CHAPTER - 1

INTRODUCTION

Water depth decides the height of Lotus
Mental zeal decides one’s progress
– Thiruvalluvar, Kural 595
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INTRODUCTION

People are the most important and valuable assets of every Organisation. Organisations claim to own capital assets and financial assets, but not the people. The most valuable Human Resources are rarely given proper importance and attention. A nation with abundance of physical resources will not benefit itself unless Human Resources make use of them\(^1\). The Human Resources cannot be measured using standard measures and cannot be depreciated like capital resources. Realizing the importance of Human Resources, many large industrial enterprises have set a new trend in their disclosure methods by showing ‘evaluated workforce’ as assets. Well-known Indian IT giants like Infosys and the public sector undertaking SAIL have begun including an evaluation of their HR in their balance sheets.\(^2\)

Human resource has been recognised as one of the contributing factor for economic growth and for social, political, and technological development of many nations.\(^3\) People have been organised into workforce for thousands of years. The world monuments and wonders such as Pyramids of Egypt, Great Wall of China and Taj Mahal of India must have involved huge number of workforce and stand as symbols of human potential, skill and craftsmanship. The theme ‘human resource’ has occurred in many places. Adam Smith, Karl Marx and a host of classical and modern economists have described and emphasised the importance of human resources, but have specially focused on labour-density and skill development, which is determined by the amount of
labour output of an individual. This also implies quality of human resources, which can accelerate faster growth resulting in multiple effects.

Twenty first century is characterised by the new age of ever expanding Information and Communication Technology leading to widespread revolution in all spheres of life. Nowadays, a hypothesis is being generated giving priority to for material aspects of organisational development. With the interest of lending support to the argument that technology is driving the organisation in the changed circumstances, importance of human element could not be ignored. It has to be looked upon the issues connected with human resources and their relative association with ‘technology applications’ in the organisation. The ultimate credit for corporate success cannot be ascribed to any single element. Though the contribution made by technology and its driving force, i.e., human resources, cannot be described in the relative terms. Each has its own value and utility. While admitting the technology factor which facilitated the growth of service industry boosting the organisational performance by bringing novelty and creativity in customer support, the energetic performance of human resources for the success of the organisation requires no second thought as proved by the tremendous growth of IT sector, which is heavily dependent on ‘human intellect’. The recent Indian software miracle is the making of a large number of ‘ordinary’ young women and men, who may not be able to talk fluently in English, but can understand instructional manuals and master computer operations well enough to enable them to stand up to global competition.⁴
The human resources are not only the prime movers of economic activities but also the end goals of such activities. The latest example of awarding of prestigious Nobel prize for economics to Prof. Amartya Sen for projecting a people vision of economics, which may be called as ‘peoples economics'.

GLOBALISATION

Globalisation is an essential element of economic, political, and social development throughout the world. The World Trade Organisation was established at the beginning of 1995 with the mandate to carry forward the work of the General Agreement on Tariffs and Trade, which had negotiated free trade among its members during series of negotiating rounds beginning in the 1950s.

The advent of WTO and GATT enabled the countries in the north and the south, the rich and the poor, equal access to the world market. With the Liberalisation of state policies, dismantling of command and control economies, we are witnessing globalisation of economies. We in India who lived in the state of controlled regime are now struggling to realign ourselves to the liberalized market economy. The underlying forces contributing to globalisation are continuing to advance, and this suggests globalisation will persist and accelerate. The major component of ongoing globalisation is the ability and freedom to connect to almost any one, any time, and any where. Globalisation process is increasing worldwide interconnections in virtually every sphere of activity.
The main characteristics of globalisation are increasing worldwide interconnections, rapid discontinuous change, an increased number and diversities of participants in business and other activities and growing complexity. Globalisation is about sourcing capital form where it is cheapest, producing where it is most cost effective and selling where it is the most profitable, all without constrained by national boundaries.

Domestic liberalisation has, similarly, enabled local companies to expand and globalise. Privatisation of state-owned enterprises puts huge assets in the hands of the new private management. Indian firms are compelled to think globally, something which is difficult for the Indian organisations which were accustomed to operate in vast sheltered markets with minimal or no competition.

