CHAPTER – SIX

SUMMING UP – CONCLUSIONS AND RECOMMENDATIONS

In the organisational context, Human Resource Development may be defined as a continuous process to ensure the development of employee competencies, dynamism, motivation and effectiveness in a systematic and planned way. HRD is a process concerned with an organised series of learning activities designed to produce behavioural changes in the human resources in such a way that they acquire desired level of competence for present and future roles. In other words, HRD brings about ‘all-round development’ of the people so that they can contribute their best to the organisation, society and the nation.

Human resources play a crucial role in the development process of modern economics. Arthur Lewis observed, “there are great differences in development between countries which seem to have roughly equal resources, so it is necessary to enquire into the difference in human behaviour”. It is often felt that though the exploitation of international aid play prominent role in the growth of modern economies, none of these factors is more significant than efficient and committed manpower. It is in fact, said that all development comes from the human mind.

Modern organizational setting is characterised by constant change relating to environmental factors and human resources. As regards environmental factors,

---

we find changes in the operating organisation structure, the network of working procedures, customs or norms and the economic, political and social patterns in which organizations exist. Moreover, there is constant change in human resources – new individuals are being employed with their new ideas and expectations, while the existing work force is constantly changing vis-à-vis ideas, attitudes and values.

A nation with abundance of physical resources will not benefit itself unless human resources make use of them. In fact, human resources are solely responsible for making use of national resources and for the transformation of traditional economies into the modern and industrial economies. Lack of organization of human resources is largely responsible for the backwardness of the nation. Countries are underdeveloped because their people are underdeveloped.

In essence, “the difference in the level of economic development of the countries is largely a reflection of the differences in quality of their human resources.” The shift from manufacturing to service and the increasing pace of technological change are making human resources the ingredient to the nation’s well-being and growth. And in a service-oriented industry like banks, railways, the quality, quantity and utilization of human resources become all the more important.

Most of the problems in organizational sections are human and social rather than physical, technical or economic. No industry can be rendered efficient so long as the basic fact remains un-recognized that it is principally human. It is

---


not a mass of machines and technical processes but a magnified nervous system.

Management of an organization in modern economies is not only complex and sophisticated but it is also vital influencing the economic growth of a country. Its efficiency determines the property and well-being of the people of the nation. “Perhaps today there is no other latest activity which is as important and dynamic as management – the oldest of arts and newest of profession”. One of the fundamental areas is the management of human resources.

Thus, “in the management of four Ms - money, materials, machines and men – it is needless to labour the obvious point that, considering the nature of man, the management of men..... is not only fundamental but also dynamic and challenging.”

One of the fundamental tasks of management is to manage human resources, in the service of the economic objectives of the enterprise. Successful management depends not solely, but significantly upon the ability to predict and control human behaviour among things, if a company is economically successful, it means the management has been able to manage human resources effectively. The human resources are the active force of industrialization, and strategies for development should concentrate particularly on their enhancement.

Human resource system in an organization is not only unique subsystem but a principal and central sub-system and it operates upon and controls all other sub-systems. Thus, in the words of Weldell French, “Personnel management is a major pervasive sub-system of all organizations.”

---


Figure: HUMAN RESOURCES AS CENTRAL SUB-SYSTEM IN AN ORGANIZATION

Whatever, in the environmental affects the organization like – economic, social, cultural, legal, political, historic, competitors, consumers, etc., as a whole also affects the personnel system? The resources system receives inputs from the organization in the form of objectives and it results in individual and organizational performance that may be viewed as individual and organizational output. Both the personnel system and the entire organizations operate under the same cultural, economic, social, legal, political and other constraints.
Hence, greater the effectiveness and productivity of personnel, the more will be the effective functioning of an organization. Peter F. Drucker has rightly observed the significance of personnel as, “managers are fond of repeating the truism that the only real difference between one organization and the other is the performance of people. In essence, the survival, development and performance of an organization – although not solely but heavily – depend on the quality of personnel.”

According to the Institute of Personnel Management (U.K.), “Personnel management is an integral but distinctive part of management, concerned with people at work and their relationships within the enterprise. It seeks to bring together into an effective organization the men and women who staff the enterprise, enabling each to make his/her best contribution to its success, both as a member of a working group and as an individual. It seeks to provide relationships within the enterprise that are conducive both to effective work and human satisfaction”.

