CHAPTER VIII

CONCLUSIONS
AND
RECOMMENDATIONS
RESEARCH – ALWAYS A DELIGHT

CONCLUSIONS

At the outset, the Researcher is delighted to present this Thesis on the most optimistic note. The Researcher for his own organization implemented certain implications of this Research and the results were just outstanding. The Researcher is intermingling with the idea, had this Researcher been done five years earlier, the gains would have been substantial. Any way, for every good and constructive wok there is always time restraint.

The aim of this chapter is to review the main findings from the study and to consider their implications.

Industries of Pune City and of Pimpri-Chinchwad industrial belt have been affected by liberalization of economy and globalization. The period of 1990-91 to 1995-96 was indeed a great blessing for industries. There was flurry of activities and Industrial Sector, as a whole flourished in leaps and bounds. Many export avenues were opened and there was all round growth of industries. But unfortunately, the period of 1996-97 to till the date of this Report was very discouraging for them.

There was all round decline in activities. Demands failed to match capacities, which were exorbitantly created earlier. Manufacturing activities declined and there was survival of fittest phenomenon prevailing in markets. Customer started becoming demanding and assertive. All monopolistic markets became customer-oriented markets. The very word monopoly disappeared from the markets. What a tremendous change it was.
People as an important Asset

Corporate India and industries of Pune City and of Pimpri-Chinchwad industrial belt for the first time in their entire operations, turned to people. They started believing that people are their most valued asset. These organizations turned to people for giving them solutions to come out of present complex scenario. Due to importance given to people by the organizations, HR professionals came to limelight. Industries turned to HR professionals by involving them in business policies and for framing business strategies. HR professionals are now functioning as Transformation Agents for transforming present complex scenario into successful organizations by constant innovations.

The New People Management

As organizations started believing in people, the systems functioning in organizations rapidly got converted into people oriented systems. The entire Matrix of New People Management revolved around organizations. All HR policies & practices started becoming Proactive with active involvement support of people. There was transition from the old Human Resource Management to the New People Management. The human resource function started to play much broader, much stronger and much more permanent role for development of people to attain organizational objectives. The continuous rising need for gaining competitive edge by changing role boundaries for human resource management Therefore, as the frontiers of its influence are rolled back, the new people management stands revealed in a grand sweep, covering five major components linked seamlessly to each other and organizations business goals.
These five components are: -

1) **Recruitment** :-

Recruitment is now translating corporate strategies into manpower plan. It is developing long term hiring program for tracking down the people with combination of knowledge, experience and skills best suited for attaining Organizational objectives. As per research survey findings recruitment is a Proactive HR function on the basis of following lines

i) It is a business strategy.

ii) It infuses fresh blood at every level of organization.

iii) It locates people, whose personalities and behavior fit in values of company.

iv) It enables to search talent globally.

v) It finds people for positions, which do not exist.

vi) Recruitment is also cost saving business strategy.

2) **Performance Management** :-

Organizations hire talent. It is through performance management the attracted talent can help to achieve organizational goals. It creates high Performance culture. In this process, all jobs are evaluated and are assigned to individuals best suited for them. As per Research Survey it is Proactive HR function on following lines.

i) It creates culture of excellence motivating every employee.

ii) It matches organizational objectives to individual aspirations.

iii) It develops partnership with people for developing their careers.

Most of the industrial units of research sample are creating flat structure of organizations and are organizing people into teams for faster decision making process
3) **Training and Development** :-

Organizational goals are fast changing. Tasks of people are rapidly changing. It is through training the gap between individual abilities and capabilities is bridged. Training is indeed a Litmus test for organizational development. It is indeed a proactive function on the basis of following lines: -

i) It creates learning organization.

ii) It bridges gap with the external world.

iii) It links organizational operational and individual training needs.

iv) It is a developmental tool for individual.

All the industrial units of the research sample strongly believe in training at all levels. All innovative methods are used for effective training.

4) **Appraisal and Reward** :-

This is the system of goal setting, evaluation and compensation directly linked to organizational objectives to individual performances. It integrates evaluation criteria into corporate objectives. It motivates people through monetary and non-monetary rewards.

All the industrial units of research sample are having the most objective and systematic appraisal system. It is a direct co-relation between performance and rewards.

5) **Organizational Exit** :-

This is the most humane method of downsizing work force without disrupting the organization. It is a negative process but exit interviews are always eye openers for organizations.