Developing nations have resorted to privatisation as a method to reduce their burden of public debt. Since 1990's the focus is centered at the issue of privatisation on the agenda of economic reforms in several developing countries including India. The IMF and World Bank initiated the privatisation movement under structural adjustment programmes in the developing countries. Privatisation agenda is now viewed as an important industrial and fiscal policy issue in many countries. There are three major approaches towards privatisation found in practice.

1. The 'Big Bang' approach (as in he Latin American and Caribbean countries).
2. The ‘marketisation’ political approach (as in the East European countries).

3. The Go slow and Institutional approach (as in the case of Asian countries).\(^\text{10}\)

Governments worldwide have disinvested full or partial ownership in productive factors once owned and controlled. But privatisation occurs for many reasons. For example, capital-intensive businesses such as airlines, roadways and telecommunications often have high costs that governments cannot bear. Since governments want those businesses to grow, they sell them, hoping that private capital will help them to grow. Government also privatizes activities they previously managed alone such as garbage removal services or even education. Privatisation also occurs in advanced economies. Among industries privatized in Europe are airlines, telecommunications, energy, steel, education and even prisons. For example, Britain divested itself of British Airways, and Germany sold off Deutsche Telecom among others.

As the world was turning borderless, the Indian economy could not insulate itself from the happenings in the rest of the globe. In fact, the correct approach is to accept the inevitable and try to reap the benefits of globalisation.\(^\text{11}\) Tremendous growth of information technology has changed the complexion of products throughout the world. Globalisation, complexity, number and frequency of choices seems to grow beyond the ability to know and decide.\(^\text{12}\) More Globalisation means more competition and more competition means more pressure to be “world class”- to lower costs, to make
employees more productive and to do things better and less expensively, increasing the intensity of competition.\textsuperscript{13} Liberalisation of economy and its movement towards globalisation has brought in new challenges for Indian business strategies, technology, quality concerns, cost effectiveness, management systems and so on. All these, in turn, have brought new challenges for the human resource function.\textsuperscript{14} To meet the contemporary challenges of global environment, there has been an increasing emphasis on the overall human resource management in the organisations of all sectors that got more impetus with rapid technological advancements. Gearing up to the emerging opportunities and staying in competitive environment requires greater responsibility and innovative approaches\textsuperscript{15} in human resource management.

**STATEMENT OF THE PROBLEM IN GENERAL**

The Human Resources Management aims at developing variety of competencies of employees and developing a work culture in the organisation to utilize these competencies and contribute to the organisational growth. The shift from the scientific and technological revolution is making Human Resources, the key ingredient to the nations well-being and growth. Since telecommunication plays vital role in the modern, social, economic and cultural development of the country, the service oriented industry like Bharat Sanchar Nigam Limited (BSNL), the quality, quantity and utilisation of Human Resources become all the more important.
STATEMENT OF THE PROBLEM IN PARTICULAR

From earlier days, the telecommunication sector has been attracting the best talent in the country for various reasons. The recruitment policy, selection purely on the basis of marks obtained in the Board or University or Competitive examinations, moderate pay scales and other facilities provided under Central Government rules, promotional opportunities to higher grades through training, social security like retirement pension benefits are some of the reasons. With the recent enormous growth of communication consciousness in the country, the organisations has begun to realize the importance of Human Resources in telecommunication sector and maintaining adequate standards in this regard. Human Resources is most vital in the organisation, because all other resources can be then utilised by motivated Human Resources only.

Efficiency and effectiveness of the telecommunication sector largely depend on the technical proficiency and competence of its Human Resources. Well-motivated employees with good academic record and professional qualifications, innovation capability and managerial ability are the contributing factors for the success and achievements of telecommunication sector. Due to New Telecom Policy and economic Liberalisation, Privatisation and Globalisation, private operators have entered into the Telecom sector and started their operations. The new economic policy adopted by the Government of India aims at improving the country’s competitiveness in the global market and rapid growth of exports.¹⁶
Hence the Government enterprise of Bharat Sanchar Nigam Limited (BSNL) should adapt itself to the new challenges thrust on it. Bharat Sanchar Nigam Limited (BSNL) is under compulsion to redefine its training and development strategies to face the future challenges in the competitive environment. Perceptible changes have already come, with organisations world over, realizing the need for training and re-training people. Modern managers have many responsibilities, but their key challenge still goes right to the core of the role improving the performance of the people.