Scott, Clothier and Spriegel have defined personnel management as that branch of management which is responsible on a staff basis for concentrating on those aspects of operations which are primarily concerned with the relationship of management to employees and employees to employees and with the development of the individual and the group. The objective is to attain maximum individual development, desirable working relationship between employees and employers, and employees and employees, and effective moulding of human resources as contrasted with physical resources.

---


Chapter-VI Summing Up-Conclusions And Recommendations

Northcott considers human resource management as an extension of general management, that of promoting and stimulating every employee to make his fullest contribution to the purpose of a business. Human resources management is not something that could be separated from the basic managerial function. It is a major component of the broader managerial function and has roots and branches extending throughout and beyond the organization. According to French Wendell, “Personnel management is the recruitment, selection, development, utilization, compensation and motivation of human resources by the organization”.

To quote Edwin B. Flippo, “Personnel management is the planning, organizing, directing and controlling of the procurement, development, compensation, integration and maintenance and separation of human resources to the end that individual and societal objectives are accomplished”. This definition reveals that personnel or human resource (HR) management is that aspect of management which deals with the planning, organizing, directing and controlling the personnel functions of the enterprise. This definition is a comprehensive one and covers both the management functions and the operative functions. The purpose of all these functions is to assist in the achievement of basic organizational, individual and societal goals.

The emergence of personnel management can be attributed to the writings of the human relations who attached great significance to the human factor. Lawrence Appley remarked, “Management is personnel administration”. This

---


10 French Wendell, op. cit.

view is partially true as management is concerned with the efficient and effective use of both human as well as non-human resources. Thus, personnel management is only a part of the management process.

At the same time, it must be recognized that personnel management is inherent in the process of management. This function is performed by all the managers throughout the organization rather than by the personnel department only. If the manager is to get the best of his people, he must undertake the basic responsibility of selecting people, who will work under him and to develop, motivate and guide them. However, he can take the help of the specialized services of the personnel department in discharging this responsibility.

According to T.V. Rao, “HRD is a continuous planned process by which employees are helped to:

(a) Acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles;\(^{12}\)

(b) Develop their general capabilities as individuals and discover and exploit their own inner potentials for their own and organisational purposes; and

(c) Develop an organisational culture in which superior-subordinate relationships, team work and collaboration among sub-units are strong contribute to the professional well-bring, motivation of employees.

Human Resource Development (HRD) may be defined as development of people by providing the right environment where each individual may grow to his fullest potentialities. Megginson viewed human resources as “the total knowledge, skills, creative abilities, talents and aptitudes of an organisation’s

\(^{12}\) Rao, T.V., The HRD Missionary, Oxford and IBH, New Delhi, 1990
workforce as well as the values, attitudes and belief of the individual involved.\textsuperscript{13}

According to Ishwar Dayal, HRD involves:

(a) Ways to better adjust the individual to his job and the environment,
(b) The greatest involvement of an employee in various aspects of his work;
and
(c) The greatest concern for enhancing the capabilities of the individual.\textsuperscript{14}

On the basis of information and their analysis, some vary interesting findings have originated. It has been found that KEL has developed HRD matrix which identifies inter-relationship between HRD instruments like HRD process, outcomes and organizational effectiveness. HRD instruments include performance appraisal, counselling, role analysis, potential development, training, reward system, job enrichment etc. These mechanisms of KEL may vary depending upon the size of the organization.

HRD climate is an integral part of general organisation climate. Organisational climate is the summary perception which people have about an organisation. It is a global expression of what the organisation is. Organisational climate is the manifestation of the attitudes of organisational members toward the organisation itself. An organisation tends to attract and keep people who fit its climate so that its patterns are perpetuated at least to some extent. Organisation climate is a relatively enduring quality of the internal environment that is experienced by its members, influences their behaviour, and can be described in terms of the values of a particular set of characteristics of the organisation.\textsuperscript{15} HRD climate may be defined as perceptions the employee have of the developmental environment of an organisation. HRD climate contributes to the

\textsuperscript{13} Megginson, C. Leon “Personnel and Human Resource Administration” 1997
\textsuperscript{15} Benjamin Schneider and Rover A. Snyder, “Some Relationships Between Job Satisfaction and Organisational Climate, Journal of Applied Psychology, 60, No. 3, 1975
organisations’ overall health and self-renewing capabilities which, in turn, increase the enabling capabilities of individual, dyads, teams and the entire organisation.

