CHAPTER 4

OD Interventions in RSP
(Based on Secondary Data)
**Background of Intervention:**

In order to overcome technological obsolescence and to continue to remain competitive in the market place, even internationally, RSP went in for modernization in the year 1988.

Phase-I of the modernization, which emphasized on improving quality of raw materials consisted of a new Oxygen Plant, upgradation schemes for Blast Furnaces, Dolomite Brick Plant, Cast House SGP at BF-4, Raw Material Handling System, Coal Handling Plant (in Coke Ovens) and Power Distribution System, was completed in the year 1994.

Phase-II of the modernization consisted of a new Sinter Plant, Basic Oxygen Furnace and Slab Casting Shop in Steel Melting Shop-II, modification of Plate Mill and Hot Strip Mill and installation of Slab Casting Shop in SMS-I. Excluding Hot Strip Mill, which was completed in 1999, all other areas were completed in 1997.

In 1995, RSP had to capitalize the equipments installed in the first phase of the modernization. Capitalization of equipments and facilities belonging to the second phase were done in 1998, and was completed by 1999.

The total expenditure incurred in the modernization of RSP was approximately Rs. 4200 crores. This was met through commercial borrowings; most of it coming from the open market carrying prevailing market rate of interest and the loan therefore carried a huge burden of interest appearing in the accounts from the year 1995-96. The burden of depreciation was also there. The interest plus depreciation accruing on account of borrowings for modernization expenditure which was Rs.295 crores in the year 1995-96 stood at Rs.669 crores in the year 2001-02. With the staggering level of interest plus Depreciation, the Net Loss suffered by the steel plant followed a predictable course.
RSP was thus not even able to make Profit Before Depreciation Interest and Taxes (PBDIT) during the years 1999-00 and 2001-02. The PBDIT during 2000-01 was possible due to Divestment of RSP’s Captive Power Plant-II through a joint venture with NTPC (as a part of the Restructuring package of SAIL), yielding significant capital gain and Improvements taken place in the plant operations.
The major problem at RSP was low capacity utilization both in modernized as well as other units:

- Primary process areas like OBBP could reach only 60% of the rated capacity.
- Blast Furnaces struggled at less than 70% of the rated capacity.
- Crude Steel production was barely 65%, of the rated capacity.
- HR Coil production aided by inter-plant support could manage only about 75% of the rated capacity.
- Total Saleable Steel could reach only about 77% of the rated capacity.

The problem was compounded with the poor health of equipments at the Blast Furnace as well as other units in the primary and finishing zones. The occurrences of surprise in the form of Fires, Breakdowns and Maloperations kept throwing the plant operations out of gear. This led to increase the cost of production at RSP, significantly combined with the high burden of interest and depreciation .RSP thus began to make losses continuously from the financial year 1995-96 itself.

By the beginning of the fiscal 2001-02 severe stagnation in the demand for steel had crept in at the global level. Over the years, consumption of steel in India hadn't increased although fresh capacity continued to be added in the public and private sector in the flat products segment based on the prediction of steel and economic analysts. This led to over capacity of 25%, which led to fierce competition between producers of steel. The situation got aggravated further due to ‘dumping’ by CIS countries. This led to steep decline in steel prices and resultant drop in net sales realization from flat products to the tune of nearly 25% or even more in certain cases.

The situation during the financial year 2001-02 added up to low overall capacity utilization, very high cost of production and recurring losses. Additional agonies included the staggering Interest and Depreciation Burden of about Rs.669 crores against a modest turnover of hardly Rs.2310 crores. The plant was also accumulating unsold finished products consisting of nearly one and
half months production because of running finishing lines in anticipation of
orders that didn’t materialize. At the same time, the steel plant had to pay out a
substantial sum of money for the wage and salary revision, which had been due
since 1997, and also payments under the voluntary retirement scheme.
Equipment health continued to be poor in the blast furnaces as well as other
units in the primary and finishing units. The cost of vital inputs went up.

The adverse physical, market and financial conditions produced a
predictable influence on the psyche of human resources. Militant Unionism was
rampant in the plant leading to wildcat work stoppages hindering the production
process regularly. There was a palpable fear among employees at all levels,
reflected in the inhibition to take any initiative to bring about change in their
areas. Employees suffered from low-morale and there was a universal lack of
conviction or any hope for the future of RSP. What was more seriously obvious
was the absence of leadership throughout the organization. The very survival of
RSP was at a stake and no one was in a position to do anything.

The Turnaround Strategy:
Towards the end of May 2001, when RSP appeared to be on the brink, a
change took place in the leadership with the arrival of a new Chief Executive.
He inherited the plant’s accumulated performance, or rather, the lack of it,
during the preceding 5 to 6 years and was in an unenviable position with his
back to the wall. He began in a unique way with some unprecedented steps. He
took up the challenge of pioneering a change intervention to revive and
transform RSP from a loss making to a ‘Profitable, Harmonious and Vibrant
Organization’ and formulated a three-year transformational programme
envisaging a series of interventions targeted at achieving the objectives and
winning the future of RSP.

Keeping in view the importance of people- centeredness in these
initiatives, the Chief Executive declared the objective of the intervention to be
“Regenerating Strength with People”, with the conviction in mind that people
are the most powerful force in moving an organization forward, even when the
organization is highly technology centered. Priorities were set by the Chief Executive to set appropriate focus for the intervention. A simple strategy called "Profit-Related Performance" was adopted as the single most important objective of the plant. This was reinforced repeatedly so that the message could be internalized by the employees and reflected in their efforts for the overall performance of the plant. The employees had to understand one fundamental thing, that is, the most critical inputs for performance and progress had to come from internal actions by the employees themselves-mostly physical activities. It was to be emphasized to the employees that if RSP was to earn even positive gross margin to start with, then physical performance was essential. There was absolutely no substitute for performance since the "future of RSP depended upon internal physical actions".

The Chief Executive set ten priorities to guide the collective efforts for achieving the turnaround of RSP:

1) Employee motivation and employee pride.
2) Leadership practice.
3) Environment relations and organizational image.
4) Plant maintenance and equipment health.
5) Small investment scheme for maintaining current operations.
6) Sustained operation and consistent production.
7) Strengthening secondary streams of cash generation.
8) Operational and purchase cost reduction.
9) Sustaining the benefits of Operation Vijay.
10) Enhancing gross margin and net sales realization.

The Chief Executive followed this up by extensive efforts to disseminate the priorities to all concerned.

To drive the implementation process a Strategy Team (headed by the Chief Executive himself) and Crack Teams were formed to look into specific issues. The earliest preparation by the Chief Executive for the transformation of RSP finds expression in the Managing Director's novel initiative of moving out of his office to "reach out" to people by visiting employees on the shop floor, right
at their place of work. The purpose of these visits was to communicate the priorities before the organization while also understanding the needs of the employees. The employees were encouraged to speak about their contribution to the department's performance, their hopes and aspirations. In a month and half or so, the Chief Executive had travelled across the length and breadth of the steel plant interacting individually with several hundred employees—something that no Chief Executive had ever attempted. The climate of cordiality and informality could magnetize the people towards the Leader and generated a strong sense of commitment among the employees to participate in the change process.

With these initial preparations, the MD initiated a series of interactive workshops devised by him as the innovative mode of implementing change initiatives. These workshops were commitment centered exercises with the people who made production happen and who could open up before the Chief Executive with all their frankness in their eagerness to contribute in their area of work. Day by day, these workshops grew more vibrant and helped participation of each and every employee in the process of taking RSP forward. It was remarkable in Corporate History that workshops were planned to cover the entire plant numbering nearly 26000 employees. These workshops were especially HR interventions, which were as follows:

1) Workshops for Sharing Concern.
2) Internal Customer-Supplier Workshops.
3) Issue-Focused Workshops.

**Workshops for sharing Concern:**

The main aim of these workshops was to make the employees update with the financial results of the plant and sensitize them towards the implications of specific activities that caused loss of revenue/cash.

The grass root level workers whose contributions had direct impact upon the performance of the plant for revenue/cash earnings were targeted for this information sharing exercise. Each workshop covered a cross-section of about
100 key workers from a major process department or zone of departments. The participants belonged to core operation and maintenance activities of a department besides persons from allied service departments and support functions like Materials, Personnel, and Finance etc. While workers constituted 70% of the participants, others included executives involved in monitoring the jobs and allied departments. Senior executives from the concerned zones also participated in the workshops. The MD himself was present in each and every workshop to extend guidance and support.

In each workshop, a detailed presentation was made on the revenue/cash aspects relating to the plant and shop-specific parameters. The data provided, were about financial results of the plant (Gross Margin, Cash Profit and Loss etc), monetary loss involved in techno economic factors, lower Net Sales Realization for the specific products, shortfalls of performance in individual shops such as delay in production, downtime and other adverse trends in various related indices of performance. After presentation, interaction were held and participants were encouraged to come forward and suggest improvements in their areas of working, by their own actions, for arresting revenue and cash loss.

### Internal Customer-Supplier Workshops:

The major aim was to bring together inter-related departments on a single platform for better inter departmental coordination and sort out various internal customer problems.

The employees of a particular department discussed their requirements with their up-stream and lateral supplier departments and explored solutions for implementation to fulfil the department's targets and priorities. For example, a customer-supplier exchange of views was arranged between Blast Furnaces with employee groups from supplier departments like Coke Ovens, Sinter Plant, Ore Bedding and Blending Plant for emphasizing the importance of the right quality, quantity and timely supply of Coke, Sinter, and Sized Ore etc. Similar interface was organized in the finishing mills area for the Silicon Steel Mill with its supplier departments like Hot Strip Mill and Roll Shop.
This type of intervention helped in providing a common platform for inter-departmental agencies to mutually appreciate each other’s requirements and constraints. The priorities were not to be addressed not by compartmentalized groups but rather by cohesive teams sharing the vision of the total plant as a whole.