Hence a modest effort has been taken to study the Human Resources Management in Bharat Sanchar Nigam Limited, particularly Training and Development in Bharat Sanchar Nigam Limited, with special reference to its Chennai Telegraph Traffic Division. To make the study more scientific the study is focused on the executives working in the above Chennai Division.

LIMITATIONS OF THE STUDY

This study is limited to Chennai Telegraph Traffic Division of Bharat Sanchar Nigam Limited since the organisation is a large one and spread over throughout the nation and forecasting the difficulty in data collection.

Since the number of employees working in Chennai Telegraph Traffic Division is more than 1200 and it is a scientific and technological industry a micro study is conducted on the Executives who perform the technical and administrative functions of the organisation.
The study is limited to the training programmes conducted in the organisation for the period from 1\textsuperscript{st} October 2000 to 31\textsuperscript{st} March 2005, since the organisation was converted into a public sector enterprise with effect from 31\textsuperscript{st} October 2000.

**REVIEW OF LITERATURE**

Human Resources Management in the Telecommunication sector is viewed in the other way, then just training for manpower planning. In the recent past, many researches have been conducted on Human Resources Management. On review of the available literature pertaining to Human Resources Management, it is observed that no attempt has been made in Telecommunication sector. The present thesis attempts to fill up this gap and also to identify innovative strategies for training and development. The researcher has reviewed number of books, journals, magazines and web sites. Some of them are:

**James A.F Stoner, Edward R Freeman and Daniel R Gilbert Jr** in their book "Management"\textsuperscript{19} lists the seven basic activities of Human Resources Management as follows:

- HR Planning
- Recruitment and selection
- Socialisation (Orientation)
- Training and Development
- Performance appraisal
- Promotion and Transfers
- Demotions and separations
Garry Dessler in his book "Human Resource Management"\textsuperscript{20} says that globalised production and sales mean more competition, and more competition means more pressure to improve to lower costs to make work more productive, and to do things better and less expensively.

Alan Price in his book "Principles of Human Resource Management"\textsuperscript{21} points out that realisation of human capital is a key to country's economic success and it has lead to action by succession of government to increase the quality and quantity of training activities in UK

Robert L. Mathis and John H Jackson in their book "Human Resource Management"\textsuperscript{22} stresses the strategic roles of Human Resource Management and how HR Professionals and the activities they direct, contribute to the strategic business success of organisations.

P.B. Beaumont in his book "Human Resource Management" opines that the increasingly competitive and integrated characteristics of the product market environment is one of the reasons which influenced the development of human resource management.\textsuperscript{23}

Betty Jane Punnet in the book "International Perspectives and Organisational Behavior and Human Resource Management" States that at the beginning of the 21\textsuperscript{st} century regional and global organisations such as the European Parliament, the World Trade Organisation and the United Nations are playing increasingly important role in determining what national governments can and cannot do in terms of trade and investment.\textsuperscript{24}
Srinivas R.Kandula, in his book "Human Resource Management in Practice"\textsuperscript{25} Human Resource Management policies and practices must have a goal to achieve commitment of employee. Competence development coherence among employees and embrace cost effective methods.

V.K.Sharma, in his book "Human Resource Management : Evolution and the Challenges Ahead"\textsuperscript{26} says that the focus for trainee should be on helping people to develop in needed knowledge, skills and attitudes.

C.N.Sontakki, in his book "Principles of Management"\textsuperscript{27} emphasises, management in no longer considered as passive or a mere adjustment of resource. It is expected to bring the desired results.

P.Subba Rao, in his book "Human Resource Management"\textsuperscript{28} opines that human resource management means employing people, developing their resource, utilising, maintaining and compensating their services in tune with the job and organisational requirements with a view to contribute to the goals of the organisations, individual and society.

E.A.Ramasamy in his book "Managing Human Resources"\textsuperscript{29} says that the task of human resource management is to enable the firm to conquer the market. He adds that capital has become so mobile that it can go virtually any where. All it takes to shift capital from one place to other is a few taps on a computer key board. There are no national frontiers or ideological barriers holding its back. The world is the market place and the fittest survive.
N.Ramasamy, in his book "The management of human resource"\textsuperscript{30} emphasises scientific management of work as the key to productivity.

Dr.V.Balu, in his book "Human Resource Development"\textsuperscript{31} says that today the organisations have become large and complex coupled with the progressive industrialisation and advent of new technologies. He opines that the technological innovations are likely to exert wider impacts upon management of human resource.