To facilitate HRD, an optimal level of “development climate” is essential. Some of the characteristics of such a climate are:

(a) A tendency at all levels and specially the top management to treat people as the most important resource.

(b) A perception that developing the competencies in the employees is the job of every manager / supervisor.

(c) Faith in the capability of people of change and acquire new competencies at any stage of life.

(d) A tendency to be open in communications.

(e) A tendency to encourage risk – taking.

(f) A tendency to help employees recognise their strengths and weaknesses.

(g) A general climate of trust.

(h) A tendency on the part of employees to be generally helpful to each other and collaborate.

(i) Team spirit.

(j) A tendency to discourage favouritism and biasness.

(k) Supportive personnel or human resource polices.

(l) Development-oriented appraisals, training, reward system, job-rotation career planning and potential appraisal.

Organisation differ in the extent to which they have thee tendencies. Some organisations may have some of these tendencies, some others may have only a
few of these and a few may have most of these. It is possible to work out the profile of an organisation on the basis of these tendencies.

The Kinetic Elevators Limited as a modernized professional elevator enterprise offers design development, manufacturing, marketing, installation and servicing the vertical transportation systems since more than a decade. The company is promoted by Mr. S.G. Gupta, the Chairman, and his family. The company is a professionally managed one and the chairman is assisted by a team of highly qualified and experienced personnel.

The company has its Registered Office at Navrangpura, Ahmedabad in the state of Gujarat with five regional offices at Pune, Bangalore, Kolkata, New Delhi and Indore. The company has a wide network of Service and Maintenance Centres situated at Ahmedabad, Ajmer, Anand, Aurangabad, Bangalore, Bhavnagar, Bhilwara, Bhopal, Bhubneshwar, Calcutta, Chennai, Cochin, Falna, Goa, Guwahati, Hyderabad, Indore, Jaipur, Kanpur, Kolhapur, Lucknow, Mumbai, Nasik, New Delhi, Patna, Pune, Ranchi Rani, Ratlam, Surat, Udaipur, Ujjain and Vadodara.

The company is engaged in designing & installing full range of passenger elevator, VVVF elevator, goods elevator, hospital elevator, dumbwaiter, observation elevator, escalator and passenger conveyor with annual capacity of 550 elevators. Putting quality always above everything else, KEL has passed the ISO 9001:2000 quality system certifications. Its purchase system, production process, installation & inspection, training, technology support, branch agency management are in the effective control.

Kinetic Elevators Limited is specialised in Hydraulic and Traction Elevators with a speed up to 5.00 m/s and capacity ranges up to 10,000 kgs. KINETIC is successful in satisfying client's requested special elevator. Consultants, Architects and Developers are welcome for planning, consulting and drawing
for their projects. All elevators are available with Gear and Gearless Drive. KINETIC’s product range includes:

- Passenger Elevator
- VVVF Elevator
- Observation Elevator
- Hospital Elevator
- Freight Elevator
- Dumbwaiter Elevator

Kinetic always take care for safety & security of customers. The company has most innovative and versatile Elevator Management System (EMS) for safety & security for the building. EMS is useful for viewing, analyzing, & controlling the different types of single or multiple elevators in commercial and residential premise, shopping malls, departmental stores etc at the same time.

At KEL, the HR department first of all determines the requirement of different types of personnel in consultation with various departmental heads. After having determined the number and kinds of personnel required, the HR Manager proceeds with identification of sources of recruitment and finding suitable candidates for employment. Both internal and external sources of manpower are used depending upon the types of personal needed.