**Issue-Focused Workshops:**

The major objectives of these workshops were to enable employees to take necessary precautions for improving their operational efficiency and to strengthen their sense of ownership and accountability for performance. Maloperation, breakdowns and fires had become a major problem that hindered the continuity of operation. This made the employees agonized. To overcome these specific issue-focused interactions were initiated.

For example, the common issue of maloperation in equipment/machines was taken up and a workshop was first arranged for focusing the particular issue before a combined group of participants from different individual departments, which had sustained dislocations, both physical and psychological, due to critical incidents of maloperation. Specific case studies of maloperation were presented by affected groups themselves, and deliberations were held to analyze the underlying causes and identify preventive measures. The learning points from the critical incidents were shared for pre-empting similar dislocations in future. A series of subsequent rounds of interactions were launched at departmental venues, in which incidents of maloperation relating to the particular shops was analyzed by the concerned operating groups.

Special problem solving workshops were organized to focus on various issues that were critical to the plant’s performance. Burning issues such as inconsistency in the supply of 100% screened ore from OBBP to Blast Furnaces, reorganizing maintenance support to production units by Centralized Maintenance Departments, increasing converter lining life, or the issue of loading of HR Coils etc. were effectively addressed in these multi-disciplinary forums. Moreover, the interfacing of employees directly connected to the critical
issue created a feeling of importance of different departments and their contribution to Total Performance. The synergy of collective problem solving stimulated by the interactions could be seen to give results, which hitherto could have been imagined.

**Bringing Closeness:**

These different interactive workshops ultimately had one aim. In the words of MD “The future of our steel plant lies entirely in our own hands, that is, in the hands of the nearly 24000 employees of RSP. If the steel plant does not have a future, then none of us here including our family members have any future either. We therefore, have to work together like the members of one family- the RSP family-to take the steel plant forward”.

The Chief Executive aimed at creating an ambience that would generate an urge among the employees to work together and realize the pleasure of working together. He succeeded in reducing the distance between the minds of employees, by bringing them together on a single platform with the common goal of taking RSP forward. In other words, “bringing closeness” among employees.

All the three workshops have been closed in the year 2002.

**The Turnaround Strategy (2002-03):**

**Dealing with Survival and Security for the Future:**

The first year of three-year turnaround project of the MD generated a newfound confidence among the collective in the Plant. For the first time they were able to see in themselves the ability to fight against odds and came out successfully by adopting internal actions. In all the workshops, it was clear that the employees were keen to be a part of the total process. They yearned to know where the organization is heading and how they could be an integral part of the total effort. Each one wanted to contribute meaningfully and each one wanted to be a part of the Plant’s accomplishment.

In the words of MD “if we want RSP to move forward, we all have to work a lot harder than what we have been doing. It may be difficult and inconvenient
and difficult for many of us- I cannot do anything about that. But the one thing I can assure you at the end of the effort is a sense of accomplishment which will be something you can all be proud of.

Performance during financial year 2001-02 motivated RSP to take up the challenge to sustain the momentum and target still higher levels of production. The following strategies were adopted:

1) Maximization of the volume of production.
2) Minimization of cost.
3) Minimization of waste.
4) Retention of market share of products through improved quality.
5) Production only against firm orders.

The steel plant thus targeted 1.8 MT of Hot Metal, 1.67 MT of Continuous Cast Slabs, 1.44 MT of HR Coil and 1.671 MT of Saleable Steel indicating ambitious growth rates of 22.7%, 26.4%, 26.4% and 22.1% respectively which reflected the mood of the collective.

The Mass Contact Exercise:

With the beginning of the financial year, 2002-2003, MD began a unique and unprecedented programme, which was called the Mass Contact Exercise. The aim was to synergize people towards taking upon stretched goals through a collective resolve. A series of Mass Contact Exercises were initiated commencing on 19th April 2002 with the periodicity of two workshops a week and subsequently once a week on a fixed day (now on every Wednesday from 11am to 1 pm). A few of these exercises were held even during the night shift between 11pm and 1 am, which was a visible demonstration of the seriousness of purpose and the urgency of achievement. The purpose of those massive interaction was to facilitate a convergence of around 400 to 500 employees in each workshop at the Gopabandhu Auditorium of HRD Center and generating discussions aimed at eliciting the individual commitments for ensuring the "survival and future of RSP". A unique feature of Mass Contact Exercise was the reaffirmation of collective commitment through a formal pledge, which was adopted on the suggestion of the employees themselves. This pledge was, "we
the employees of RSP commit ourselves to work together like the members of a family for the survival and future of our Plant, and for its growth and prosperity”.

The sessions were steered by MD along with Executive Director(Works). Each session began with MD’s opening remarks highlighting the issues and priorities critical to the survival and future of the plant. He identified some of the main obstacles to RSP’s progress like the high interest and depreciation burden arising out of modernization, which was getting compounded because of failure to achieve capacity utilization in modernization units and other units as well, poor performance in the techno-economic parameters influencing financial performance, low quality maintenance of equipment leading to frequent breakdowns and thus low production, maloperations, equipment failures, accidents and fires etc. MD emphasized that these factors were responsible for the failure of RSP and should be taken away to take RSP forward. For this to happen, it was essential that each employee should work together as the members of one family and help each other. Each department has to work towards removing its problems one by one. MD pointed out about the departments that had started doing well because they sat together and found out solutions to their problems. One of the simplest but most powerful messages of MD to each participant was “Remember, our future and the future of our family members depends fully on the future of RSP. If RSP does not have a future, then none of us sitting here nor our family members have any future either”.

The employees were thereafter briefed through two presentations. The first presentation dwelt on the performance during the previous fiscal and the strategies adopted for achieving the growth plan for 2003-04 and the shift-wise targets for the current month for different departments. The second presentation focused on the techno-economic factors and financial impact of actions such as shift change delays, losses per hour of production disruption for whatever reason, losses due to accidents and maloperations etc. Following the presentations, an interaction session was initiated by ED (Works) emphasizing the attention that was required to be given by the employees in the priority
areas. At the end of each session, the employees reinforced their commitment by taking a pledge that they would work together like the members of a family for growth of RSP and would not do anything that hurt the plant.

One of the motivating factors in Mass Contact Exercise was the leadership provided by MD in each of these sessions, by being present all through, setting the tone in the beginning, emphasizing the priorities, listening intently during the interaction, guiding and consolidating the commitments arising from employees in the direction needed for achieving profitability. It was thus possible to bring about a climate of trust and togetherness, which is essential for energizing an organization. Employees stood up to reinforce their identification with the plant. Most of the employees committed to go back and never did anything that would hurt the plant. One of the employees gave the statement like "I am and will always remain indebted to RSP for my livelihood, for providing me bread and butter and for helping me raise my children". In the words of another employee "every hour, every minute and every second I shall try my best to do something good for the plant". Many employees spoke similarly indicating their love for RSP. They took a vow to give their best performance by doing the needful. Grievances turned into suggestions, blaming turned into introspection and there was an eagerness among employees to do those things that would show them in better light in the performance charts being highlighted in the presentations. Every employee could become aware of the challenges before RSP and the significant of his or her individual contribution. Suggestions of employees for improvements were taken up for implementation by a system of follow up. In many cases the employees were called and spoken to for encouragement in what they were doing to bring in improvements.

During April 2002 to March 2003, 57 sessions were held, where more than 23000 employees participated to reaffirm their commitment to the Survival and Future of RSP. The result was the formulation of the Mission Statement of the steel plant, which says: "the future of our steel plant lies in our own hands. It is our individual and collective responsibility to rebuild our Plant into a profitable,
harmonious and vibrant organization. We will do what things are necessary which are good for our Plant. We shall never do anything that hurts our Plant". By December 2003 MD has interacted with nearly 34,000 participants in 95 Mass Communication Exercises.

Workshops for Improving Departmental Performance:

Considering the ambitious growth rate envisaged in the performance plans, it was important that every department worked at its peak. Keeping this in mind, MD initiated another intervention for gearing up the performance of individual departments in order to achieve RSP's growth plan for 2002-03. For each of the key departments, a series of workshops were held at weekly intervals. Now it is being conducted once in a year.

The participants consisted of 70 non-executives and 30 executives. While the non-executives came from all the sections of the department, executives belonged to the concerned department as well as allied departments. Besides this, Heads of Departments and representatives of support service departments also participated.

In each workshop, MD himself set the tone at the start. The objective of these workshops was to understand the targets, i.e. the level of operations required to achieve the targets. The main task was to identify the critical factors. Presentations were made before the participants explaining the departmental targets covering the short term and long term strategies and future plans. The unique thing was that in most departments, the presentation was worked out jointly by the managers and workers, and in several cases the workers themselves came forward to present the action plans. The progress of actions was reviewed in the workshops arranged during succeeding weeks and this interactive process was continued up to the stage of achieving the desired level of performance. The key departments for which these workshops were held were Coke Ovens, Blast Furnaces, Steel Melting Shop-II, Cold Rolling Mills, Silicon Steel Mill, Captive Power Plant and Refractories. So far, more than 8633 employees have been participated in 156 Performance Improvement Workshops.
Apart from the above, MD took a special intervention for Ore Bedding and Blending Plant and Traffic and Raw Materials department to highlight the importance of team work, and introduction of productive practices, as these two departments are very vital for RSP’s growth plan. The initial workshops were steered by MD himself. Subsequently weekly workshops were held at the level of Heads of Department where all employees were covered.

Other Interventions:

There are certain sections of employees having different identity at a point of time. These are the new Management Trainees, newly Promoted Functional Executives, Front Line Executives etc. MD held separate interactions with each of these categories as well. While spelling out the priorities of the organization, MD carefully explained the kind of special role these people could play to achieve RSP’s plans during the year and the specific expectations from them.

While the young management trainees had a first hand opportunity to meet the leader to understand the real challenges before the organization, the front line executives were very much impressed with how they could utilize their experiences to act as catalysts in the process of transformation.