All the industrial units research sample have introduced Voluntary Retirement Schemes for trimming their work force as a cost containment measure.
All the HR professionals of Representative Research Sample and other HR professionals from leading organizations have in their personal interviews stated the following important business trends affecting work force and work places. These trends are:

1) Changing Technology
2) Globalization
3) Cost Containment
4) Speedy Market Changes
5) Knowledge as a Capital
6) Change Management

On the basis of future business trends the role of 21st Century HR Leader will be as per the following details:

- **Change Leader** - The Role associated with leading Change.
- **Strategist** - Integrating HR activities and results with strategic Objectives of organizations.
- **Business Partner** - Interacting effectively with line managers.
- **Problem Solver** - Averting Human performance problems.
- **Business Strategist** - Participating in forming Business Policies & providing solutions to challenges.

In future, HR Professionals will be required to achieve following goals.

- Drive Change within organizations.
- Combine organizations and HR strategy to create organizational Effectiveness and enhanced performance.
- Be a proactive Problem Solver in tune with changing business trends.
- Be an expert at building flexible and customized HR systems.
- Consult throughout the organization using various tools designed to help managers do their jobs better through people.
DEMONSTRATIVE HR LEADERSHIP

Credibility - HR professionals should set object lesson before others as efficient and effective in addressing business and people related problems.

Skills - Interpersonal skills and influence

Business Knowledge - Understanding of Business, Forming Business Policies, having a grasp of Operational Problems and demonstrating Awareness of the key competitive challenges.

Consultative Approach - Consults all managers, willingness to work with others and problem solver.

Change Management - Demonstrating ability to juggle multiple and potentially conflicting priorities without being over reacting.

Command - Command respect for abilities, creativity and leadership in HR policies.

Relationship Management - Ability to establish relationships, which influence, develop teams and cross functional teams.

Flexibility - Willingness and ability to change managerial structures.

Empowering - Sharing information, Open hearted interactions with colleagues, superiors and subordinates. Motivating people to accept greater responsibilities.

Portability - Ability to adopt rapidly to function effectively in any foreign environment.
Business Trends

The aim of this chapter is to review the main findings from the study and to consider their implications. Corporate India and Industries of Pimpri Chinchwad belt for the first time in the entire history of their operations have realized importance of people and their possible contribution in present complex industrial scenario. All the organizations without any exception are now treating people as their important assets. They have realized that they can gain success only through people and effective people management systems. Knowledge is proving very important part of 21st century business.

The Researcher has discussed the matter of research and possible implications of it which HR professionals of Representative Research Sample and other HR professionals of leading organizations. The major business trends of 21st century as specified by HR professionals in their personal interviews are as under:

2. Increasing Globalization.
3. Competitive Markets & need for speeding up changes in markets.
4. Cost Containment, as present operational costs are exorbitantly high.
5. Growing need for developing knowledge as a key capital.
6. Change management.

The above are broadly guidelining ingredients of 21st century business. All these ingredients are necessary to be implemented timely and smoothly so as to gain competitive edge and much awaited success for the organizations.
The Industrial units of Research Representative Sample and other Industrial units have earlier grossly neglected the role of people in business development. They have made all the changes without changing the mindset of people. That was the reason of their failure in not competing with the pace of Globalization. They have now realized their mistakes and are now developing people based and people oriented policies to gain competitive advantage in markets.

**HR Professionals and paradigm shift in their roles**

HR Professionals are gaining enlightened status and are involved in framing business policies and strategies. HR Professionals are now functioning as 'Change Agent' in the process of change management. They are now acting as 'Transformation Agent' so as to transform present complex Industrial Scenario into simple and successful Industrial Scenario. They will be now functioning for successful and smooth implementation of changing technology so as to provide World-Class quality of product and services to customers.

Markets are becoming customer-oriented. The concept of monopolistic markets is virtually ruined. Markets are becoming more competitive as customer is provided with variety of products. Pricing structure of products is a big challenge before the Industries. On the other hand, during the period of prosperity, i.e. The period called 1990-91 to 1995-96, Industries have developed extra capacities to meet growing needs. The period from 1996-97 to till the date of this report is proving very negative for industries. The industries are presently burdened with the following problems: -

1. Demands are failing to meet exhilarant capacities already created
2. Markets are becoming exceedingly competitive. The survival of fittest is new marketing phenomenon.
3. Operational costs are very high.
4. Wage bills are swelling.
5. There is growing necessity for creating Learning Organizations. Knowledge is considered as a capital.
6. Organizations with knowledgeable people are gaining distinct advantages.

