3.1 INTRODUCTION

The Indian textile industry is as ancient as the country’s civilization. A large community of people and a host of others were deriving their livelihood from this industry. It has been one of the most important industries for the Indian economy. Its importance is underlined by the fact that it accounts for five percent of gross domestic product and 14 percent of industrial production and 20 percent of the country’s total export earnings. Besides, the sector employs nearly 38 million employees. The textile industry is the second largest employment generating industry, after agriculture. The present study on competency based human resource processes in textile mills is very relevant in view of the fact that the textile industry is poised to tremendous growth in the near future and the outcome of the study would be useful to the industry for its human resource management. This chapter presents the background of textile industry including its structure, recent trends, its various segments of operation and application and so on.
3.2 BACKGROUND OF TEXTILE INDUSTRY

India was uniquely positioned to usher in the textile revolution, fostering an environment conducive to the birth of textile industry as early as 1800. The first textile manufacturing units were christened by Masers Fergusson and Company in India in 1817. Mumbai became the seat of textile industry. It was in 1876 the first textile establishment namely Buckingham Mills Co Ltd came into existence in 1876 by John Binny in south India. Another famous textile industry was started in Tirunelvelli, south of Tamil Nadu by Andrew and Frank Harvey in 1883, called Madura Coasts. Mills were coming up throughout the country.

Until 1888, no textile mill was established in Coimbatore. The first mill in Coimbatore namely Coimbatore Spinning and Weaving Mills, popularly known as Stanes Mills was started by Sir Robert Stanes1. Thereafter many mills came into being.
3.3 STRUCTURE OF TEXTILE INDUSTRY

The textile industry is vertically integrated across the value chain and extends from fibre to garments. It is a fragmented sector and comprises small to large scale non-integrated spinning, weaving, processing and cloth manufacturing enterprises. It has a unique position as a self reliant industry from the production of raw materials to the delivery of finished products, with substantial value addition at each stage of processing. The textile industry has a fairly complex structure.

FIGURE NO. 3.2

STRUCTURE OF TEXTILE INDUSTRY AND ITS CHANNEL FOR MARKETS

It is seen from Figure 3.2 that at one end, the spectrum is the hand spinning and hand weaving operations and on the other, a highly sophisticated capital intensive and high speed manufacturing activity. Between the two extremes, the industry manufactures a staggering range of yarns, fabrics, furnishings, dress materials, made-ups and garments.
3.4 RECENT TRENDS

The mood in the Indian textile industry given the phase-out of the quota regime of the Multi-Fibre Arrangement (MFA) is upbeat with new investments flowing in and increased orders for the industry as a result of which capacities are fully booked. As a result of various initiatives taken over by the government, there have been new investments of more than Rs. 500 billion in the textile industry in the last five years from 2006 to 2011. Cotton production has increased by 57 percent over the last five years from 2006-11 and 3 million additional spindles and 30,000 shuttle less looms were installed. A vision 2010 for textiles formulated by the government capitalised India’s share in world’s textile trade from 4 to 8 percent \(^2\).

The textile industry is undergoing a major reorientation towards non-clothing applications of textiles, known as technical textiles, which are growing roughly at twice rate of textiles for clothing applications and account for more than half of total textile production. The process involved in producing technical textiles requires not only expensive equipments but skilled, mature and responsible manpower. In addition to continuing with basic textile processes such as spinning, weaving and clothing, the textile would cover applications including bed sheets, filtration and abrasive materials, and furniture; heal care upholstery, thermal protection, blood-absorbing materials, seatbelts, adhesive tape and multiple specialized products and applications. It would call for a competency based human resource process.
3.5 SEGMENTS OF TEXTILE INDUSTRY

3.5.1 SPINNING MILLS

With an installed capacity of 40 million spindles India accounts for about 22 per cent of the world’s spindle capacity.

FIGURE NO. 3.3
A VIEW OF SPINNING MILL

Spinning is a major industry. It is part of the textile manufacturing process where fibre is converted into yarn, then fabric, then textiles. The textiles are then fabricated into clothes or other artifacts. Spinning mills which spin yarn from fibre are the major segments of textile industry. Though there are many more value addition processes thereafter, still spinning is considered to be the major activity in textile sector in India.