Geoffrey Moss in his book "Inspire Action-The Trainees Resource Book"\textsuperscript{32} emphasises that the aim of the training should be to improve action rather than fill the trainee with some knowledge and says that the achievers, are those who inspire people and get things done.

Irwin L. Goldstain and J.Kevin Ford in their book "Training in organisation"\textsuperscript{33} states that competition is very intense and companies operate in a highly technical and global environment. The training systems need to be more carefully designed and more carefully evaluated to ensure that they are meeting the expectations of both the organisations and the individual.

Dr. L.M. Prasad in his book “Human Resources Management”\textsuperscript{34} outlines the contemporary concepts and practices in Human Resources Management incorporating the latest developments in the field. Many examples have been presented to show how Human Resources Management practices adopted by leading Indian companies.
A. Gnanasekar conducted a study on "Human Resources Development practices in Port Trust"\textsuperscript{35} in 2000 for the award of the Ph.D. degree. Among other things, he found that the employees have accepted the concept of Human Resources Development in the Chennai Port Trust. A systematic Human Resources Planning is followed in the Chennai Port Trust.

B. Charumathi, in her Ph.D. thesis, conducted a comparative study on "Human Resources Development" in selected public sector and private sector Banks in Tamil Nadu\textsuperscript{36} in 1994. She has analyzed Indian Bank and Indian Overseas Bank in the public sector and Lakshmi Vilas Bank and Karur Vyshya Bank in the private sector. She found that the Human Resources Development tasks relating to supporting of Unions and Associations are adequately performed in both the group of Banks.

R. Elangovan in his Ph.D. thesis conducted a study on "Human Resources Development" practices in major paper industries in Tamil Nadu\textsuperscript{37} with special reference to Employees perception in Human Resources Development systems in Tamil Nadu News Print and Papers Limited and Seshesayee Paper and Board Limited in 2001. He found that the efficiency of the employees improved by acquiring adequate knowledge and skills through different types of training inside the company TNPL and in other places giving specialised training.

Bhagyalakshmi Sankar in her Ph.D. thesis conducted a study on "Human Resources Management in Apollo Hospital Administration"\textsuperscript{38} found that since the people working in Apollo Hospital are dealing with human
lives and knowing the magnitude of the task, the Apollo Hospital Administration bestows extreme care on the selection of its employees on merit and the training given to them.

K. Usha, in her Ph.D. thesis conducted a study on "Human Resources Management—Management decision making" with special reference to Ashok Leyland Limited in 2004. She concluded that the success for good decision in Ashok Leyland Limited is purely based on the good work climate and timely decisions and that too based on team basis for major decisions.

N. Sankaralingam in his Ph.D. thesis conducted a study on "Management and Reform process in Tamil Nadu Electricity Board" has given the following findings: In this ever-changing environment, employees are to be imparted the new skills in their respective job work. Employees should come forward willingly to undergo the scheduled training and development programmes.

Rolf P. Lynton and Udai Pareek in their book "Training for Organisational-Transformation-Part-2" explains about the expanding roles of Trainers-Consultant-Organisation and emphasizing changes in training practice, approaches and strategies of training, training methods, designing training programmes and infrastructure required for training.

Rolf P. Lynton and Udai Pareek in their book Training and Development presents the following important aspects of training in detail:
Aims, contexts, choices and dynamics of Training

Training process in Action

Training and Training system Development

The book emphasises the dynamics of developing the training.

Y.P. Singh, in his book, "Effective Manpower Management", 43 emphasises the analysis of training. He says the effectiveness of a training system is not measured by the number of programmes it produces or by the quality of the handbooks and training aids, but by the contribution of those trained to the organisation goals.

OBJECTIVES OF THE STUDY

The main objective of the present study is to identify whether the objectives of New Telecom Policy namely, The National Telecom Policy 1999 is achieved with reference to Human Resource Development and Training for all fields related to telecommunications, after conversion of erstwhile Department of Telecommunications into Bharat Sanchar Nigam Limited. Some of the other objectives of the study are as follows:

To study the strategic role of Human Resources Management on Training and development functions in BSNL.

To elucidate the uniqueness and characteristics of Training and Development for an effective Human Resource Management in BSNL.