The selection procedure starts with the receipt of applications for various jobs from the interested candidates. Unsuitable candidates are rejected at the screening stage. The personnel department administers various kinds of tests of the candidates to determine if they would be able to do there jobs efficiently. Those passing this stage are called for employment interview. Candidates found suitable for employment are required to go through medical examination and reference checking. The employment process is completed when appointment letters are issued to the candidates clearing all the stages in the selection procedure.
Chapter-VI Summing Up-Conclusions And Recommendations

In KEL, numbers of persons from different countries of the globe are working successfully. The BPO and KPO programmes of KEL are the best. In order to meet the motivational needs of people of different countries, KEL has developed effective human resources programme for procurement of manpower, compensation of manpower, development of manpower, integration of manpower, maintenance of manpower and finally separation of manpower. The internal involvement of KEL is quite conducive and cohesive, so that people from different countries find proper accommodation and adjustment. KEL is a glaring example of effective industrial relations. It has been found that industrial disputes and strikes and such other negative environment never appeared in the organization. The technical staff has been employed from various European countries.

In Kinetic Elevators Limited, there exists a strong culture where staff responds to stimulus because of their alignment to organizational values. In such environment, strong cultures help the company operate like well-oiled machines, cruising along with outstanding execution and perhaps minor tweaking of existing procedures here and there. With strong culture—people do things because they believe it is the right thing to do — there is a risk of another phenomenon, Groupthink.

KEL realizes that the growth of the company can be sustained through the continuous development of people who contribute to the business success. Hence the company focuses its attention to harness the innate potential each individual brings to the organisation. The value an organisation produces is unequivocally linked to collective efforts of its workforce. The company lays strong emphasis on employee empowerment even at the entry level. At KEL, managing and shaping the careers of people are viewed as high priority. Continuous learning and development opportunities are therefore, offered to all team members to strengthen leadership, management and functional
Chapter-VI Summing Up-Conclusions And Recommendations

competencies. The company takes pain in developing its employees as an attempt to increase their contribution behind their corporate success. KEL is assigning greater focus to matters concerning optimal management of its Human Resources, which are at the core for value creation.

The market place for talented, skilled people is competitive and expensive. Taking on new staff can be disruptive to existing employees. Also, it takes time to develop 'cultural awareness', product/ process/ organization knowledge and experience for new staff members. As organizations vary in size, aims, functions, complexity, construction, the physical nature of their product, and appeal as employers, so do the contributions of human resource management. But, in most the ultimate aim of the function is to: "ensure that at all times the business is correctly staffed by the right number of people with the skills relevant to the business needs", that is, neither overstaffed nor understaffed in total or in respect of any one discipline or work grade.

The success of an organisation depends largely on the quantity and quality of its human resources. No organisation can be successful in the long run without having the right number and the right kind of people doing the right jobs at the right time. Procurement of the right kind and right number of personal is the first operative function of human resource management. Before selecting the right man for the right job it becomes necessary to determine the quality and quantity of people required in an organisation. This is the function of human resource planning or manpower planning. Human resource management begins with manpower planning. Human resource planning has defined as “the process by which management determines how an organisation should move from its current manpower position to its desired manpower position. Through it management strive to have the right number and the right kind of people at

16 Vice President, Human Resources, KEL
Chapter-VI Summing Up-Conclusions And Recommendations

the right places, at the right time doing things which result in the organisation and the individual receiving, maximum king-range benefit.”

An integral part of KEL’s employee-centered policies is its thrust on their knowledge up-gradation and development. The Training Division plays a key role in keeping the workforce at pace with global standards. It also focuses on marketing its HRD expertise in the field of exploration and production of chemicals. Proper emphasis has been given to career development at KEL since its inception.

There is a recognition that qualified executives needed throughout the industry and do not just emerge from work-force without consciously planned action on the part of the organization. Good organizations select the talented employees and take measures to develop them to have adequate inventory of management skill for use in the future. Management development also looks for development at present in managers.

Thus, everyone who is in a managerial position or expected to be the one in the future should be developed. All potential managers or anyone below the top person in the organization who may be transferred or promoted to another job should be prepared for the promotion by the process of executive development. The objectives of management or executive development programme of any business concern are: to improve the performance of managers in their present positions; and more importantly, to ensure an adequate reserve of capable well trained administrators for future needs.

At Kinetic Elevators Limited, the performance appraisal is a rigorous comprehensive process, tied to the future development of the individual’s skills
and capabilities. First, an evaluation of personal skills is carried out for the tasks assigned to an individual during the appraisal period. The criteria used to evaluate performance on tasks are derived from the business goals and include: timelines, quality of work, customer satisfaction, developing others, knowledge dissemination, peer satisfaction in the team, increased business potential, and developing optimal task solutions.