3.5.2 WEAVING MILLS

In general, weaving involves using a loom to interlace two sets of threads at right angles to each other: the warp which runs longitudinally and the weft (older woof) that crosses it. One warp thread is called an end and one weft thread is called
a pick. The warp threads are held taut and in parallel to each other, typically in a loom. There are many types of looms. India’s weaving and knitting sector is highly fragmented, small-scale and labour-intensive. The woven fabric production industry can be divided into three sectors namely power loom, handloom and mill sector. The decentralized power loom sector accounts for 95 percent of total cloth production and the knitted fabric forms 18 per cent of the total fabric production.

FIGURE NO. 3.4

A VIEW OF WEAVING MILLS
3.5.3 Processing Units

The activity of processing the woven cloth into fabric is a value added process in textile industry.

FIGURE NO. 3.5
A VIEW OF OPERATION IN PROCESSING UNIT

The processing sector was once highly decentralized and marked by hand processing units and independent processing units. But the trend has been changing. Today, there are large scale processing units and composite mills falling under organized sector. The concept of vertical integration is gaining momentum in the textile industry.
3.5.4 GARMENT MANUFACTURING UNITS

A core sector in textile industry is garment manufacture.

FIGURE NO. 3.6
A VIEW OF GARMENT MANUFACTURING OPERATION

Most of Indian garments are exported. Tirupur, near Coimbatore is the leading garment manufacturing cluster. Garmenting is a value addition process in the textiles clothing sector.

3.5.5 Technical Textile Sector

Small-scale fabricators were dominating the garment manufacturing sector. Though small-scale fabricators continue to play a key role, now well organized large scale garment manufacturing units have come to surpass the small-scale fabricators. This sector needs a large pool of skilled manpower as organized integrated textile manufacturers of garments are on the increase. This sector is expected to prosper with the consistent growth across different sectors making it one of the potential sectors in India.
Technical textile sector is a most promising and challenging sector in textile industry. Technical textile is a textile product manufactured for non-aesthetic purposes, where function is the primary criterion. It is a large and growing sector and supports a vast array of other industries. Over all, global growth rates of technical textiles are about four percent per year greater than the growth of home and apparel textiles, which are growing at a rate of one percent per year. Technical textiles include many products and applications.

**a. Agrotech (Agro-textiles)**

Textiles used in Agriculture are termed as agro textiles. They are used for crop protection and fertilization. The essential properties required are strength, elongation, stiffness, and bio-degradation, resistance to sunlight and resistance to toxic environment. All these properties help with the growth and harvesting of crops and other foodstuffs. There is a growing interest in using materials which gradually degrade (biodegradables).
b. Mobiltech (Automotive and aerospace textiles)

FIGURE NO. 3.9
AUTOMOBILE TEXTILE PRODUCTS

These textiles are used in the manufacture of automobiles and aircraft. Carbon composites are mostly used in the manufacture of aero plane parts while carbon fibre is used for making higher end tyres. Nylon gives strength and its
bursting strength being high is used as air bags in cars. High tensile polyester is used for making air balloons.

c. Buildtech (Construction Textiles)

Buildtech is another dimension of emerging textile technology and products. Textiles used in construction such as concrete reinforcement, façade foundation systems, interior construction, insulations, proofing materials, air conditioning, noise prevention, visual protection, protection against the sun, building safety and so on. Construction textiles, which are important components of the building envelope, are key factors to indoor environmental quality. Virtually any house wrap, insulation, sealant, and exterior or interior treatment, can create significant microbiological problems for the indoor environment. This presentation identifies common construction materials and installation practices that contribute to microbial contamination in buildings. It also demonstrates how these materials and practices can be altered to control microbial contamination during construction and once the building is occupied.

d. Clothtech (Clothing Textiles)

Clothtech segment of technical textiles mainly comprises textile components used for specific functional applications in garments and shoes. These components are largely hidden such as interlinings in shirts, sewing threads, shoe laces, labels, hook and loop fasteners and so on. Umbrella Shoe laces, zip fasteners, electric narrow fabrics, Velcro and labels fall under product range of clothtech.
e. Geotech (Geo-textiles)

These are used in reinforcement of embankments or in constructional work. The fabrics in geo textiles are permeable fabrics and are used with soils having ability to separate, filter, protect or drain. The application areas include civil engineering, earth and road construction, dam engineering, soil sealing and in drainage systems.
Textiles used in a domestic environment like interior decoration and furniture, carpeting, protection against the sun, cushion materials, fireproofing, floor and wall coverings, textile reinforced structures/fittings and so on. The technical textile products also cover other products such as fiberfill, mattress and pillow components, carpet backing cloth (Jute and Synthetic), stuff toys, blinds, filter cloth for vacuum cleaners, nonwoven wipes and mosquito nets.
f. Indutech (Industrial Textiles)