The Turnaround Strategy (2003-04):
Graduating to a Path of Profitability and Prosperity:

The year 2003-04, the third year of effort by MD, was a crucial one. The high growth rates achieved during the earlier years had to be sustained. After having achieved PBDIT for the year 2002-03 and earning Cash Profit during the last quarter of that fiscal, it was very much necessary to sustain the present production levels and also to move it forward. The plant had to now enter the domain of Net Profit. The emphasis again was to sustain the increased volumes of production with a view to bring down cost of production and at the same time produce more of high value added products only against market demand.
Mass Contact Exercise:

The Mass Contact Exercise commenced on the 9th April with the commencement of the new financial year. The theme was “Profitability and Prosperity of Rourkela Steel Plant”. MD remarked that the success of RSP during the preceding months and earning Cash Profit had been possible largely due to the untiring efforts of the employees and especially because the employees had internalized one major thing. That was “If RSP did not have a future then none of the employees including their family members had any future either”.

The employees had now begun to work in the Plant like the members of a family-the RSP family, which was a good sign for the steel plant. The collective had also established that the steel plant was capable of producing at its capacity as proved in the performance of the modernized units working at more than 100% capacity utilization. He also pointed out that there was several occasions during the previous year when the Plant could have gone into the net profit mode but for work stoppage, break downs, maloperations etc. which led to lost opportunities. He described the day when there was a work stoppage, break down or accident as a Black Day. A Good Day was when the employees were able to avoid all the above incidents and produce 5000 tonnes of Hot Metal, Crude Steel, Hot Rolling, Saleable Steel and dispatch 5000 tonnes of Saleable Steel as well. MD pleaded to make each day a Good day and eliminate the Bad days completely.

It is the concept of Samskar that has been adopted by the MD revolutionized the minds of the employees in the crucial third year. Samskar, imbibed from Vedic philosophy was a process of Reforms. It said, 'We have to create and sustain a peaceful work environment where every employee can contribute to the plant in assigned area of work with full freedom and dignity and without fear. This became the guiding principle for the RSP collective. It also revealed a deep commitment of MD to creating an ambience in the works area that would give employees the things they value most as human beings.
Each mass contact exercise continued to be steered by MD himself where he spelt out the priorities before the organization and the important issues that was pulling back the steel plant in its endeavor to become a profitable plant. The first and foremost priority was safety. In MD's words "we must value human life- our own and that of others who works with us. Accidents cause maximum loss to the individual employees, their family members and the plant also suffers. Our profitability and prosperity would mean nothing if an employee lost his life in the process. We must, therefore, be alert and pay maximum attention to safety. We simply cannot afford to run a process if there is a safety risk to our colleagues". To make RSP a safe place, it was essential that all employees paid attention to house keeping because the two went hand in hand. For obtaining high levels of operations the equipments had to continue to operate day in and day out. He emphasized the need for a higher level of maintenance. In his words, "we have to respect the equipment health and make every effort to see that equipment health is maintained at the highest standard. For that we have to depend upon preventive maintenance. In other words, we have to show our commitment by preventing breakdown than by developing expertise in attending to break downs. Only then can we sustain the high levels of operations which can lead us to our ultimate goal of profitability". MD also emphasized the importance of cost of production as making the crucial difference in profitability.

MD's opening remarks were followed by two presentations. The first one focused on the achievements of the previous year. Then the performance against targets for the current year was discussed describing details of the factors that came in the way of achieving them highlighting every incident and event. Comparisons with the performance of sister plants was also made to generate benchmarks to be reached by RSP. The second presentation revealed the losses arising out of the actions and activities of the collective and the monetary loss caused to the steel plant due to shift-change delay, keeping equipments idle for an hour, due to adverse techno-economic factors. This presentation also showed the direct relationship between the plant's performance and the earning potential of employees thereby enabling the
employees to understand the established truth that the employees prosper when the plant performs.

MD introduced an ad-hoc motivation scheme called *100% Plus* where the employees of a department achieving 100% capacity could earn Rs.100 each and for each additional 2% an additional Rs.50 for each employee.

The atmosphere in the Mass Contact Exercise was changing from eagerness to excitement. Employees came forward to express their achievements and commitment to achieve more. There were occasions when employees did not speak because of their feeling of a sense of failure for not having achieved targets. It is the concept of SAMSKAR that was adopted by MD revolutionaryized the minds of the employees, in the crucial third year. SAMSKAR imbibed from the Vedic Philosophy was a process of reforms. It said "we have to create and sustain a peaceful work environment where every employee can contribute to the plant in assigned area of work with full freedom and dignity and without fear". This became the guiding principle for the RSP collectively. It became internalized and many employees openly declared their sense of pride to belong to a work culture where the dignity of the human being stood high. Besides suggesting ways and means to achieve the goal of profitability and prosperity, employees called upon the MD to introduce steps that would ensure their dignity at work and an atmosphere that could help them to carry on with the job of interrupted production without threat from any source. They also pointed out that certain facilities like proper public convenience buildings and canteens could help employees save time. These suggestions were taken up by MD.

**Leadership Practice:**

As a new HR initiative to address the requirement of RSP, for visible demonstration of leadership at different levels, MD designed and introduced on April 10, 2003 a special programme on "Leadership practice". It was one of ten priorities identified by MD in 2001 as an area of concern because there had been total absence of leadership throughout the plant. The steel plant was
recovering from a brink of disaster through a movement involving employees. Due to this it was essential that a system be put in place to keep the direction of change in line with the long term objective of building and sustaining a Profitable, Harmonious and Vibrant RSP. The one certain method of doing this was to establish Leadership at every level in the organization. In order to channelize the latent potential of the employees and convert their capabilities into more focused performance, it was necessary that the employees were provided with empowerment and enabled to practice leadership at all levels. By way of inculcating this approach as a way of work life at RSP, MD conceived SAMSAR and articulated it as the most suited formula of work ethos for RSP.

The programme was originally addressed to the shift-in-charges, since leadership among the Front-Line Executives had direct impact upon the employees. Subsequently it was extended to the Senior and Middle Level Executives. Realizing the importance of the programme non-executives shift-in charges were added as participants in these sessions conducted from September 2003.

Each session consisted of three hours duration with the MD himself as the lead faculty for a group of 40 participants. The session was structured in three parts:

1) Inputs by MD on the concept of Leadership as required in the specific context of RSP.

2) Presentation by a team of executives on Production Plan and Production Mix for Profitability of RSP as well as five important dimensions of leadership relevant to RSP.

3) Interaction session consisting of suggestions and commitment of the participants on discharging Leadership role to meet challenges.

Explaining leadership as a contextual concept, MD called upon participants to understand that leadership at RSP has to be developed to make the steel plant a Profitable, Harmonious, and Vibrant one. Through his own concept of the Materialistic and Metaphysical Powerhouses he opened up the
possibilities to the participants to exploit their own latent strengths and abilities. Through these sessions MD has driven a process of change by identifying, supporting and nurturing everyday leaders, providing long-term strength to the organization.

Following MD's session the participant's were exposed to presentations by a team of five selected executives on the Production Plan of RSP (2003-04) and the five important dimensions of leadership. The five dimensions of leadership emphasized by MD included:

- Leaders have to create and sustain a peaceful work environment where every employee can contribute to the plant in assigned area of work, with full freedom and dignity and without fear.
- Leaders must empower the people who work with them or follow them. Empowerment is the freedom to do what one is supposed to do. Empowerment is not the freedom to choose what to do.
- Leaders must persuade people to attach the highest value to human life and therefore, safety must be the most important consideration in all spheres of activity.
- Leaders must teach and guide people to treat the equipment and machinery with utmost care and maintain them to full potential.
- Leaders must convince people to work together like a family, keeping in mind the interests and goals of the steel plant in every activity.

Enriched with the five dimensions of leadership laid before them by the presenter, the participants were facilitated to interact on the leadership practices required to be adopted by them. MD steered the interaction session and the session concluded after a free and frank exchange of suggestions/commitments by participants.

In about 15 sessions held at the HRD centre, more than 500 participants right from the non-executive shift-in-charges to the level of General Managers and Executive Directors have participated. It was closed in the year 2003.
Performance Improvement Workshops:
These were directed at improving the performance of the key operation department.

General Managers' Communication Meeting (GMCM):
Managing Director called upon the General Managers to take up another communication programme at the departments for the employees under their control. A new type of departmental interaction called General Managers' Communication Meeting (GMCM) was launched. During 2002-03, the forum was introduced first in two departments, namely Traffic and Raw Material Department and Ore Bedding and Blending Plant. Subsequently the initiative was taken by other GMs and at present this interaction is a regular weekly feature in fourteen major areas. Now it is being conducted once in every month.

GMCM is a forum for GM and Head of the Departments to interact with cross-section of employees on a weekly periodicity, invite their views/suggestions for improvement in the developmental aspects related to the department and facilitate them with necessary support for implementation of the improvement points.

These meetings are usually held consisting of a group of twenty five employees (executives and non executives) from the different sections of the department. The interaction is held at the departmental venue with facilitation by HRD Centre and Personnel Department.

During the interaction, the General Manager first briefs the group about the Department's priorities and how best the team can focus efforts on achieving these to the fullest capacity. Then a presentation is made by either an executive of the Department or by a non-executive employee to acquaint the group with the tasks before the department for achieving the growth plan of RSP, the key improvement areas in the department, the preventive maintenance needs, safety, work culture aspects and expectations from the employees to achieve the turnaround. During interaction, the employees are encouraged to exchange views and arrive at definite action plans for bringing
about improvements. The discussions are guided and facilitated by the GM/HoD.

These GMCMs have become one of the most effective forums to discuss and agree on the nature of co-operation and teamwork between sections and branches of a department in the common interest. At the end of the meeting, the employees feel more involved and charged up to improve performance. This forum laid the foundation for many innovative jobs undertaken in the department which had a tremendous impact on the overall performance of the unit. It helped in improving the reliability of equipment, simplified operational process, built up unified teams at the shift level which ultimately paved the way for record-breaking performance in production, reduction in maintenance cost etc.

By the mid of December 2003, 297 GMCMs have been held covering 6104 employees.