The evaluation of personal skills and abilities is carried out for the following: learning and analytical ability, decision making, team leadership, change management, communication skills, team work, planning and organizing skills. Each criterion is described and measured on a 5-point scale. Further, each of the scale points are anchored to descriptions of expected behaviour. Performance appraisal is carried out annually.

The 360-degree appraisal is carried out for all employees. Appraisals are sought from peers, direct supervisors, subordinates and customers. A minimum of 6 to 7 appraisal reports are collected for each employee. All appraisal forms are completed on-line and the data is maintained in a central database. The appraisal information is used to identify training courses and other developmental interventions. Future objectives for both task accomplishment and individual skills development are based on the results of the semi-annual evaluation.
SUGGESTIONS & RECOMMENDATIONS

Some of the important recommendations to make HRM and HRD programmes very effective are given below which if adopted, would go a long way to uplift the HRD programmes of KEL:

- The findings suggest that KEL should invest more in BPR (Business People Re-engineering) programmes, so that corporate re-engineering programmes get stimulus.

- Good governance with good administration, intent integrity, accountability, transparency, and effective management people are much needed to develop the market status of KEL.

- KEL should collect research evidences to develop human resources management in the organization.

- It has been found that there is greater need for training and re-training and educating and re-educating people for inspiring change in KEL.

- It is suggested that Kinetic Elevators should improve human resources managing policies and scientific selection of people is necessary so as to develop their personalities.

- Management should infuse new blood at every level of the organization to develop a culture that attracts people of the organizations.

- It is further suggested that Kinetic Elevators should design entry-pay that competes on quality and should anticipate and find people for positions that did not exist yet.

- It is further suggested that there should be total employees involvement (TEI) through quality circles, as directed teams activities and team work
spirit. It is also needed for creation of quality consciousness among the people at work.

- The study has revealed that continuous programmes and cultural change activities should be implemented with greater vigour and employee orientation.

- It is further suggested that KEL should optimize its preference to gain competitive edge in the global markets.

- It is suggested that problem concerning the role of leadership in dealing with the general problem of integration in the organizations, especially the problem of institutionalizing the successful and effective inventions should be implemented.

- It is further suggested that employee’s empowerment programmes, development of multi-culturism, effective counselling, and development of total quality human resources are necessary for the total quality management in the organizations.

- It is suggested that today’s environment not only demands but rewards leadership. As such KEL should move ahead with structured action plans, unleash its talent in order to get immediate results.

- Benchmarking programmes for the performance of human resources would produce the best results. KEL should lay emphasis on customer satisfaction than merely organizational effectiveness.

- There is no scientific evidence to suggest that quality system standards of ISO 9000 would be beneficial for the development of human resources. It is simply an accreditation process for the customer satisfaction. There should be greater stress on the corporate training programme for the people.
Chapter-VI Summing Up-Conclusions And Recommendations

- KEL should do its best to attract people from across the country. This would be possible by total educative programmes (TEP) and re-orientation and re-engineering of educative programmes of KEL. There is greater need for translating human resources development programmes into reality.

- KEL should strive for Six Sigma award. It would revolutionise the global corporate nature of KEL.

- It is suggested that the company should create dynamic work culture, responsive work force and dynamic human resource policies.

- Finally it is suggested that KEL should study the contemporary issues in human resources management like challenge of globalisation, impact of IT on human resources development, changes in socio-economic, socio-political and legal environment and change in work force profile.

It is hoped that further researchers would attempt at identifying the broad ways of defining the contribution of human resources in the organization. This study provides a platform for the business executives to erudite and to partake interest in the organization. KEL should explore the copious talent opportunities of the budding managers to enhance their analytical skills, leadership qualities and develop presentation skills. The study addresses concerns which are important for KEL.

The research objectives were made keeping in mind the multiculturism in the company. There is further need for empirical study to develop human resources in the organization. This study is confined to multiculturism in KEL but there is no finding fact that because of socio-economic and cultural differences, there is variation in perspective and performance of the people. As such there is great need to extend the study to other areas like employees’ empowerment programmes, BPO and KPO programmes, development of visionary leadership for inspiring change, team work and continuous improvement teams (CIT), organization competitiveness and innovative programmes.

**********