FIGURE NO. 3.12
INDUTECH PRODUCTS

Textiles used for chemical and electrical applications and textiles related to mechanical engineering. Silk-screen printing, filtration, plasma screens, propulsion technology, lifting/conveying equipment, sound-proofing elements, melting processes, roller covers, grinding technology, insulations, seals, fuel cell and the like are the indutech products.
h. MEDTECH (MEDICAL TEXTILES)

FIGURE NO. 3.13
MEDICAL TEXTILE PRODUCTS

These are commonly used in bandages and sutures (stitching the wounds). Not all the textile fibers can be used here, because their performances depend upon interaction with the cells and different fluids produced by the body. Sutures and wound dressings use fibers like silk and other synthetic fibers. Hollow synthetic fibers are used with nano or very small particles and are used for the delivery of drugs to any specific part of the body to prevent over dosage. Cotton, silk polyester and polyamide are also used in medical applications.
i. Ecotech (Environmentally-friendly textiles)

Increasingly, industrial sector, consumers and retailers demand environmentally and socially responsible products, and this sheds new light on the business advantages of domestically manufactured and environmentally friendly textiles.

**FIGURE NO. 3.14**

**ENVIRONMENTALLY-FRIENDLY TEXTILE PRODUCT**

New applications of textiles are seen in environmental protection applications like floor sealing, erosion protection, air cleaning, prevention of water pollution, water cleaning, waste treatment/recycling, depositing area construction, product extraction, domestic water sewerage plat and so on.
j. Protech (Protective textiles)

FIGURE NO. 3.15
PROTECTIVE TEXTILE PRODUCTS

Protection against heat and radiation for fire fighter clothing, against molten metals for welders, for bullet proof jackets and the like. All these things are obtained by usage of technical textiles with high performance fibers. In bullet proof jackets, special fiber are used which have high tenacity, high thermal resistance and low shrinkage.

These facts and future projection vouch the significant of textile industry and need for making it competent through appropriate human resource management by applying competency based human resource processes.

3.6 TEXTILE INDUSTRY – A PROFILE

The Textile Industry which grew out of industrial revolution in the 18th century as mass production of clothing has become a mainstream industry
Today, it is one of the most promising industries in terms of its contribution to the overall GDP of India.

Dr. R.C. Panda, Secretary of Heavy Industries and Public Enterprises, while delivering his keynote address at the National Seminar on “The Textile Machinery Industry – The Road Ahead” organized by CII in New Delhi during February 2007 said that Indian economy is driven basically by four prime movers, namely, the Agricultural sector, IT sector, Automobiles sector and Textile sector. India is poised to achieve double-digit textile export by 2012. Indian textile industry is one of the largest in the world with an annual growth rate of 20 per cent.

It is expected to grow much faster in the forthcoming years. Mr. A.K. Singh, Secretary, Ministry of Textiles, Government of India has said that India accounts for 20 per cent of the world’s spindleage, as compared to China’s 31 per cent. Further, India is the one country in the world with the largest loomage including hand looms. Indian textile industry is the second largest employer providing employment to the people. In Textile sector there are about 35 million people working and 14 percent of industrial production in India is done by Textile Industry.

As per the data available in the official website of office of Textile Commission, out of 3.8 crore spindleage available in India, Tamil Nadu alone accounts for 1.6 crore, of which Coimbatore District being the Manchester of South India has the lion’s share.
TABLE NO. 3.1
TEXTILE INDUSTRY’S CAPACITY STATUS IN INDIA AND TAMIL NADU AS IN JUNE 2010

<table>
<thead>
<tr>
<th>Sl No.</th>
<th>Description</th>
<th>India</th>
<th>Tamil Nadu</th>
<th>Capacity in Tamil Nadu in terms of percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Spindleage in numbers</td>
<td>3,76,84,833</td>
<td>1,60,60,160</td>
<td>42.62</td>
</tr>
<tr>
<td>02</td>
<td>Rotors in numbers</td>
<td>4,93,614</td>
<td>1,55,013</td>
<td>31.40</td>
</tr>
<tr>
<td>03</td>
<td>Looms</td>
<td>56698</td>
<td>15078</td>
<td>26.59</td>
</tr>
<tr>
<td>04</td>
<td>Knitting</td>
<td>741</td>
<td>244</td>
<td>32.93</td>
</tr>
</tbody>
</table>

