately developed. There is plethora of works that are impressionistic in character but they are not relevant with this study. A number of studies have been written in the journalistic style and are prescriptive without being analytical. There is a need of in-depth case studies of selected enterprises in the area of human resource development, personnel policies and practices that provide the best fit for varying situation based on size, structure and particular characteristics of the enterprises. Most of the studies are confined to the structural or personnel management aspects, examining issues like manpower planning, recruitment, training, wages and salary administration, employer-

employee relationship and job satisfaction. These topics of studies, commonly referred to as the basic and important functions of personnel administration and contribute significantly in their respective fields. However, notwithstanding the details provided in these studies, the aspects of motivation, behaviour and responses to human resource development policies and practices require more research support and which have prompted the present researcher to pick up the thread from where they have left. Hence, the study entitled Human Resource Development – a study of training, motivation and personality in selected enterprises has been taken up as a theme for the present research. The present study is an attempt to initiate the process of filling up the gap in the previous studies by examining certain key factors and significant problem areas of HRD in the selected enterprises.

Objectives of the study:-

Human Resources Development and its management has been attracting wide attention of research scholars, chief executives and managers for the last few decades. It's range is so multifarious and vast that explanation of its various avenues would continue for long. Scholars are keen to trace the roots of certain concepts with a view to enlarge and deepen the perceptions of the subject. The basic problem undertaken for examination in the present study is to investigate and ensure the effectiveness of certain issues of human resource development with reference to HMT (Pinjore), PTL (Mohali) and Ranbaxay (Mohali). Besides this, the other objectives of the present study are as follows

Objectives:-

1. To study and analyse the organisational set-up and working environment in selected enterprise
2. To examine the HRM policies and practices of selected enterprises.

3. To study the HRD policies of the selected enterprises.

4. To evaluate the training methods and training policies of the selected enterprises.

5. To examine the level of motivation, morale, personality and level of job satisfaction among the employees of the selected enterprises.

6. To examine the awareness and clarity about the concept of HRD to the employees in selected enterprises.

7. To study the impact of HRD policies on motivation morale and job satisfaction of employees in the selected enterprises.

Scope of the study:

The study is designed to identify problems relating to the organisation and working of the selected enterprises and suggesting appropriate improvements for toning up the working of those enterprises and after analyzing the facts, taking into account the views of employees associated in the these enterprises. The scope of the study is restricted to those aspects of human resource development for which policies are decided in the premises of selected enterprises.

The present study could provide useful guidelines for HRD practices and may permit generalizations across organisation and yield definite information regarding predictors of human resource development. The study is expected to fill the gaps in the existing research and literature and will also provide and contribute deep and valuable insights in to the aspects of human resource development in the selected enterprises in general. It is hoped that this study will provide a sound platform and useful practical suggestions towards more effective human resource development with particular reference to training, motivation and personality.
Limitations of the study:

It may be noteworthy to mention some of the limitations which were encountered during the study. Some data relating to the enterprises regarding personnel policies, procedure, budget for training, training methods, pay scales etc. could not be completely obtained as it is being treated as confidential. Maximum efforts have been made to contact the officials concerned but still the views of some of them could not be included. The respondents could not be easily approached as they were found busy or were away on tours to their field-assignments. The researcher faced maximum problem in collecting data from Ranbaxy (Mohali) as it may be due to private concern and everything was being treated confidential. The opinions, observations and suggestions of the respondents have been used at the appropriate places in this study but the names of respondents have not been disclosed in deference to their wishes.

Hypothesis:

The present study is self-explanatory. It is premised that every organisation can dig up the areas and issues which require attention and alterations/amendments in policies and practices of HRD for suitable action and sustainable growth of an organisation. A few hypothesis have been drawn in respect of various aspects of human resource development.

1. The Executives lack awareness about the true concept of HRD.
2. HRD is considered mere as a part of imparting training to the employees.
3. The practice of personnel policies differ with the difference in type of organisation.
4. Performance appraisal system is being practiced more as an annual exercise rather than considering it as a reward to the talented employees to select deserving employees for promotion and imparting training to the employees in selected enterprises.

5. Manpower planning is not according to skill and qualification.

6. The training needs are not being properly assessed and lacks proper follow up in the public enterprises.

7. The technique of imparting training is very traditional.

8. The quality of working life, level of job satisfaction and motivation makes a definite impact on the performance/output.

9. Gender discrimination is quite discernible in private enterprises.

10. The managers who score high on effectiveness scale would obtain high score on extroversion and low scores on neuroticism and psychoticism.

**Selection of Personnel** :-

Human resource development is vital for continuous development of employees to make them more effective for achieving organisational objectives. In fact, experienced, learned and trained employees can work miracles even with small resources. They can undertake efficiently the manifold organisational tasks, and thus, make the difference.

In the present study, it is intended to select three enterprises from three sectors viz. central, state and private sector around Chandigarh. All the aspects of HRD viz. personnel policies, training policies and training methods, performance appraisal, motivation of employees and personality development have been taken into account primarily because of the pivotal
roles they play and functions they perform as an organisation grows as its people grow.

**Sample:**

A total sample of 150 employees from each enterprise from category I to III has been drawn to assess HRD climate of HMT (Pinjore), PTL (Mohali) and Ranbaxy (Mohali). The sample has been drawn taking care that it represents all cadres of employees up to clerical level.

**Methodology**

The aim of the present study is the comprehensive analysis of all aspects of human resource development in HMT (Pinjore), PTL (Mohali), Ranbaxy (Mohali) as a means of development of employees in the organisation.

For the proposed study, both primary and secondary sources have been used. The majority of secondary data has been taken from published material, journals, handouts of HRD units and internal records of the organisation. For the collection of secondary data, the researcher had to visit these enterprises many times. To know the effectiveness of training and HRD policies on employees is one of the objectives of the study. Therefore, the source of primary data has been collected by visiting, discussing and interviewing the respondents many times, have been of great use in identifying critical and relevant issues.

To elicit views of respondents on various issues of HRD, a detailed questionnaire was prepared covering all important issues related to the subject matter of the study. It is significant to mention here that to measure personality, Eysenck’s Personality Questionnaire has been used separately. A five point scale and three point scale has been used
according to the question. Besides using EPQ, method has been used to test the hypothesis.

The study is mainly exploratory and descriptive in nature. The theoretical analysis of HRD approach highlights various issues and elements of HRD but only few issues have been concentrated. A total of 450 questionnaires were distributed in these three selected enterprises. The responses of these filled in questionnaires have been tabulated and analyzed.