Chapter No 12

CONCLUSIONS & SUGGESTIONS

12.1 CONCLUSIONS:
The Human Resource Development as a Function has evolved in India very indigenously from the year 1975 when Larsen & Toubro Company conceptualized HRD as an integrated system and decided to separate it from Personnel. Since then, in the last 30-35 years most organizations have started new HR Departments or redesignated their Personnel and other departments as HRD Departments as in case of MAHAGENCO. Today there are high expectations from HRD. Good HRD requires well structured function and appropriately identified HRD systems, and competent staff to implement and facilitate the change process.

To conclude from the present study, at the beginning of the study period the situation of power sector has undergone tremendous change. The power sector was going through a process of restructuring and reforms in many parts of the world. The driving forces behind these reforms vary from country to country, the most common being lack of public resources to finance the required investment for development, operational inefficiencies, managerial insufficiency and regulatory failures. The political climate and government policies have a significant influence in shaping these reforms. Monopoly of State Electricity board has been withdrawn. Wind of reforms with the enactment of Electricity Act 2003, Licensing, has withdrawn. Due to which large no. of private players has come up to install their generating units. Since these private players does not have their own experienced staff to install & run their units, they started recruiting employees from State Electricity Boards & Central Electricity Boards by offering them handsome package in the industry. This has resulted in to leaving of experienced staff of MAHAGENCO due to varied reasons i.e. stagnation, Pay package, better working condition, facilities, career opportunities etc. If this trend continues the biggest advantage of MAHAGENCO will be the biggest loss to MAHAGENCO. HR department should take a serious note of this i.e. increased employee turnover. Human resources are the only source for long term competitive advantage for any business organization. However,
retaining employee is proving to be a herculean task for most organizations in the modern era of globalization & competitive business. Therefore employee retention has become a major concern for all organizations. One of the major challenges of the Human Resource Management (HRM) these days is to retain the organization’s employee without letting the rots set in.

Employees who don’t want to leave the organization on the grounds of their geographical boundaries, will now also had an option to leave the MAHAGENCO as the numbers of private organizations are setting up their power plants within the Maharashtra State only.

Vast retirement in MAHAGENCO, has also contributed into acute shortage of expert’s manpower at MAHAGENCO. Looking at the cut throat competition at the door steps, MAHAGENCO has to address this situation at the earliest. As we all know, it is worldwide accepted that the role of HRD in developing & effectively utilizing the manpower is very much important in order that the organization function properly in long run. The old concepts & personnel policies needs to be addressed either by modifying or changing them altogether to cope up with the future situations. Even after trifurcation MAHAGENCO still is working with the old HR policies in this competitive environment for which the deserving employees are paying. Those who don’t want to suffer on the account of old HR polices they are leaving their job. This is an alarming situation for MAHAGENCO. Employees won’t leave the government sector or its undertaking jobs so easily, but when they are paying for outdated policies they are quitting their job. If MAHAGENCO won’t take any steps immediately, then a day will come when the situation will be beyond their control & the MAHAGENCO will have to face serious problems in future.

The study conducted also suggest that lack of career opportunities, stagnation, & the kind of relationship one shares with his / her manager are also the reasons that make an employee vulnerable to external opportunity. The most important & significant contribution to job change is not quite surprisingly the stagnation & salary in MAHAGENCO.

Maslow’s hierarchy of needs theory has proven that man likes to move on to greener pasture’. Therefore the MAHAGENCO needs to ask itself whether they have or are
willing to create green pastures within the existing company or simply let their employees wander towards greener pastures.

The top management of the organization should maintain a rapport with key knowledge workers. Employees should get the feel that the organization is concerned about their interests.

This survey indicates that the most of HRD function are not well structured in MAHAGENCO. The function seems to be a lot more convenience driven rather than systems driven. It does not have all the systems ideally it should have. The systems are not well integrated. The integration mechanisms are stronger but the specialization does not get the attention it deserves. The HRD subsystems however have evolved and matured to a substantial degree, specially the Training and Development system. However the basic philosophy on which training course calendar is prepared i.e Training Needs Analysis is found missing. Training Needs Identification is the starting point of all training efforts. Absence of training needs analysis in training is a major concern to address the performance gap of the employees. Hence it is suggested to first go for TNA & thereafter the training of the employees is to be initiated. All Training courses should be based on well established & manpower needs. Further the training of the contract labours should be made as a regular part of training function.

Also it is seen that the Feedback after training is absent in the system. Due to this, effect of training on the performance of the employees is not measurable. Unless & otherwise we want to measure the performance of the employees after the training, effectiveness of the training to that employees cannot be justified. It is just a wastage of resources.