Source: www.txcindia.gov.in- website of Ministry of Textiles

Table 3.1 shows volumes of the magnitude of the textile Industry in India in general and Tamil Nadu in particular. An industry of such a magnitude calls for a thorough analysis and serious debate or introspection as how the industry is competent in terms of its human resource processes in order to contribute to the performance of the industry through people employed in the industry.

3.7 COIMBATORE DISTRICT AND TEXTILE MILLS

Coimbatore district is one of the most affluent and industrially advanced districts of the state of Tamil Nadu in India. The south western and northern parts of the district are hilly, part of Western Ghats and enjoys pleasant climate all throughout the year. The Palghat Gap, connecting Coimbatore city and Palakkad city provides a conducive climate for textile mill operation. The mean maximum and minimum temperatures for the district varies between 35°C to 18°C. The average annual rainfall in the plains is around 700 mm with north east and south west monsoons contributing to 47 percent and 28 percent respectively to the total rainfall.6
All these contributed for sowing the seed of textile industry in Coimbatore District. As early in 1888, Sir Robert Stanes Founded the first textile mill in Coimbatore in the name of “Coimbatore Spinning and Weaving Mills (also known as Stanes Mills) in the northern edge of the town thus kickstarting the textile industrial journey of Coimbatore District. Sir Robert Stanes later assisted several others in setting up textile mills in the district. In 1910 two major mills namely Kallesswara and Somasundra Mills were established. Lakshmi Mills Company commenced their operations in 1911 in Papanaiickenpalayam. By the 1930s, several textile mills had been established in the district.

3.8 FILIP TO TEXTILE INDUSTRY

The textile industry to be vibrant, the Government has brought it under focused area in view of its significance and future potential and also the competition the industry is to face. The following are the salient features of support the government has extended to the industry.

3.8.1 TECHNOLOGY UP-GRADATION FUND SCHEME (TUFS)

Recognising that technology is the key to being competitive in the global market, the government established the TUFS in the year 1999 to enable the firms to access low-interest loans for technology upgradation. Under this scheme, the government reimburses five percent of the interest rates charged by the banks and financial institutions thereby ensuring credit availability for upgrading the technology at global rates. According to Ministry of Textiles, the total investments in the textile sector during the financial year 2009-10 registered a annual growth of around 25 percent.7
3.8.2 INTEGRATED TEXTILE PARKS SCHEME (ITPS)

Manufacturing is a thrust area for the government, as Indian industry and the government see foreign companies more as partners in building domestic manufacturing capabilities rather than a threat to Indian business. Following this, the government has executed schemes such as ITPS during 2005-06.

3.8.3 Quality improvement:

The textile commission, under the Ministry of Textiles, facilitates mills to improve their quality levels and also get recognized quality certifications namely ISO 9001 and ISO 14000 and Code of Conduct Management Standards under SA 8000.

3.8.4 TEXTILE INDUSTRY AND ITS CAPACITY INVESTMENT

Due to economic reforms in the last two decades and rising consumption levels both in the domestic economy and globally, manufacturers invested heavily and added capacities to meet the ever-increasing demand. According to the Ministry of Textiles, the capital investments made in the textile mills remain the highest over the past 3 year from 2006 to 2009. During the financial year 09-10, the capital investment in textile mills grew by more than 100 per cent to Rs. 164.3 billion. From the foregone facts and trends, it is understood that the textile mills have opportunities and challenges which need to be addressed by the mills in the days to come, which are presented as below.
3.9 OPPORTUNITIES FOR TEXTILE INDUSTRY FOR PROSPERITY

India’s performance and growth in the textile sector by several key advantages that the country enjoys, in terms of availability of labour, materials, buoyant and large market demand, presence of supporting industries and supporting policy initiatives from the government. These advantages can be exhibited within the framework given in the figure below.