**Employee Driven Reforms:**

With the introduction of SAMSKAR by the Managing Director employees suddenly began to come up in a big way with suggestions, which reflected a paradigm shift. There was an urge among the employees to build on the SAMSKAR concept to transform the work ambience inside the works. It became obvious in the course of the Mass Contact Meetings that employees did not like huge amount of money being lost to the steel plant due to the various work practices occurring due to the prevailing work culture. Employees pointed out to Managing Director that the people who did not have work to do were the ones who gathered in front of gates to leave early. There were others who did not have any stake in a department and also not belonged to the department and would come and cause work stoppages. Employees went to the extent of even pointing out that the existing system of Time Offices caused a delay to workers in reaching their duty spots for which shift change delay was built into the system of working. This new found identity of the workers in the Mass Contact Exercises set everybody thinking and had a profound influence on MD who had these points examined by Task Forces consisting of some young Executives who looked into these issues in a dispassionate and unbiased manner. This led
to some of the most unprecedented reforms in the Steel Plant’s history. These are:

- Direct Reporting System.
- Gate Control.
- Gate Pass for Contract Labor and Others.
- Shift Change Delay.
- Reforms on IR Front.
- Redeployment

**Direct Reporting System:**

- The employees were usually going to a Time Office where they had to line up in a queue for collecting their tokens having a number which was the identity of the worker. It was only after collecting their token that they could report to the shift in charge for performing their duty.

- This system was done away with from 1st September 2003, and employees began to report directly to the shift in charge.

- This system of reporting directly at the workplace has empowered each shift in charge to manage his group more effectively.

- The employees feel a sense of dignity that they are identified by name and not by a number appearing on a token.

- This system has helped reduce shift change delay in many departments and helped in making more man-hours available for work.

**Gate Control:**

- Improvement has been brought about in the employees’ availability at duty spot by enforcing gate control rigorously.

- After surveying the status in different departments by study teams of young managers, recommendations were implemented to streamline the movement of large numbers of employees and contract labor through the gates at any time.
➤ Not to allow any employee to enter or leave during the duty timing, gate checking by special squads in all the shifts at all the gates everyday is being done.

➤ In the Non-Works areas the system has been introduced for 'In' and 'Out' signing of the attendance register by executives and non-executives in the presence of their Heads of Department/Section from July 1st 2003. Now this system has been extended to all the employees of the plant (except Fertilizer Plant, where employees are required to punch card), leading to uniform system of recording of attendance.

Gate Pass for Contract Labor and Others:

➤ To support SAMSKAR, it was required to streamline the gate pass system for contact labor and business related personnel.

➤ According to the new system only one agency (Contract Labour Cell) should be responsible for issue of gate pass for all types of contract labor and business related personnel.

➤ Safeguards have also been introduced to prevent persons involved in criminal cases from entering the steel plant.

Shift Change Delay:

➤ Shift Change Delay was traditionally been a malady in most departments in the past and employees had the notion that the delay was inevitable.

➤ Managing Director brought the heavy monetary losses incurred on account of shift change delays into limelight. This act of the MD motivated the employees to reduce shift change delays in many departments.

➤ The system of Direct Reporting, the supportive mechanism has been provided to reduce shift change delays.
Reforms on IR Front:

- Departmental Consultative Committee (DCC) has been introduced consisting of a broad spectrum of committed employees, cutting across union affiliations. The committees meet regularly at the level of HoD to discuss and decide upon departmental issues related to the growth and prosperity of RSP.

- A Central Consultative Committee (CCC) has been formed headed by the Head of Personnel Department. It consists of key executives from Production, Services Safety, Personnel, Medical and Town Services departments. This committee discusses with all registered trade unions functioning in RSP regarding safety, production, productivity, welfare, social and cultural activities so as to involve directly and indirectly all the employees in the turnaround process.

- One of the most important strategic regulative steps takes on IR front has been the introduction of check-off facility to major unions. This process discarded the enforcement of union affiliation on employees by any particular union. Employees are now able to exercise their freedom and decide on their affiliation.

- In order to do the day-to-day documentation of situational developments in respect of the overall human resource and human resource matters, a system of Daily Situation Reporting has been introduced by the Unit Personnel Executives in the Works departments, to report on the IR situation in particularly all locations in the plant. Now this reporting system has been introduced in the Non-Works areas as well including Medical and township. In addition to this initiative in reporting, a handbook on SoPs for effectively handling IR eventualities was brought out by the Personnel Department. Copies have widely been distributed to equip the line executives with guidelines for facing difficult IR situations independently and for uniform response to typical IR problems.

Redeployment:

- There were areas where there was not enough job and the employees felt demoralized as they not only did not have enough scope to use their
skills but also were deprived of the earnings that achievement of targets could bring for them.

- Redeployment of employees consistent with their skills and experience to enhance productive utilization of human resources is a strategic HRD intervention that has been used effectively over the past two years.

- The areas from where redeployment has taken place include CPP-II (which was divested) and other areas where operations have been scaled down like SMS-I, Fertilizer Plant and Foundries. The most gratifying aspect has been the willing acceptance of both the redeployed employees and the existing employees of the departments of their posting.

**Safety:**

- According to Managing Director, people must be attached with the highest value to human life. It has been made amply clear to all levels of management and employees that production must be stopped if it interferes with the safety of either men or equipment.

- Inspection of working condition, equipment safety and use of personal protective equipment has been intensified across the Plant and flying squads have been formed for surprise checks, which are reported and reviewed by ED (Works) on weekly basis. Wear of crash helmets has been made compulsory for two-wheeler riders for their entry and exit in the plant.

- A daily MIS report on safety has been also developed, on the basis of which corrective actions including counseling and training of employees is taken on continual basis.

- MD included a presentation module on Safety in his Leadership Practice session with shift in charges and other executives.

- It was due to the special thrust focused on the mindset-areas in HR systems and practices and the bold initiatives of Managing Director that these reforms could be accomplished.
### Table 4.2: OD Interventions in RSP

<table>
<thead>
<tr>
<th>Name of the Interventions</th>
<th>Time Period</th>
<th>Objective</th>
<th>Target Group</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workshops for Sharing Concern</td>
<td>End of May 2001-2002</td>
<td>To make the employees update with the financial results of the plant and sensitize them towards the implications of specific activities that causes loss of revenue.</td>
<td>Cross-section of grass root level of workers having direct contributions upon the plant performance. (70% non-executives and 30% executives).</td>
<td>Presentation on revenue/cash aspects relating to the plant and shop-specific parameters.</td>
</tr>
<tr>
<td>Internal Customer-Supplier Workshops</td>
<td>-do-</td>
<td>To bring together inter-related departments on a single platform for better inter-departmental coordination and sort out various internal customer problems.</td>
<td>Inter-departmental agencies.</td>
<td>Discussion by the employees of a particular department regarding their requirements with their up-stream and lateral supplier departments.</td>
</tr>
<tr>
<td>Issue-Focused Workshops</td>
<td>-do-</td>
<td>To enable employees to take necessary precautions for improving their operational efficiency and to strengthen their sense of ownership and accountability for performance.</td>
<td>Various individual departments facing problems like maloperation, breakdown, fire etc.</td>
<td>Workshop is arranged to focus a particular issue before combined group of participants from different individual departments.</td>
</tr>
<tr>
<td>Mass Contact Exercise (Focuses on development of self esteem and recognition of each individual)</td>
<td>19th April 2002-continuing</td>
<td>To synergize people towards taking upon stretched goals through a collective resolve.</td>
<td>Whole organization</td>
<td>Identification of various obstacles for RSP's progress by the MD, then briefing of employees through two presentations, and then interaction session initiated by ED(Works).</td>
</tr>
<tr>
<td>Workshops for Improving Departmental Performance</td>
<td>2002-Continuing</td>
<td>To understand the targets of each department and decide the level of operations required to achieve the</td>
<td>Individual departments. The participants consists of 70 non-executives from all sections of the department and 30</td>
<td>Presentations about the departmental targets covering short term and long term strategies and future plans.</td>
</tr>
<tr>
<td></td>
<td>2003-</td>
<td>targets.</td>
<td>executives from the concerned departments and the allied departments</td>
<td></td>
</tr>
<tr>
<td>--------------------------</td>
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<td></td>
</tr>
<tr>
<td>Mass Contact Exercise(</td>
<td>Continuing</td>
<td>To enhance profitability and prosperity of RSP</td>
<td>Identification of various obstacles for RSP's progress by the MD, then briefing of employees through two presentations, and interaction session initiated by ED(Works).</td>
<td></td>
</tr>
<tr>
<td>Focuses on development of self esteem and recognition of each individual)</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Leadership Practice (Focuses on employee empowerment)</td>
<td>2003-04</td>
<td>To demonstrate and establish leadership at different levels in the organization</td>
<td>Firstly for the shift-in-charges first line executives, subsequently for the senior and middle level executives. Also non executives shift-in-charges join from September 2003</td>
<td></td>
</tr>
<tr>
<td>General Managers' Communication Meeting(Focuses on MBO)</td>
<td>2003-Continuing</td>
<td>To interact with cross-section of employees and to invite their suggestions for improvement in the departmental aspects and facilitate them with necessary support for implementation of the improvement points.</td>
<td>GM and HoDs interact with cross-section of employees regarding departmental priorities and presentation about various aspects of the department to achieve the growth plan of RSP.</td>
<td></td>
</tr>
<tr>
<td>Employee Driven Reforms (DRS, Gate Control, GPCL, SCD, RIF, Redeployment)</td>
<td>2003-Continuing</td>
<td>To build on the SAMSKAR concept to transform the work ambience inside the works.</td>
<td>Modification of work behaviour and maintenance of workplace discipline</td>
<td></td>
</tr>
</tbody>
</table>
Results of OD Interventions:

Initial Achievements (2001-02):

Motivational Results

- Upbeat mood in the collective-eagerness to take up challenges.
- Collective performance approach-synergized working in the department along with allied departments.
- Significant improvements in systems to prevent surprises.
- Removal of barriers which hindered team working.
- Eagerness on the part of employees to speak up for the Plant and the Department where they worked.
- Employees in various departments like Coke Ovens, Blast Furnaces, OBBP and several others came forward at the shop floor to take an oath to work for the betterment of the plant by ensuring technological and personal discipline.