Manpower development is a key factor for the growth of the organization. Since due to expansion plans of MAHAGENCO & due to increased employee base of MAHAGENCO, it is difficult for the MTC’s to follow the National Training Policy guidelines i.e providing training of at least 7 mandays for each of the employees. Therefore the TSC’s so started needs to developed in line with MTC. If possible zones should be crated as

- Zone 1 :- Main Training Centre :- KTC. This will look after the administration & development of TSC under its zone. (TSC’s like Koradi, Khaperkheda,
Chandrapur, Paras, Parli, Project & other departments in these regions will be covered by KTC)

Zone 2 : Main Training Centre : NTC. This will look after the administration & development of TSC under its zone. (TSC’s like Nashik, Bhusawal, Uran, All Hydro Power Stations, H. O., Project & other departments in these regions will be covered by NTC).

Since MAHAGENCO being mostly the technical organization, these training departments should be headed by Chief Engineer (Trg) from Technical side with HR background. It is also suggested that separate Chief Engineers should head this individual zones for proper administration of such an important training function reporting to E.D. (HR) as training being HR function.

MAHAGENCO has step forward to generate the electricity through non conventional sources i.e Solar & Wind energy. Therefore it is suggested that MTC, Nashik should cater the needs of providing technical training in Hydro, Gas Turbines, Solar & Wind power as majority of these energy units are located / upcoming nearby Nashik zone. Whereas Main training centre KTC, Koradi will share the responsibility of providing technical training in Thermal Power Plants.

Performance Appraisal :

Performance appraisal is another area which needs immediate attention. An effective PMS is a prerequisite for all organizations to sustain in this fast changing & fiercely competitive world. HR managers & employees have a grater role to play in its execution for the ultimate accomplishment of organizational objectives. Performance systems by themselves cannot guarantee success. It is for the people who implement such systems to make them effective. As it is learnt that approximately more than 98% of the employee’s CR are found to be in V. good category. This is why as most of the evaluators plays a safe game by evaluating most of the employees in this grade. Due to this the hard working, deserving outstanding employees are not satisfied with such appraisal as they are rated in same category by the authorities along with underperforming employees.
Therefore the performance appraisal is a serious business & it should be carried out meticulously.

Potential within:

- Potential appraisal, Career Planning and development are the least developed and unused subsystems. Therefore while posting of employees on promotion or on same post, his potential should be appraised, Competency mapping should be done suitably so that the organization can derive maximum output from the employee, and employee can maximize his satisfaction on posting. From the exit survey it reveals that many of the employees are leaving the job for number of reasons most prominent reasons being, restricted career growth & poor salary structure. All the competitors agree that MAHAGENCO employees are rich in experienced & knowledge & therefore they prefer MAHAGENCO employees. To avoid the brain drain from MAHAGENCO, Management has to take steps immediate measure to retain the leaving employees.

HRD Strategies:

- The HRD Departments need to have professionally trained and competent staff. If they have to make an impact they should enhance the maturity levels of all the above subsystems. These subsystems have a lot of potential for giving competitive advantage through the development & effective utilization of employees and their competencies.

- As we all know, no organization, however strong, can remain in existence for long without offering products & services, which would meet the latest needs of the consumers through all round improvement & employee involvement. i.e focus is on employee & the customer. So in order to develop the organization suggestions from the employees should be encouraged. New developmental tools like Quality Circle, Six Sigma, Just in Time, Benchmarking, Empowerment, KAIZEN, should be encouraged suitably. Benefits by promoting the Quality Circle concept at many of the power stations viz Chandrapur, Khaperkheda, Koradi etc., can be very well seen. Quality Circles allow workers to participate, make suggestions & solve quality problems. Most of their suggestions are
implemented without much hassle. There are genuine reasons for having quality circles & the effects are widespread. People enjoy the work in Quality Circles. Since their suggestions are accepted thus more harmony is created within the company through Quality Circles.

Promoting such worldwide developmental tools helps the employee & organizational progress. The concepts like Just in Time can help for designing streamlined process, inventory management etc.. Introducing such concepts involves participation from all the strata of employees to do something interesting, widening their skills, strengthening thinking ability, generating innovative ideas, increased involvement in work etc..

**Communication :**

- As far as communication is concerned modern communication techniques like Public Address System (PAS), as used in TATA Power, should be used to address the employees in order to reduce the time & money. Video conferring should be used to resolve the issues of the employees concerning H.O.
- During the course of study, researcher has prepared several proposals as regards to development & effectively utilization of manpower. Implementing these proposals can help the organization to improve upon. It is therefore suggested that the management should think on such proposals as mentioned in chapter No. 11.