3.10 TEXTILE INDUSTRY - ADVANTAGES AND COMPETITION

The main opportunities enjoyed by Indian textile mills are as follows:

1. India has sufficient raw materials
2. India has comparatively low cost in material cost, wastage cost, labour cost when compared with certain leading countries.
3. The fragmented industry structure and small average scale of operation in India’s textile industry has created the capability for enhanced flexibility in production.
4. Today India is one of among the few developing countries with a fully developed textile value chain extending from fibre to fabric to garment exports. The presence of capabilities across the entire value chain within the country is an advantage as it reduces the lead time for production and cuts down the intermediate shipping time. Indian textile mills have leveraged this advantage to integrate their operations, either forward or backward.
5. Demographic trends in India are changing, with increase in disposable income levels, consumer awareness and propensity to spend. There is a change in the consumer mindset that has led to a
trend of increased consumption on personal care and lifestyle products as well as branded products. India thus, presents a large and vibrant market for textiles and apparels, with a potential for sustainable growth.

India’s textile industry is supported by well established supporting industries and institutions that provide inputs and expertise to the industry in terms of design, engineering and machinery.

India has built adequate infrastructure throughout all stages in textile development, that is, design, sourcing, merchandising and production.

The Indian textile engineering industry, which began as an offshoot of the textile industry, is today reckoned as the largest segment in the country. Indian textile machinery manufacturers are able to produce the product with a competitive prices, sophisticated machines of higher speed and production capability.

The high level of competition in the industry impels the firms to work to increase in productivity and innovation.

There is significant and favourable policy initiatives from government. The Indian government has taken efforts to create an environment to attract an investment of Rs. 1400 bullion in the eleventh plan period (2007 – 2012).

The Multi Fibre Arrangement (MFA) that came in 2005 opened up a plethora of opportunities for the textile mills. The phasing-out of MFA has ensured that quota restrictions in US, European Union and Canada which restricted textile and apparel exports from India to these regions have been removed.
All these advantages hold good for Coimbatore district textile mills also.

3.11 CHALLENGES

It is true that the textile mills of India enjoy definite advantages as explained above. However, there are challenges and host of constraints which, especially in the days to come, the mills will have to face rapidly. They are:

- Fragmented structure with the dominance of the small scale sector.
- High power cost
- Raising interest rates and transaction costs
- Reducing efficiency of cotton cultivation
- Logistical disadvantages in terms of shipping cost and time post serious threats to its growth.
- Increasing labour cost
- Competition from certain countries such as China, Korea, Pakistan
- Nonavailability of competent manpower
- Nonexistence of professional systems and procedures for carrying out the business
- Lack of integration of various management processes, finally focusing on organizational success.
- Preference to take up career growth in textile industry on the decline due to various facts and factors including personal growth.
- Nonexistence of professionalism to the desired level.
3.12 FUTURE OF TEXTILE INDUSTRY

India is emerging as a major force in global market for textiles and apparels in the last decade. The scope for growth of technical textiles is expanding rapidly. The future of textile is predicted to be prosperous. However competition will be stiff in all fronts. If textile mills intend to present a growing confidence and continued growth including the emerging segment of technical textiles, the focus on competency based management systems particularly competency based human resource management process is inevitable. If the exquisite quality and brand of Indian textile is to be hailed for ever as in the ancient times, the mills have to be vibrant in terms of its overall performance which can be ensured by competent human resource, only for which competency based human resource process would become imperative.

According to a report in India's Economic Times the country's technical textiles industry is projected to grow to Rs.1.4 trillion ($31.4 billion) by 2016-17. The textile industry, with its new roles and broader outlook, is geared for a future that will be both rewarding and fulfilling.

Union Ministry of Textiles certified Apparel Export Promotion Council has taken the responsibility to motivate the foreign investors to invest in Indian Textile industry by exhibiting its massive unexplored domestic market. It has also formulated and endorsed the motto of “come, invest, produce and sell in India. Under this the ministry has decided to send it representatives to Germany, Switzerland, France, Italy and US. The objective is to trigger the foreign investment towards instituting textile units in India by offering numerous allowances to global investor like low-priced workforce and intellectual right fortification. The
government of India has also taken a few initiatives to promote the textile industry by permitting 100% Foreign Direct Investment in the market. Owing to the upright and straight incorporated textiles price chain, the Indian textile industry symbolizes a strong existence in the complete value chain from raw commodities to finished products.  