Performance Improvements

- RSP achieved a growth of 5%, 7.4% and 4.6% in the production of Metal, Continuous Cast Slab and Saleable Steel respectively besides 8% growth in dispatches of Saleable Steel, which was the highest among SAIL plants. An outstanding achievement was the reduction of inventory at the plant level by dispatching the accumulated stock of products to the stock yards for sale.
- All time best financial year performance was achieved in Sinter Plant-II(1.575MT), Total Sinter(2.318MT), Hot Metal(1.467MT), CCM-II(1.179MT), Total HR Coils(1.117MT), HR Coils for Sale(0.557MT) and Total Saleable Steel(1.354MT).
- The steel plant could sustain operations despite the worst monsoon in the last 50 years. By pass belt commissioned in coal handling plant of Coke Ovens to prevent disruptions during monsoon.
- Special drive for equipment health was launched. Capital Repairs were completed in time. Major repairs of two turbo-alternators in CPP-I enabled generation to increase from 15/20 mw to 45mw. Similarly critical
top repairs of BF-III in banked condition (for the first time in SAIL) and relining of two stoves in BF-IV were completed.

**Quality and Customer Satisfaction**

- HR Coils were provided with inner eye protector to prevent any damage during handling at any stage. The introduction of dedicated rakes with wagons fitted with saddles for dispatch of HR Coils was introduced for the first time in SAIL. This helped in ensuring that the HR Coils suffered no damage during transit, improving customer satisfaction tremendously.

- Packaging of Galvanized sheets further helped improving the arrival condition at destination.

- Rolling of longer slabs (8.5 meters) not only improved the slab to coil yield but also improved the slab weight for the customers, which was an important initiative for enhancing customer satisfaction.

**Consolidating Gains (2002-03):**

RSP ended the fiscal (2002-03) on a promising note registering its best-ever annual performance since inception in all aspects of its working. While production surpassed all earlier levels of performance, dispatches to the market also attained new peaks. Consequently, the steel plant's profitability shifted to the cash profit mode during the period January '03 to March'03. The steel plant was thus able to come back to this elevated level after a gap of seven years having last earned cash profit in January 1996.

Production of major items continued to grow at unprecedented rates for the second year in succession.

- Production of Hot Metal at 1.645 MT (12.2%)
- Total Continuous Cast Slabs at 1.475MT (10.6%)
- Total Hot Rolled Coils at 1.287MT (15.2%)
- Total Saleable Steel at 1.563MT (12.8%)

These things surpassed all past performance levels. It was now for the second year in succession that RSP had recorded the best growth rates for major items among all SAIL plants.
The performance of RSP was backed up by sterling performance in the production units with best-ever performance in the production units in Sinter Plant-II, Total Sinter, Blast Furnaces, CCM-I and CCM-II, Hot Strip Mill and Silicon Steel Mill. Dispatch of raw material from Ore Bedding and Blending Plant at 4.54 MT also was the highest ever. It was a matter of great significance that all modernized units operated at 100% or more capacity utilization during the second half of the fiscal (2002-03).

While increasing volumes, RSP continued to focus on value-added products keeping market demand in view for ultimately achieving profitability. The growing acceptability of RSP’s products in the market was evident from the growth in sales of its products namely Plates (20%), HR Coils (11%), CR Sheets and Coils (5%), CRNO (35%) and Tin Plates (30%). A noteworthy point was that RSP not only produced but also dispatched more than 1.5MT of saleable steel to the market.

Another important aspect of RSP’s efforts to enhance its profitability was through cost reduction efforts and improving techno-economic parameters. The steel plant was able to achieve a massive Rs.118 crore savings through various cost control projects taken up during the year. Lowest ever coke rate and lowest ever energy consumption since inception was achieved with improvement of 5.5% and 5% in the respective areas. The plant was also able to achieve process cost reduction by substantial improvement in the lining life of LD Converters in SMS-I and SMS-II.

In the first year of the turnaround effort of MD, RSP had steadily progressed to the level of earning Profit Before Depreciation Interest and Taxes (PBDIT) for the year 2002-03 while earning cash profit for the last quarter of the fiscal (Jan-Mar 2003). The steel plant was thus able to come back to this elevated level after a gap of 7 years having last earned cash profit in January 1996. The mood in the RSP collective was upbeat and based on this mood the steel plant took up further challenges for the year 2003-04.
Moving Forward (2003-04):

Rourkela Steel Plant ended the fiscal 2003-04 on a very satisfying note. The performance in major areas continued its growth momentum. RSP had once again started the year with the strategy of maximizing production volumes with emphasis on capacity utilization to bring down operating costs. At the same time, the focus was on maximizing revenue earnings by concentrating more on the production of value added items from its wide range of finished products and increase dispatches while bringing down finished steel stocks, thereby improving its profitability. That the strategy worked was obvious. The turnover during this fiscal grew by about 20%.

Production level of major items continued to grow for the third year in succession. Production of Total Sinter at 2.62MT, Hot Metal at 1.72MT, Total Continuous Cast slabs at 1.57MT and Saleable Steel at 1.57MT was clearly ahead of all earlier performance levels. Saleable Steel dispatches at 1.59MT was higher by 5% over the previous year and stock holding at the Plant dropped to below five days production. Sale of RSP’s products grew by 4% over the previous year. The most heartening achievement was that all the modernized units operated at 100% capacity utilization for months together.

RSP concentrated on increasing the production of high value products like Plate Mill Plates, Galvanized Sheets, Silicon Steel (CRNO), Tin Plates, ERW Pipes and SW Pipes. The growing acceptability of these value added products in the market is borne out by the production and dispatches of these products as compared to last year viz. Plate Mill Plates (24%), Galvanized Sheets (3.4%), Silicon Steel (10.3%), Tin Plates (4%), ERW Pipes (18.4%), and SW Pipes (92%). It is also noteworthy that RSP continued its foray into the export market and fulfilled its commitment for supply of Plates, HR Coils and Silicon Steel.

While the buoyancy in economic activities enabled RSP to reach record level turnover, production and sales, the thrust on improving operating efficiency also yielded significant results. Overall energy consumption during the financial
year dropped by 1.8% at 8.72 Gcal/TCS. Power generations in RSP's captive Power Plant at 44.15 MW has been the best in the last eighteen years. Certain jobs were taken up and completed successfully for the first time. These have resulted in improved plant operations viz., major mixed gas line repair undertaken in the Booster House of Coal Chemicals Department; use of base mix in Sinter Plant-1 and consequent improvement in sinter quality and productivity; stack lining repair of Blast Furnace-4 by lowering the burden and subsequent revival of the furnace in three days; in-house development of vessel and charging of LD converter in a record time of 22 days in Steel Melting Shop-1 and a 65% increase in LD gas recovery. While maintenance costs dropped by over 8%, the turnover for Captive Engineering Shops grew by over 19%.

The most important and satisfying achievement was that the steel plant was able to sustain the cash profit mode for the full financial year and was able to bring up operations to net profit mode during the last quarter i.e., during January–March, 2004.

RSP takes historic step forward in the field of Corporate Social Responsibility. RSP which has already embarked upon a meticulously designed programme to establish itself as a leader in the field of Corporate Social Responsibility, has taken another historic step forward that would facilitate growth and development in the peripheral villages of Rourkela. A MoU was signed by RSP with Bharatiya Agro Industries Foundation (BAIF), Pune, the pioneer and reputed organization in the field of social service. BAIF was established by Manibhai Desai a trusted disciple of Mahatama Gandhi, functions on the Gandhian Philosophy in order to generate gainful self-employment for the poor. The MoU was about to usher in a five-year project, under which a number of scheme were lunched to enhance livelihood opportunities through skill up-gradation and capacity building through training, developing youth leadership, family and community focused interventions; promotion of Agri-Horti-Forestry for improved yield, development of agro service centers, promoting entrepreneurship, self help groups and village level organizations as well as taking some other small but effective steps like
desilting of ponds, recharging of wells and tube wells, watershed development, encouraging livestock development and poultry firming etc. The programme that aimed at direct involvement of the people at the grassroots in every scheme ensured the poor people living in the periphery attaining sustainable livelihood. Dr. Sanak Mishra, Managing Director, RSP took a major part in this programme. According to him the project could bring in a great social change in the region and create a powerful impact on the economy.

Activities of OD Department:

Organization Development (OD) is a part of Personnel Department of Rourkela Steel Plant. It is the Personnel Department for executives (E0-E9). This part consists of four executives and some ministerial staffs. The structure of the department is as follows:

Figure 4.2: Organization Structure of OD Department

The various functions the department performs are as follows:

1. Promotion
   - Effecting promotions of executives as per Promotion Policy.
   - Effecting promotions from non-executive to executive cadre.

2. Transfer
   - Effecting transfer of executives.
3. **Job Rotation**
   - Effecting rotation of executives working for more than three years in sensitive areas (as per information from vigilance).

4. **Performance Analysis**

5. **Training and Development**
   - Provides the need analysis of training.
   - Assessing training requirements and nominations for foreign training.