To add to above complexities, management experts like Alvin Toffler, Peter Drucker, Tom Peter, John Storey, and Micheal Porter have identified the most difficult challenges of 21st century. Information and Technology is rapidly developing. All these factors are demanding pro-active role of HR Professionals by formulating pro-active HR policies and practices. HR Professionals are now required to provide transformational leadership so as to meet the present problems and challenges of the 21st century.

21st century challenges

It is now necessary to understand 21st century challenges as identified by management experts in tune with business trends. The major challenges for 21st centuries as identified by management experts are as under:

1. Knowledge and Information would be the key sources of new economy.
2. Information and Technology is rapidly developing. Information is fast and accurate. Paper work in organizations would be greatly reduced.
3. Future organizations would be flatter with few organizational hierarchies.
4. Work for would be multi-cultured.
5. Carriers would be highly mobile across the world. Expectations and aspirations of work force would increase.

Organizations of Pimpri Chinchwad Industrial belt are realizing the adverse effects of 21st century challenges as these challenges are already started operating on these organizations.
The New People Management

It is necessary to coincide corporate needs with individual needs. The organizations are driven by the interest of its stakeholders, and its goals of profit making. These factors determine business philosophy. On the other hand individuals bring into organizations their own ambitions. Thus the new people management is operating with system that does not distinguish one individual from another. Organizations have to insure congruence between organizational objectives and employees' aspirations. New people management has arisen on account of adverse effect of Liberalization of Economy and Globalization.

Components of New People Management

It is now well accepted that HR Professionals will provide transformational Leadership to Organizations. HR functions is beginning to play much broader much stringer and permanent role in the process of Organizational Development. The growing need for competency development and competitive atmosphere. In order to meet 21st Century Challenges, the above-mentioned five major HR functions are required to be proactive. The practices and policies related to these functions, will develop strong high performance culture amongst all sections of work force. Each of these functions is independent in nature, however, each of these function is co-related to each other. The entire matrix of New People Management (NPM) is revolving around these five functions and their components. The Researcher has therefore discussed the proactive functions first in the foregoing chapters and thereafter he is turning to this chapter as each proactive HR function has the origin and the reasons of being proactive.
Research Methodology

The Researcher began the study by drafting survey instrument composed of minimum twenty research statements. For each proactive HR function. The questionnaire was mailed to HR professionals of Representative of Research Sample. Their responses were tabularized and detail personal interviews were taken to have right insight in the matter.

Testing Of Hypothesis

Hypothesis is fully tested and proved correct. In present complex Industrial Scenario it is utmost necessary to integrate HR department in organizational functioning. Industries of Pune City and Corporate India are for the first time in the entire history of their operations.

People are treated as the important assets of organizations. It is through the people, organizations intends to gain competitive edge in markets, thus HR Department is well integrated in organizational functioning and is playing a key role in formulating and implementing HR Policies

HR professionals are functioning as transformation agents by forming proactive HR Policies. Recruitment, Training and Development, Appraisal and Reward, Performance Management and Organizational Exits are the key proactive HR functions serving the cause of Industries to meet difficult challenges of 21st Century.
The Researcher has already discussed above The New People Management and its five components impact on Industries. Thus Hypothesis is fully tested and proved correct.

Limitations

This study was limited by a small sample size, possible systematic bias as all the professionals belonged to the same industrial sector. There was failure of all survey respondents to answer every question. These are limitations of the study, hence the results cannot be generalized.

Major Findings

1) All the respondents without exception have agreed the need for proactive HR functions, policies and practices

2) The effect of major challenges as identified by management experts have been already operating on industries of Pune City

1) All the respondents have expressed the concern for tough time ahead

2) On the basis of proactive HR functions and 21st Century Challenges, the respondents have urged the need for following HR competencies to tackle future tough time.
On-the-Job Training

Use every opportunity to learn from current job. Listen to others, ask questions, and be a voracious reader of books, trade magazines, and articles related to your job. Offer, or receive, on-the-job training. Use a formal (structured or planned) or an informal (unstructured or unplanned) approach. A formal approach to on-the-job training, on the one hand, offers learners a carefully organized plan for learning.

On-the-job trainers and coaches tell them what to do and why to do it, show them by example (modeling), let the learners try it out on their own under the watchful eye of a trainer or coach, and provide learners with timely specific feedback on how when they perform. In an informal approach, on the other hand, learners are left to their own devices to figure out what they need to do as best they can, though they may occasionally receive feedback on their performance.