To find out how far the training programmes enhances the growth of the organisation in BSNL.
To enlighten the concept of In-service Training in BSNL to face the challenges in the competitive environment.

**HYPOTHESES**

Training and Development functions of Bharat Sanchar Nigam Limited plays vital role in success of the organisation to cope up with modernization of Telecommunication technology in the recent years.

Training and Development functions of the organisation are more effective and successful when the training infrastructure is self-content within the organisation.

Modern techniques evolved in the training methods are effective in achieving the objectives of the training.

**METHODOLOGY**

The methodology adopted for the present study is descriptive and Analytical. A comprehensive approach was used for this study by conducting a ‘pilot survey’. General opinion and specific suggestions regarding the training system of BSNL were collected from the executives (trainees) through structured questionnaire and personal interviews. The questionnaire covers the basis for success and growth of the organisation to cope up with modernisation of telecommunication technology, training and development functions of the organisation, infrastructure of the training centres, modern techniques evolved in the training centres in achieving the objectives of the training programmes and so on.
TECHNIQUES OF DATA COLLECTION

The source material collected for bringing out this thesis is both primary and secondary data. The primary data collected include the permissible and accessible records of Chennai Telegraph Traffic Division of Bharat Sanchar Nigam Limited, the Annual Reports, House Journals and Websites of BSNL.

The secondary sources of data are published books, Research Reports, Websites, News Paper, Journals and Magazines on Human Resource Management and Training and Development. Questionnaire and interview techniques were adopted to collect the data from the executives of Chennai Telegraph Traffic Division of BSNL.

The Researcher has also had oral and casual discussions with some of the executives, employees and leaders of Associations of BSNL.

CHAPTERISATION

The thesis consists of seven chapters including introduction and conclusion and suggestions. Chapters two and three are based on the secondary data collected. Chapters four and five are based on primary data collected from the organisation of the study. Chapter six analyses the primary data collected through structured questionnaire. Seventh the final chapter of the thesis concludes the thesis and suggests innovative method for effective Human Resources Management through training and development.

The summary of the seven chapters is as follows. First Chapter is the introduction. This chapter explains the statement of the problem of the research
study. In the same chapter the objectives with which the research study is conducted its limitations and its hypotheses are given, methodology adopted and review of the literature are also included in this chapter.

The second chapter deals with the concept, meaning and scope of Human Resources Management. It examines the concept with various definitions. This chapter also presents the purpose and utility of Human Resources.

The third chapter is theoretical framework of the study. This chapter elaborates the basic concepts, role and importance of Training and Development in an organisation. Necessity of Training and Development and different modes and strategies of training are discussed.

The fourth chapter details a complete profile of BSNL. The new Telecom policy, emergence of BSNL and factors lead to the conversion of BSNL from central government owned Department of Telecommunication, organisation Structure and growth of BSNL, are discussed.

The fifth chapter deals with Training and Development in BSNL. The training centers which impart training for employees of BSNL are listed with details of training programmes conducted in the training centers located in important cities and towns throughout the country, is discussed.

The sixth chapter presents the data collected and analyses it along with the responses received from the executives of Chennai Telegraph Traffic Division of BSNL, through structured questionnaire, personal interview, and
discussions and from personal observation. The effectiveness of the present training and development of the organisation is discussed.

The seventh chapter presents the summing up of the inferences and findings of the research study. This chapter compiles the arguments built up and suggests innovative techniques for effective training and development of Human Resources of the organisation.

SUMMARY

Twenty first century is characterised by the new age of ever expanding Information and Communication Technology leading to widespread revolution in all spheres of life. With the interest of lending support to the argument that technology is driving the organisation in the changed circumstances, importance of human element could not be ignored. The ultimate credit for corporate success cannot be ascribed to any single element. Though the contribution made by technology and its driving force, i.e., human resources, cannot be described in the relative terms. Each has its own value and utility.

Efficiency and effectiveness of the telecommunication sector largely depend on the technical proficiency and competence of its Human Resources. The Government enterprise, Bharat Sanchar Nigam Limited should adapt itself to the new challenges thrust on it. There is an urgent necessity to develop human resources in all the fields of activity. BSNL is under compulsion to redefine its training and development strategies to face the future challenges in the competitive environment.
END NOTES


20. Garry Dessler, opcit, p.3.