6. **Motivation**
   - SAIL has tie up with Indian Institute of Technology, Kharagpur to provide 1 year fully sponsored programme in 'Post Graduate Diploma in Steel Technology'. Participants are engineers from Iron and Steel area. Expenditure is around Rs 2 lakhs per annum. Full salary is paid. Each year one candidate goes. It has been running in RSP since three years. After coming the executives are joined as specialists.
   - Motivation of high performing executives through conferment of the following awards:
     1) **Jawahar Awards**
        Every year 8 to 10 executives are awarded by MD, for outstanding contribution. The persons must have been completed 10 years of service. It has been continuing in RSP since 1975.
     2) **Performance Excellence Awards**
        These awards are for outstanding contributions by shift-in-charges (A, B, and C shifts). Every year 20 shift-in-charges are awarded. It has started in the year 2003.
   - Sponsoring executives for foreign training.
     SAIL has tie up with Choros (U.K) and Voest Alpine (Austria)
     1) To provide learning on equipment based modernization technique in Germany, Austria, and China.
     2) Sponsoring doctors for specialized training in reputed institutions in India and abroad.
     3) Providing incentives to executives under the incentive scheme for acquiring higher qualification.
7. Establishment Functions:
- Providing employee services to executives in time including issuance of NOCs for passport and Service Certificates.
- Providing Local Travel Expenses (LTE) orders. This is for 2 wheeler and 4 wheeler allowances. This is given for each month by the 5th of the next month.
- Providing special disability leave orders Injury on Duty (IOD) order and Injury on Work (IOW) order. This is given for each month by the 5th the next month.
- Processing separations of executives from RSP including resignations, voluntary retirement, superannuation, transfer in/out of RSP, death removals, etc. Superannuation order is issued 60 days in advance.
- Providing pay-fixation order after promotion.
- To deal with pay anomalies due to change in pay policy.
- Increments have been changed to percentage from slab system; effective from 1st April 05. Circular was issued in March 2007.

8. Executive Grievance Handling:
There is an Executive Grievance Board that handles executive grievances. There is an Executive Assistance Register (EAR) that addresses requirements of executives.

9. Executive Counseling:
Providing counseling for executives for improving performance in job. There is an Executive Counseling Register (ECR). It helps in handling stress of the employees. Things are informed to the OD department either by the HoD or by the person himself.

10. Disciplinary Activities:
OD department handles the disciplinary matters related to executives.

11. Communication:
- Coordination with various departments for improved communication amongst employees through Mass Contact Exercises and MD's Special
Communication Programmes etc. Mass contact Exercise is taught as a case study in IIM Luknow.

- Arranging meetings related to executive association.

12. **Personnel Department Audit:**
   - Interplant audit.
   - Internal quality audit by TUV
   - It is ISO9001 certified.

13. **Organization Structure:**
    
    OD department prepares organization structure for all departments for providing role clarity with clear cut job responsibility.

14. **Online Order:**
    
    All orders of OD department have been put on line from August 2006. All GMs, EDs, HoDs get the order quickly and easily.

15. **SODEXHO Mill Coupon:**
    
    Against the canteen expenses (Rs 15/- per day, and Rs 300 to Rs350 per month) the employees are given SODEXHO coupon. They go and purchase things from retail outlets.

**OD Analysis**

It is observed that there is frequent change of executives (two/three times in a year) which disturbs the OD process to bring the desired change in the organization. OD activities in many organizations are done by OD consultants. But in RSP the OD department is taking care of the OD activities. It is observed from RSP practice that from 2001 to 2007 only one executive is continuing for the last six years in OD department where as other members were rotated within a year or two. Hence firstly, it is required that the members of OD department need to be relatively permanent for a reasonable period in their positions as the interventions need time for its process and to be worked out properly. They have to diagnose the problem, chalk out the intervention, implement them and take the feedback for modification. Secondly, the members also need to be skilled enough to handle the interventions.
As far as the interventions are concerned Quality Circle, Management by Objective, to some extent some Diagnostic and Self-Renewal Exercises are done. The organization also practices Team Building Exercises and Cross-Functional Teams for performance enhancement. People appreciate and welcome change through Job Rotation practice as a motivational intervention.

It is observed from the views of the respondents of OD department that neither internal task force was developed nor external consultant was appointed for change and development. During data collection perception of the of people in role clarity, job responsibility, job role analysis were not clear. These are to be structured from organization, its policy and pattern of operation style.

**Training as an OD Intervention:**

Training as a strong instrument is practiced and training needs are identified through performance appraisal.

The Human Resource Development Centre (HRDC) of Rourkela Steel Plant, the only HRD Centre among SAIL steel plants to have been certified under ISO 9001 quality system, was set up during 1956 and was then called Technical Institute imparting technical knowledge and skill to all new entrants to the then Hindustan Steel Limited, Rourkela. Since its inception it has not only equipped the employees of RSP to discharge their responsibilities but also has extended similar assistance to the employees of other SAIL units. In line with the changing focus of the organization, the activities of the Centre also grew to encompass a wide spectrum of developmental activities and the centre was rechristened 'Training and Development Centre'. The earlier building and workshop complex was installed in 1959. In 1984, the ground floor of the present MDP wing was built and in 1993 the first floor of the MDP was built. The Refractory Shop came up in 1993. With the passage of time the scope and the activities of the institute has expanded and it was renamed as Training and Development Center in 1985 and subsequently as Human Resource Development Centre in August, 2000.
It conducts training programmes towards reinforcement of employee’s competence. Today the center has grown to a position through imparting professional training to new entrants as well as the employees of RSP to bridge the ever-increasing gap of skill, knowledge and experience. Around 55% of training pertains to technical areas, addressing the immediate requirement of the day.

**Training Strategy**

The gamut of HRD activity centers around:

1. Training of all fresh entrants:
   - standard Training Schemes exist which are followed in all the units of SAIL.

2. Training of existing employees through:
   - identifying the thrust areas of training as per organizational needs to reach corporate goals
   - pursuing each thrust area department wise and designing training programmes based on the above needs.
   - the identification of number of employees to be trained in each programme.
   - covering all employees, irrespective of level of specialization.

**Focus of HRDC**

During the recent times, HRD activities have been given special thrust and directed towards transformation and turnaround of RSP. While making efforts towards bringing about continuous improvements and fostering a culture of learning and innovation, the focus has been on linking training events and outcomes to the business needs and strategic goals of the company.

**HRD Activities**

Based on the training need received from the different departments Annual Training Plan is prepared indicating the training programmes to be conducted in each thrust area and number of employees to be trained. This is discussed and approved by the apex body before being included in the APP.
(Annual Performance Plan) of the organization. In HRD Center the training is imparted in the following broad areas:

1. **Induction Training**

   All new recruits for RSP are trained in the HRDC before posting in their departments. Specific training schemes have been prepared for each of the categories of trainees and training is imparted based on the same. For executives joining as Management Trainees and Jr. Manager (Finance), Central Induction is held at plant location or Management Training Institute, Ranchi followed by Plant Training. For non-executives category i.e. Senior Technician cum Operative Trainees, Technicians cum Operative Trainees, Semi Skilled Worker Trainees and Trade Apprentices separate training modules have been designed consisting of training in HRDC as well as on-the-job training in the department.

2. **Competence Enhancement**

   This area is divided into following broad sub areas:
   a) Technical Skill Development Training:

      It includes basic engineering skill, unit training, hi-tech training and department specific programmes, systematic maintenance management, technology awareness programmes and performance excellence workshops etc.

   b) Redeployment Training:

      Employees transferred to other departments are imparted redeployment training to familiarize them with their new departments and job assignments.

   c) Multiskill Training:

      As a consequence of cluster promotion policy, the non-executive employees are to be trained in all the jobs they have to perform in a job cluster. It includes all training conducted on material handling, basic welding and gas cutting, electro hydraulics, machine tools maintenance, basic fabrication and layouts and other programmes conducted to facilitate multiskilling.
d) Managerial Training:

Its objective is to make the managers aware of the changing business scenario and understanding individual role in achieving the organizational objectives, acquiring the managerial skills like leadership, planning, effective communication, delegation, problem solving, decision making, developing subordinates, presentation, concept of cost and quality, team building etc., and understanding individual roles and responsibilities for establishing and maintaining standards. It includes General Management Programmes like MDP, SDP, EME and Specific Managerial Skill Development Programmes like Micro-planning, Counseling, TOTO Module and Emotional Intelligence etc.

3. Specific Areas

Areas like safety and health consciousness, environment control, occupational hazards and means to combat them and stress management are addressed through programmes like Safety, Environment, Fire Control Management, Cost Control and Cost Reduction, Energy Conservation, ISO 9000, ISO 14000, Quality Control Tools and Problem Solving Workshops etc.

Foreign and External Training:

All training programmes for which employees are sponsored abroad are covered under Foreign whereas outstation programmes conducted by agencies other than SAIL and its units, for which employees are sponsored, are covered under External.

Other Areas:

Various workshops/seminars, Hindi training programmes conducted for employees of non-works departments are included here. This also includes the training activities conducted here for employees of sister units of SAIL.

Training Facilities:

Infrastructure Facilities:

The centre is well equipped with modern facilities required for conducting different types of training programmes. It has spacious well furnished
classrooms, galleries, conference rooms, syndicate halls, auditorium, laboratories, audio-visual aids, workshops, and library.

- **Classrooms and Laboratories:**
  a) HRDC has 22 fully furnished classrooms. The classrooms are well equipped with the types of furnitures required for different types of courses (e.g. white board, overhead projector, flip chart board, LCD projector etc) for conducting the normal lecture classes and syndicate discussions, seminars, communication meetings and other management development activities.
  
b) This department has two laboratories (Hydraulics and Pneumatics Lab and Electronics Lab) and one Computer Centre.

- Hydraulics and Pneumatics Laboratory was commissioned in 1993 with a view to retaining senior employees to increase the competency level required to cope with the advent of latest technologies with modernization. The equipments were supplied by M/s Amatrol INC, USA.

- Electronics Laboratory was commissioned in the year 1994 with World Bank under Technical Assistance Loan by the supplier M/s Feedback, UK to train the employees of RSP in the Electronics, Electrical and Automation areas to suit the present plant requirement.

- Computer Centre was installed in 1989. Equipped with 10 modern PCs (Celeron Pentium IV) and an LCD projector to train the executive/non-executive of RSP in Common Software Packages.