3.13 HUMAN RESOURCE CHALLENGES FOR TEXTILE INDUSTRY: A CURRENT PERSPECTIVE

Traditionally textile industry has been by and large unorganized excepting a few leading mills. In the words of Chairman KSA Technopak (2004) Mr. Arvind Singhal, “it is difficult to find such a large-scale industry in the country that is so disorganized namely the textile industry”. Almost all small and medium size textile mills were unorganized, lacking any degree of professionalism especially in human resource management. Human resource management was not at all considered as a branch of management functions.

To have a human resource manager or a human resource department was considered an unwarranted luxury. Only a few leading textile mills had considered human resource management as a functional area. Even mills where they employed human resource managers used them only for managing industrial disputes and handling trade union and not for human resource development activities. But the trend started changing after liberalization of economy in 1991. Liberalization, privatization and globalization of trade, business and economy made drastic changes in the industrial scenario which had an impact on textile also. Textile mills had to attempt to bring in a culture of professionalism. This exercise has not got sufficient impetus or momentum yet. But the realization of necessity of
professionalising the human resource management function has set in, in almost all medium and large size textile mills.

Textile Industry is labour intensive industry. Obviously there will be more number of supervisory and managerial personnel. This study is concerned with competency based human resource management process restricted to supervisory and managerial employees, termed as executives working in textile mills in Coimbatore district of Tamil Nadu.

Human resource management and human resource development functions are evolving in India. From an administrative perspective, the focus is now on a strategic outlook where competency looks at improving the work environment and plans out human resource functions. Though it is a reflection of what is happening in the western context, the Indian work force and industrial climate are changing to embrace the different approaches taking place in other parts of the globe.

Sandeep K. Krishnan (2008)\textsuperscript{12} in his article, “Top 5 human resource challenges for Indian organisations: A current Perspective” lists out the following five human resource challenges for Indian organisations:

- Managing Knowledge Workers
- Managing Technological Challenges
- Competency of human resource management
- Developing Leadership
- Managing Change

It is accepted that lot of success of organizations depend on the human capital. This boils to recruiting the best, developing the best and managing and
recognizing the best, which refer to recruitment, training and development and performance appraisal, which are certain human resource management processes. The study would address. Human resource consultants like William C. Byham, Chief Executive Officer and Chairman of Development Dimensions International, a global human resource consulting firm, endorses grouping of these human resource processes as an integrated human resource process.

3.14 HUMAN RESOURCE PROCESS IN TEXTILE INDUSTRY

Human resource management involves various interventions, the following of which are more important:

1. Human resource planning
2. Recruitment
3. Training and development
4. Performance appraisal
5. Personal development
6. Career management
7. Establishment functions
8. Employee compensation
9. Labour welfare and social security
10. Grievance handling
11. Employee discipline
12. Trade union
13. Collective bargaining
14. Industrial relations
15. Workers participation in management
16. Records and research
Every above intervention is a process. Every process has sub-processes. For the study purpose, the researcher has considered only the following processes called integrated operative functions of HR management as the researcher foresees that these processes will be more crucial in the years to come as far human resource management is concerned.

1. Recruitment
2. Training and development
3. Performance appraisal

The reasons for having considered these three processes is that they belong to one “job family” and they will be crucial processes in future for the organizational growth in terms of results.

In the words of Oliver Sheldon, “No industry can be rendered efficient so long as the basic fact remains unrecognized that it is principally human. It is not a mass of machines and technical processes, but a body of men. It is not a complex of matter, but a complex of humanity. It fulfills its functions not by virtue of some impersonal force, but by human energy. Its body is not an intricate maze of mechanical devices but a magnified nerves system”\(^{13}\). In the words of Dale Yoder “Manpower management is a most crucial job because managing people is the hub and essence”\(^{14}\).

J.M. Dietz observes\(^{15}\) “A business or an industry can be thought of as an inter-weaving of human element and material element, with the human element as the warp, while inter-locking and inter-weaving with this element is the material element- the woof of the fabric. The warp of the fabric is the human element appearing and reappearing, the strength-giving element holding with entire fabric
together and giving it life”. In the words of Likert, Rensis (1967), all the activities of any enterprise are initiated and determined by the persons who make up that institution. Of all the tasks of management, managing the human component is the central and must important task, because all else depend on how well it is done”

These observation and views would vouch for the value and importance of human resource in any organization. Impliedly it calls for a competent human resource management process, which is otherwise termed as competency based human resource process. To make it so, all the processes of HRM have to be competency based. Only competency based human management process can make a determined impact upon the objectives and goals of organizations.