Mentoring

Find others who have performed your job in the past and ask them for advice. As a more specific alternative, find individuals who demonstrate exceptional ability in the specific competencies in which you need improvement. Ask them for the tips on improving.

Make them your mentors. Read books or articles on mentoring to know specifically how this process works best. Do not wait for others to give you an entry. Take the initiative and asked for help, advice mentoring and sponsorship.
Networking

Participate on appropriate cross-functional teams within the company. Look outside your organization for local associations to join that are directly related to your job and where you can learn from others. For HR practitioners there are many associations available to choose from, including the society for Human Resource Management and the Human Resources Planning Society. Develop a network of colleagues who can advise you about the ways to build your competencies.

Work Force Task Assignment

Volunteer for special task force assignment in which business issues are involved. Apply your own expertise and broaden business knowledge by learning from others. Listen carefully. Be prepared to offer suggestions and spearhead the initiative.

Rotations of Job

If you have been in your current assignment for some time, discuss the possibility with your supervisor of rotating to other jobs in your department. Look for opportunities to rotate to other departments, or to other nations, to broaden your experience base, depending on your career goals. If you are successful in obtaining a job rotation assignment, then develop a learning plan for yourself at the outset to ensure that your personal learning objectives for the rotation are clear. Share the learning plan with your current and your future supervisors for their comments and advice.
Appraisal Systems

Learn from other’s feedback. Use the performance appraisal process to map out with your supervisor specific recommendations for improvement. A personal development plan is often a part of most formal performance appraisal process. Discuss especially useful development approaches to build your competencies at that time as well.

Personal Coaching

Coach others and be willing to receive coaching to build your competencies. Work with people who report to you to coach them in your areas of expertise. You will learn in the process of doing that.

Request coaching from those who have demonstrated competence in the competency areas you need to build. Ask for suggestions about what to learn and how to learn it. First, however, learn what effective coaching is all about. Much has been written in this topic in recent years.

Off Job Training

If your organization offers in-house training, examine the course offerings to identify any training that can help you to build your competencies in necessary areas. Sign up and attend the training. Make the time! Also, make this time every year of your career. Going to training programs needs to be consistent effort over a career to truly build specific competencies.
Education Beyond Organizations

Study the offerings of University-based executive education and management development providers for programs targeted to build competencies in your areas of need. Talk to recent graduates of such programs, call the program director, and study in detail the design of the program to ensure that the competency areas you need to build are, in fact, covered in the program.

Continuos Learning

Look to local community colleges or universities for specific courses that can help you build your competencies in key areas. Before attending, clarify what results you seek from such courses. Take initiative while attending the sessions to make your learning objectives known. Investigate the availability of degree granting education programs in your local area. Find programs that are practically focused and suited to your goals. Also attempt to find programs that attract adult learners who posses real-world experience. Such people can add to your networking base of contacts and provide valuable learning insights from other industries.

Self-directed learning is broad-encompassing such activities as reading books and articles. Generally speaking, self-directed learning is any activity that you undertake on your own to build your competence. Examples including field trips, Surfing the Internet, attending conferences, or reading books related to areas in which you need to build your competencies. Also included are professional accreditation programs, like those offered by the Professional Institutes & other Groups.
HR field is undergoing dramatic changes. HR field is becoming amazingly vibrant and exciting field. HR professionals are well advised to focus their attention on demonstrative leadership and taking initiative with each business trends. In further, intensive research should be carried out towards identifying and examining current and emerging - HR Leadership and competencies.

**Recommendations**

1) The Researcher honestly feel that research on similar lines should be carried out for other prominent industrial sectors all over India.
2) HR professionals should encourage such type of researches with active involvement and positive responses.
3) Industries today are showing declining trends. Had the research been undertaken with the view of changing mindsets of people before changing rest of the things, industries would not have been facing such adverse position. Such gross negligence of basic fact should be avoided in future.

**Issues For Future Investigations**

The following are the Researcher’s recommendations of salient questions for future research based on the results of this study:

- What organizations represent best practices in addressing each of the six key trends effecting each of pro-active HR policy in tune with business trends?
- What HR efforts are most effective in addressing each of the five HR pro-active functions and business trends?
- How can HR practitioners demonstrate effective leadership with each trend and the consequences of each trend?