**Workshop Facilities:**

Various skilled and multiskilled training and work order jobs for various departments are undertaken by different workshops of HRDC. Besides fresh Trade Apprentices, regular training courses like Basic Engineering Skill Training and other shop based programmes are also conducted. Apart from regular employees and Trade Apprentices, new entrants like Technician-cum-Operator (Trainees) and Senior Technician-cum-Operator (Trainees) are trained in the workshops of HRD Centre. The centre has the following shops.
a) Machine Shop:


b) Welding Shop:

There are welding Transformers having 6 regular generators, 1 MIG/MAG CO2 Welding Machine, 1 TIG Welding Machine with Plasma coating, 1 Pedestal Grinding Machine. There are Gas Cutting and Welding facilities in the Welding Shop.

c) Fitting Shop:

It has 70 numbers of Bench vices, 2 pillar type Drilling Machine, Hydraulic Press, Bending Machine, Shearing Machine, 2 Pedestal Grinding Machine, and 2 Bench Drilling Machine. Other facilities of fitting shop are Material Handling Demonstration Equipment, Eldro Brake etc.

d) Electrical Shop:

The Electrical Shop has various AC and DC drives, installed for training purpose. Besides this, it has Transformer Panel, Crane Circuits Panel, Battery Panel, Resistance Boxes and Common Electrical Measuring Instruments. Basic engineering modules are conducted here.

- Other Infrastructural Facilities:

a) Caretaking Cell:

It looks after the total building maintenance and overall housekeeping of HRD Centre with a thrust for improved housekeeping standards.
b) Customer Care Cell:

It coordinates all training programmes conducted in HRD Centre. It monitors Audio-Visual Aids, provides stationeries to the programme in-charges, organizes tea/lunch etc., coordinates all communication meetings, maintains photo-copiers, prepares and sends attendance of all participants to Attendance Recording Cell (ARC), coordinates all communication meetings, and also attends to the general requirements of all the programmes.

c) Documentation Cell:

This section computerizes the entire training documents in the SUN System (Training Management System). All the departments are connected through this network. It maintains bio-data of trainees, updates the records, prepares highlights every month, identifies and complies training needs for making Annual Training Plan (ATP).

d) Trade Testing Centre:

It conducts trade tests and job tests as per plant requirements according to laid down and approved norms.

e) Library:

HRD Centre maintains a library of 20,000 books containing various technical and managerial topics and all the latest editions of the publications related to the curriculum with computerized information system. The library provides a comfortable reading environment for the employees, trainees and faculty members.

f) Model Room:

The Model Room of HRDC has a well mounted 3-D layout of the city of Rourkela; a lay-out of the plant, an electronic 3-D Model showing the flow of material at RSP; dynamic models of the Blast Furnaces, Steel Melting Shop and OBBP; static models of Coke Ovens and Power Plant; and a board displaying all the product range of the plant. The Model Room is used to explain the plant processes to all new entrants to the company and also to all visitors.

f) Hostel:
The trainees' hostel complex has accommodation of about 250 trainees. There are facilities for indoor and outdoor games, a gymnasium, a playground, common rooms and reading room, and a recreation hall. Furnished dining halls are provided in the hostel where the trainees run their own messes. Area in the hostel complex has also been allotted to various outside agencies for the convenience of the inmates, like STD booth, barber's shop, etc.

h) Office:
   It extends supports through establishment functions, budget preparation, processing of bills, dealing with foreign training, receiving and distribution of daily tasks and record keeping.

i) Stores:
   It maintains all consumable/spares required by HRD Centre. It coordinates the regular stock verifications and maintains the asset schedule, initiates write off actions of unserviceable assets and other items like tools and tackles.

Central Power Training Institute (CPTI):

Central Power Training Institute (CPTI) was set up in the year 1993 under the administrative control of Management Training Institute, Ranchi with the following objectives.

- To contribute towards fulfilment of technical training needs of the personnel in the area of captive power generation to meet organizational goals.
- To provide a conducive environment for learning through excellent facilities, hospitality and other support services.
- To develop training tools and instruments.
- To facilitate and organize company wide workshops and seminars in the area of power.
- To extend facilities in organizing special events for RSP.

CPTI was brought within the fold of HRD Centre, Rourkela Steel Plant during 2004.
Infrastructure Facilities:

a) Operator Training Simulator:

It has a replica operator training simulator of the 60 MW coal fired Captive Power Plant of RSP (presently M/s. NSPCL). It is the first of its kind in India with indigenous technology and the only one in non-utility sector. The application software ensures high degree of fidelity in reproducing the exact response of the actual power plant to various operator actions. It consists of simulator computer station, control panels, microprocessor based input/output system, field device terminals to simulate local operations, instructor station and Data Acquisition System (DAS). The total plant is functionally divided into process simulation, interlock simulation and control simulation for boiler, turbine, generator and electrical system.

b) Lecture Halls and Simulator Hall:

The institute is centrally air-conditioned. Main sessions are conducted in the three lecture halls and one screening room well equipped with audio-visual aids. Hands on sessions are conducted in the simulator hall.

c) Information Centre:

The information centre has a large collection of books, handbooks, journals and courseware from Indian/Foreign publishers on all areas of power engineering and management. Documentation and drawing related to all SAIL power plants, video cassettes on power plant operation and control are also available. It has a collection of more than 850 books and 49 manuals on power plant engineering and allied subjects. It also subscribes to 5 journals/magazines, 5 newspapers and 10 house magazines.

d) Syndicate Rooms:

Syndicate discussion is a regular feature in problem solving workshops and other action plan oriented programmes, particularly for executives. CPTI has three well designed syndicate rooms for smooth conduct of workshop.
e) Facility for Corporate Programmes:

CPTI organizes corporate programmes, which are graced by the presence of Chairman, SAIL, the Directors, and other dignitaries. Occasionally it caters to the need of Management Training Institute, Ranchi. It has an auditorium of 82 seating capacity with captive public address system and projection facility. All corporate programmes conducted by outside agencies and other dignitaries are held here. An additional conference room is also available.

f) Personnel Computers:

It has a network of 8 PCs. Every staff has access to the PCs. Correspondences, training manuals, reading materials, and teaching notes are prepared using these computers. The Institute has adequate number of laser/other printers for this purpose. Most of the formats are standardized and computerized.

g) Modern Training Tools and Video Screening Facility:

LCD projector, OHP, TV, VCR, Electronic Copy Board, Document Binder, Photocopy Machine, Laminator, Colour Ink-Jet Printer, Laser Printer and Personal Computers are used for enriching the programmes. The institute has around 30 video cassettes and these are extensively used in the programmes. Facilities for audio/video recording of proceedings and syndicate discussions are hired wherever needed. For screening, there is an exclusive screening room adjacent to the lecture halls with VCR and TV permanently installed. The screening room is also used for preview of video cassettes.

c) Model Rooms:

Large number of models of power plant equipment, exhibits and schematic drawings are on display in the Institute. Exclusive model room for housing working models and mimic display boards also exist.

**Training and Development:**

Keeping in view the need of the individual employees, the requirement of the department and the organizational focus, the training need of employees is identified and fulfilled during a particular year. Identification of training need is carried through the following steps:
**Training Need Analysis:**

Training needs of the employees are identified each year and complied to identify the various training programmes, with the help of all Training Engineers and the support of all HoDs.

**Competence Mapping:**

It is carried out presently in all ISO certified departments. The employees are assessed based on their present level of confidence vis-à-vis the requirements of the job positions. The gaps in competence level determine the training need.

**Skill Gap Exercise:**

Critical and urgent skills are identified for each department based on an analysis of the skill requirement and the qualification, age and skill of the existing employees. This helps in bridging the skill gaps. During 2004, 65 critical skills were identified across the plant where training was required to bridge the skill gap.

**Additional Skill:**

In view of modernization in certain departments, skill of employees is assessed and training need is identified.

**Through Workshop and Other Communication Exercises:**

Through interactive workshops, communication meetings and mass contact exercise training needs are also identified.

After identification of training needs the Annual Training Plans are made, modules are designed and programmes are conducted.

Evaluation of effectiveness of training is carried out at the following four level as shown in Table 4.3 below:
Table 4.3 : Levels of Evaluation of Effectiveness of Training

<table>
<thead>
<tr>
<th>Various Levels</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level-I (Reaction Level)</td>
<td>How did the participants react to the programme?</td>
</tr>
<tr>
<td>Level-II (Learning Level)</td>
<td>To what extent did participants improve knowledge and skills and change attitudes as a result of the training?</td>
</tr>
<tr>
<td>Level-III (Behavior or Application Level)</td>
<td>To what extent did participants change their behavior back in the workplace as a result of the training?</td>
</tr>
<tr>
<td>Level-IV (Organizational or Results Level)</td>
<td>What organizational benefits resulted from the training?</td>
</tr>
</tbody>
</table>

While assessment of effectiveness of training at the reaction level is carried out for all the programmes, the assessment at learning and application level is carried out only for BES and Hi-tech programs. In case of some specific issue-based Problem Solving Workshops result level assessment is also carried out.

The process of training and development of employees is represented in Figure 4.3 below.

Figure 4.3 : Process of Training and Development

- Identification of Training Needs
- Evaluating Training Effectiveness
- Conducting Training Programs
- Preparation of Training Plans for the Year
- Designing Need Based Training Modules
Areas of Training:

In order to streamline the reporting and monitoring system of training MIS in SAIL, the following broad areas of training have been identified as per which the Annual Training Plan (ATP) for 2007-2008 has been prepared:
- Induction Training.
- Competence Enhancement.
- Training in Specific Areas.
- Foreign and External Training.
- Other Areas.