**Welfare :**

- Management should be generous for providing the welfare measures which would make life worth living for employees. The attitude of the employer should be sympathetic towards the workers regarding providing various welfare facilities as a measure to improve industrial relations & better conditions. With reference to the study as discussed in the chapter no. 10, funds should be allocated on annual basis to the Recreation clubs for carrying out the recreational measures for the employees as they are falling short of funds. Group insurance schemes should be introduced for the benefit of the employees. Moreover medical facility should be extended to the family members in line with the employees.
As a part of corporate social responsibility family members should be allowed to visit the power station to know the overall functioning of the power station & if possible, yearly, limited training should be arranged to these family members to let them know about the working of the power stations. This will help in strengthening the bond with the organization.

### 12.2 SUGGESTIONS

**Training:**

- Development of TSCs needs immediate attention. Basic requirements / infrastructure to conduct the training at TSC level should be made available as in most of the power plants it is sidelined. Training & retraining should be given due importance by the top management so as to reap the benefits of the training. Further these TSCs should give more weightage to the on job training as these are located within the vicinity of the power plants.

- Advantage of Training facilities can be avail, arranged at manufacturers / marketers place to be utilized to fullest extent in order to share information & knowledge about technical knowhow & technology transfer.

- Training institute be encouraged to set up consultancy centre to promote consultancy activities. These Main Training Centre's should be developed as separate business entity of MAHAGENCO which will help in generating revenue for MAHAGENCO by providing training to the staff of other power utilities. Consultancy should be promoted involving all the staff by sharing profits with the staff.

- Setting up good quality of library services which should include necessary internet facility, various audio video visuals, e books & e library. Out of the class room learning through library & other facilities can be further support training function.

- Linkages may be established with the technical institutes in various organizations and R & D activities, wherever possible, research activities / programmes may be sponsored. Employees / researchers should be encouraged to study the problems
areas concerning MAHAGENCO. This will help in addressing the problem in a scientific & systematic way.

HRD:

➤ Systems should be developed for effective functioning of the departments. Proper procedures should be written down & followed. Importance should be given to the system rather the individual employee as we find it in many of the leading organization viz. NTPC.

➤ Work norms should be fixed there by each individual should know what his work & responsibility is.

➤ Sound placement & rotation policy should be adopted & meticulously followed in order to have the overall development of the employees vis a vis organization.

➤ Functional experts should be developed further. Proper care should be taken while developing these functional experts with regards to their transfer, place of posting, deputation for specialized training, workshops etc. These experts act as a brain stormier for resolving the problematic issues as they to love problem solving. They are energized when they come across difficult situations or problems. Their thinking ability increases multiple times, they take control of the entire situation, they trail the root cause of the problem correctly, work out sequence of corrective actions almost intuitively, take comparatively very little time to implement the actions and make very few mistakes. They are the right persons to evaluate process costs and set bench marks for various processes. They have the deep understanding of processes and can easily understand the factors responsible for increased costs.

➤ Incentives should be provided to the functional experts or to result oriented, hard working individual in order to encourage them

➤ HR department needs to be develop. Though MAHAGENCO has created the HR department, the concept of keeping the employee at the centre is still missing.

➤ “We” or “Our Organization” culture is to be inculcated among the employees. This is required to inculcate belongings, integrity & accountability to have “My Organization” culture among the staff is to centered during designing the objectives of the training.
Performance Appraisal:

- Due to absence of proper feedback on performance appraisal of the employee, doesn't let him know where he is lagging & the opportunity to improve him to match the organizational objectives. Problem areas should be discussed & suggestions for the improvement should be given to the employees for improving his performance.
- The present performance appraisal system should be modified. As we can see that almost all the employees are rated in very good category by the concerned superiors. They make no discrimination on performance matters between the employees due to varied reasons. This is making a serious impact on the hardworking & result oriented employees who are kept in same category.
- Half yearly performance review should be taken in order to assess the performance of the employees. Feedback / suggestion / corrective action should be initiated to align the performance of the employees with departmental objectives, organizational objectives.

Communication System:

- Effective Communication channel should be established so as to avoid the miscommunication between the management & the employees. Suggestions from the employees should be honored.
- Modern communication systems such as PAS, Video conferencing, mobile communication, etc, should be encouraged in order to avoid delay in communication & also to save time & money.

Welfare:

- The area of Welfare facilities to the employees is required to pay more attention. To keep pace with latest needs & requirements of the employees, welfare policies needs to be modified accordingly. New welfare amenities should be extended to the employees at par with the other leading organization in power sector like Reliance, NTPC, Adani Power etc.