3.15 COMPETENCY BASED APPROACH

A person’s cognitive and physical abilities can seldom explain the job performance but the job performance depends on behavioural patterns like attitude, motivation, interpersonal skills, values and the like. In fact, people are hired generally on the basis of their qualifications but are fired due to non-performance. This approach focuses on the skills and knowledge required to do a particular job in addition to the attitude and ability to do the job. Competency based human resource process provides both the structure and discipline to help bring out the best effort in people and ultimately the best performance for the organization. It involves a transition from traditional way of managing human resource based on what people have (qualification and experience) to what people can do (performance).

Industrial psychologists have identified the “big five” personality dimensions which affect job performance such as Extraversion, Emotional Stability
(Neuroticism), Agreeableness, Conscientiousness and Openness. These five personality dimensions form the hub of the competency based approach.

3.16 COMPETENCY BASED HUMAN RESOURCE PROCESS

For organizations to succeed in today's competitive and complex environment, all employees in general and executives in particular need to develop and demonstrate the personal capabilities, underlying characteristics and behaviour that drive superior performance at work. In this backdrop, competency based human resource processes have become the best practice foundation of high quality business focused human resource for industrial establishment. Competency based human resource processes have become a necessity to integrate the human resource processes with the strategic and operational needs of the establishment.

Every human resource intervention needs to be competency based in general. In other words, the elements of competency have to be built in Human Resource processes, so that the human resource processes are strategically designed to identify such elements of competency in the individuals or develop such elements in them or individuals are recognized for such elements when they possess them. In short, competency based human resource processes are meant to integrate elements of competency with the human beings in recognition for the benefit of the organization.

Identification, creation or development, assessment and recognition of competency in/of the individuals shall form the base for competency based human resource processes.
Competency is the capacity of an individual that leads to the behaviour which meets the job demands within the parameters of the organizational environment and in turn brings about desired results. The competency mix comprises knowledge, skills and attitude. But competency, for future, should refer to behaviour that demonstrates excellent performance and should not confine to knowledge but applied knowledge. It can be said behavioural application of knowledge is that produces success. Competency should not only mean skill but manifestation of skill that produces success. Competency should not only refer to attitude, but should showcase observable behaviour related to success. In short, competency is more precisely defined as the behaviours that employees must have or must acquire to input into a situation in order to achieve higher level of performance.

Any human resource process must be competency based for ensuring success of the organization. Only the competency based human resource process can be helpful to succeed in today’s competitive and complex environment. Competency based human resource process can make the employees at all level develop and demonstrate the personal capabilities underlying characteristics and behaviours that drive superior performance at work.

Since its introduction two decades ago, competency based human resource process has become the “Best Practice” foundation of high quality business focused human resource for thousands of international business. Now, competency based human resource process is the required approach for the organisations seeking to integrate the human resource practices with the strategic and operational needs of the organisation.
In the words of Dave Ulrich (1997)17 “Human Resource should not be defined by which it does but by what it delivers towards results that enrich the organizational value”. It simply means that human resource management has to be competency based, which ultimately means that the human resource processes have to be competency based.

The ability based behaviour is referred as competency. The ingredients of the concept “competency” lead to behaviour producing significant outputs which showcase the results.

It is the competency based human resource process which enables human resources achieve the desired result of organization using people as the key enabler. More specifically human resource process namely recruitment, training and development and performance appraisal are dealt with in this study for making a link between them and organisational performance. The whole study attempts to highlight the human resource process namely recruitment, training and development and performance appraisal and treat them as an integrated platform to facilitate the organization to achieve excellent performance.

3.17 CONCLUSION

Indian textile industry is one of the leading textile industries in the world. Though it was predominantly unorganized industry even about two decades back, the scenario started changing after the economic liberalization of Indian economy in 1991. The opening up of economy gave the much-needed thrust to the Indian textile industry, which has now successfully become one of the largest in the world. It also plays a major role in the economy of the country in terms of earning
good amount of foreign exchange through textile exports, and contributing much to the total industrial production and GDP of the country. Indian textile industry is also the largest in the country in terms of employment generation. It not only generates jobs in its own industry, but also opens up scopes for the other ancillary sectors. Hence, textile industry in India is a prominent industrial sector and is highly labour intensive. In this back drop, management of a larger force of human resource in textile industry has to assume unequivocal attention from human resource management point of view.
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