Induction Training

All executives and non-executives recruited for RSP are trained in the HRDC before being posted to the various departments. The following specific training schemes have been prepared for each of the category of trainees and training is imparted accordingly:
- Management Trainees
- Junior Manager (Finance)
- Post Promotion Training for E0
- Senior Technician cum Operative (Trainees)
- Trade Apprentices
- Technician cum Operator (Trainees)
- Semi Skilled Worker (Trainees)

Competence Enhancement

This includes the efforts toward enhancing competence and is further divided into the following broad sub-areas:

A) Technical Skill Development Training

This includes:

a) Basic Engineering Skills Programmes like Key and Coupling Fitting, Machine Alignment, Testing and Maintenance of AC/DC Motors etc.

b) Training in high-tech areas like Electronics, Hydraulics, and Computer etc.
c) Unit Training.
d) Department Specific Programmes.
e) Equipment Specific Programmes.
f) Technology Awareness Programmes.
g) Performance Improvement Workshops.
h) Multiskill Training - Includes all training conducted on:
   • Material Handling
   • Wire Rope Splicing
   • Basic Welding and Gas Cutting
   • Electro-Hydraulics.
   • Other Programmes Conducted to Facilitate Multiskilling

(B) Managerial Training

This includes General Management Programmes like:
   a) Enhancing Managerial Effectiveness
   b) Management Development Programmes.
   c) Supervisory Development Programme.
   d) Communication and Presentation Skills

Functional/Cross Functional Training Programmes like:
   a) Finance for Non-Finance Executives.
   b) HR for Line Managers
   c) Training Techniques for Occasional Trainers and programmes conducted at MIT, Ranchi.

(C) Training in Specific Areas

This includes training programmes having special focus on thrust areas of the organization. Some of the programmes included in this group are as follows:
   a) Safety.
   b) Environment.
   c) Fire Control Management.
   d) Cost Control.
   e) Energy Conservation.
f) ISO 9001 QMS and 14001 EMS.
g) QC Tools.

(D) Foreign and External Training

All training programmes for which employees are sponsored abroad are covered here under the sub-heading 'Foreign Training' and all the outstation programmes conducted by agencies other than SAIL and its units, for which employees are sponsored outside Rourkela are covered under 'External Training'.

(E) Other Areas

This covers all miscellaneous workshops/seminars and Hindi Training. This also includes the training activities conducted for employees of sister units of SAIL.

**Table 4.4 (a) : Training Coverage from Inception to 1996-97**

<table>
<thead>
<tr>
<th>Year</th>
<th>Fresher Training</th>
<th>Executive and Employee Development</th>
<th>External Training Abroad</th>
<th>External Training in India</th>
<th>Total Manpower</th>
<th>Total Manpower as % of Total Manpower</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since Inception</td>
<td>11868</td>
<td>25248</td>
<td>1155</td>
<td>800</td>
<td>1302 (30 yrs' Avg)</td>
<td>39447</td>
</tr>
<tr>
<td>1985-86</td>
<td>411</td>
<td>3090</td>
<td>19</td>
<td>46</td>
<td>3566</td>
<td>9.03</td>
</tr>
<tr>
<td>1986-87</td>
<td>321</td>
<td>5038</td>
<td>63</td>
<td>90</td>
<td>5512</td>
<td>14.15</td>
</tr>
<tr>
<td>1987-88</td>
<td>361</td>
<td>8757</td>
<td>79</td>
<td>103</td>
<td>9300</td>
<td>24.51</td>
</tr>
<tr>
<td>1988-89</td>
<td>290</td>
<td>9860</td>
<td>45</td>
<td>220</td>
<td>10415</td>
<td>28.11</td>
</tr>
<tr>
<td>1989-90</td>
<td>290</td>
<td>10550</td>
<td>71</td>
<td>37</td>
<td>10948</td>
<td>30.36</td>
</tr>
<tr>
<td>1990-91</td>
<td>123</td>
<td>13022</td>
<td>64</td>
<td>7</td>
<td>13216</td>
<td>41.68</td>
</tr>
<tr>
<td>1991-92</td>
<td>636</td>
<td>10692</td>
<td>55</td>
<td>-</td>
<td>11383</td>
<td>36.59</td>
</tr>
<tr>
<td>1992-93</td>
<td>1022</td>
<td>18328</td>
<td>97</td>
<td>-</td>
<td>19447</td>
<td>63.71</td>
</tr>
<tr>
<td>1993-94</td>
<td>4132</td>
<td>28881</td>
<td>175</td>
<td>-</td>
<td>33188</td>
<td>53.08</td>
</tr>
<tr>
<td>and 1994-95</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>62597</td>
<td></td>
</tr>
<tr>
<td>1995-96</td>
<td>648</td>
<td>18446</td>
<td>128</td>
<td>-</td>
<td>19222</td>
<td>57.52</td>
</tr>
<tr>
<td>1996-97</td>
<td>1098</td>
<td>13174</td>
<td>260</td>
<td>-</td>
<td>14532</td>
<td>43.53</td>
</tr>
<tr>
<td>Year</td>
<td>Initiation of New Comers</td>
<td>Skill and Competence Enhancement</td>
<td>Workshops/ Seminars and Foreign Training(*)</td>
<td>Special Focused Training</td>
<td>Total Manpower</td>
<td>Total Manpower</td>
</tr>
<tr>
<td>----------</td>
<td>--------------------------</td>
<td>----------------------------------</td>
<td>---------------------------------------------</td>
<td>--------------------------</td>
<td>----------------</td>
<td>----------------</td>
</tr>
<tr>
<td>1997-98</td>
<td>481</td>
<td>4692</td>
<td>363(30)</td>
<td>3032</td>
<td>8568</td>
<td>31677</td>
</tr>
<tr>
<td>1998-99</td>
<td>131</td>
<td>4910</td>
<td>185(18)</td>
<td>4124</td>
<td>9350</td>
<td>30931</td>
</tr>
<tr>
<td>1999-00</td>
<td>710</td>
<td>4069</td>
<td>25(1)</td>
<td>3451</td>
<td>8555</td>
<td>28301</td>
</tr>
<tr>
<td>2000-01</td>
<td>787</td>
<td>3930</td>
<td>793(7)</td>
<td>3089</td>
<td>8599</td>
<td>27651</td>
</tr>
<tr>
<td>2001-02</td>
<td>203</td>
<td>3408</td>
<td>846(1)</td>
<td>4678</td>
<td>9135</td>
<td>26052</td>
</tr>
</tbody>
</table>

(*) Foreign training figures

Number of employees trained in RSP was very low. It was only 1302 from inception to 1984-85. Krinshnmurthy gave a big push to training bringing it centre stage in SAIL.

Total manpower of RSP in 1985-86 was 39447. Training as a percentage of total manpower was below 5 before 1985-86, which increased to 9.03 per cent in 1985-86 and peaked up to 19,447 i.e. 63.7 per cent in 1992-93(MP=30523). Table 4.4(a) depicts the data. After 1996-97, with the phase-II commissioning of modernization RSP reviewed the training policy and began a policy of continuous change. Many special and new areas were included keeping an eye on the future. The post-1997 training coverage is given in Table 4.4(b).

There was a clear departure from the past in the year 1997-98. The thrust has changed from quantity to quality. Training was rationalized since 1997-98 and the percentage fell down to 27. For the year 2001-02 it was increased to 35.06 per cent.

There was a heavy pressure for preparing the huge under-qualified workforce for modernization before 1996-97 and since then the primary task was to stabilize the new units and maximize returns from the modernization. During
the turnaround focus was solely on skill/competency development. Maximum coverage was under Employees Training Scheme. It was recognized later that two broad areas of training were necessary for future—first, continuous enhancement of skill and competence of people and second, focused approach for special thrust areas. After 1997-98, focus of training was on quality, cost, and safety awareness to bring stability after modernization and to derive maximum benefit from modernization.

Table 4.5: Area Wise Annual Training Plan from 2006-07 to 2007-08

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Areas of Training</th>
<th>HRDC</th>
<th>CPTI</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Induction Training</td>
<td>153 06-07</td>
<td>380 07-08</td>
<td>148.36%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0 06-07</td>
<td>0 07-08</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Competence Enhancement</td>
<td>4330 06-07</td>
<td>4485 07-08</td>
<td>3.57%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>645 06-07</td>
<td>840 07-08</td>
<td>30.23%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4975 06-07</td>
<td>5325 07-08</td>
<td>7.03%</td>
</tr>
<tr>
<td>3</td>
<td>Specific Area</td>
<td>3290 06-07</td>
<td>3710 07-08</td>
<td>12.76%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>50 06-07</td>
<td>75 07-08</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3340 06-07</td>
<td>3785 07-08</td>
<td>13.32%</td>
</tr>
<tr>
<td>4</td>
<td>Foreign &amp; External Training</td>
<td>160 06-07</td>
<td>260 07-08</td>
<td>62.5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0 06-07</td>
<td>0 07-08</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Other Areas</td>
<td>500 06-07</td>
<td>385 07-08</td>
<td>23%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>22 06-07</td>
<td>25 07-08</td>
<td>13.63%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>522 06-07</td>
<td>410 07-08</td>
<td>21.45%</td>
</tr>
<tr>
<td>6</td>
<td>Total</td>
<td>8433 06-07</td>
<td>9220 07-08</td>
<td>9.33%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>717 06-07</td>
<td>940 07-08</td>
<td>31.10%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>9150 06-07</td>
<td>10160 07-08</td>
<td>11.03%</td>
</tr>
</tbody>
</table>

From the above Table it is revealed that:

- There was a remarkable increase in Induction Training in HRCD from 2006-07 to 2007-08 i.e. 148.36 per cent. There was no Induction Training in CPTI.
- Training with respect to Competence Enhancement was increased for HRDC and CPTI for both the years.
- Training with respect to Specific Areas was increased for HRDC and CPTI for both the years.
• There was a second remarkable increase in training i.e. in Foreign & External Training by 62.5 per cent from 2006-07 to 2007-08.

• In Other Areas, there was a fall in training in HRDC by 23 per cent and in CPTI by 13.63 per cent.

However, it may be concluded that though training is used as a major and continuous intervention to develop the people’s capability, it has not achieved the desired success due to lack of proper coordination among OD; training and development; HR; and corporate strategy. The organization culture can not be perceived as an integrative OD practice. OD should be an effort planned organization-wide, and managed from the top, to increase organization effectiveness and health through planned interventions in organization’s processes, using behavioral-science knowledge. It is learnt that some of the interventions are used but these could not earn the desired result.

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