CHAPTER IX

CONCLUSION AND SUGGESTIONS
CHAPTER - IX

CONCLUSION AND SUGGESTIONS
CHAPTER IX

CONCLUSION AND SUGGESTIONS

HRM has attained wider dimensions and immense importance in recent years. It represents a deviation from the traditional philosophy, attitudes, approaches and methods. It is the management of human asset of an organisation. The real job of every manager is actuating, which is possible only by properly managing people. Hence, management of human element in the organisation is the most important aspect of managerial functions. Traditionally, personnel manager was responsible for management of people. With the emergence of Human Resource Management, management of people has become task of every manager. Humanisation of work environment has now become a primary step, not only in managing people, but in the whole process of management. It obviously shows that now every manager has to foster human values in managing his people. The scope of HRM is wider than personnel management. Personnel management has now become a part of HRM.

Managing human resource is no longer a function performed by an executive on the basis of his impression or intuition. HRM is now backed by large quantities of information inputs regarding human needs, motivations and morale, organisational commitment, human capabilities, career expectations, HRD needs, leadership requirements, human relations, job content, and so on. This is particularly so because of the tremendous changes in the occupational structure and human behaviour in the recent past. Wide-spread use of information technology has made compilation and analysis of these information possible at a greater speed.
Now a days, HRM is universally recognised as the heart of management process. It is not just a stop activity nor is it an isolated function. HRM is involved in every functional area. In fact, today no organisation can exist without human resource management. HRM has no meaning without a thrust to HRD. The two functions are interdependant.

First chapter of this work highlights the importance of human factor in a business organisation. In the light of importance of human factor meaning nature and concept of HRM has been discussed in this part of thesis. Inter relationship of HRM and HRD is part of this chapter. This chapter also contains HRM methods and machenism.

Approaches to HRM are of much theoretical importance for concept building. At different points of time different approaches to HRM have come up. The second chapter elucidates the approaches to HRM and also deal with the scope, functions and limitations of HRM.

The process of HRM is the subject matter of third chapter. All the managers in an organisation has a role in HRM. It is not merely the role of human resource manager that makes the HRM intervention meaningful. HRM process at the top management level and at the functional area level has been examined in detail in third chapter. Although human resource manager is the pivot of all these activities yet an integrated approach to HRM is required.

New things can not find place unless the existing set up allow them to accommodate in the set up. Organisational Development and Organisational Development Change Agents form core of fourth chapter. This chapter also contains the phases of organisational development with references of Organisational Development in Indian Industries.
Chapter five is devoted to human resource development planning. Integration of organisation goal with HRM philosophy and plans is core of this chapter. Human resource planning is primarily the human resource manager’s job, though, he has to do it in consultation with the top management and other functional managers. Thus, HRM manager is neither staff executive nor a lower level functional executive. On the contrary, he is the one who is involved in every policy proposition. He is, therefore, an all round and an exemplar who plans the human resource need, human resource procurement, human resource development, career development and planning, succession plans, compensation plans and so on. HRM takes care of all these planning aspects so that provisions can be made today for tomorrow’s human resources needs.

Actuating is the real task of every manager. The role of actuating in HRM, the need for and importance of actuating and the process of actuating is described in chapter six. Every functional manager has some role to play in managing human resources and hence the very perspective of management needs a revision in his direction. Direction and supervision are indispensable aspects of actuating which have also been given place in this chapter along with motivation.

A manager has to act as a counsellor in order to maintain cordial industrial relations and to explore potentials of his subordinate. Counselling is the process of helping an individual with a problem/problems or problem emotions to regain confidence that he would be able to overcome his problem situation, face life again, and make the best use of his strengths. Counselling is not mere consultation or advice. It is much more than an advice or consultation though counselling includes both. When a manager assumes role of a counsellor to help his subordinate, a disgruntled employee or a problem employee he reveals a lot of interest in the concerned employee and his well being,
so that his trust and confidence can be ensured. It indicates that a counsellor must deal with the problem and problem emotions of his subordinate effectively. The problems relating with counselling have been dealt with in chapter seven. This chapter also suggests the principles of executive counselling; methods; techniques and skills for counselling.

It is now a well recognised fact that no business unit can run successfully without effective HRM. Despite, business units are still not paying proper attention towards human resource development. These continue to neglect the aspect of human resource management. The situation is more pitiful in certain public sector undertakings governed by both Central Government and State Governments. Surprisingly, a paradoxial situation, exists in public sector under Government of India control where certain public sector undertakings are well managed specially from the point view of HRM. BHEL is one of such public sector units which has paid much attention towards HRM. This research work focuses on BHEL’s HRM methods and practices to examine their validity and relevance. For this purpose Power Sector Eastern Region units of BHEL have been surveyed and the following findings have been made:

1. **Objectives of Training and Development** – BHEL sets the following objectives for training and development:

   (I) To train the employees in the companies culture pattern.

   (II) To bring improvement in employees work methods an skills.

   (III) To prepare the employees for promotion to higher jobs.

   (IV) To train the employees better job adjustment and high morale.

   (V) To develop work habits and to increase confidence.

   (VI) To reduce supervision, wastage and accidents.
2. **Training and Development Methods** – For workers training and development the following methods are used by BHEL:

(I) On the job training.

(II) Training at BHEL's human resource institute.

(III) General Orientation Programmes.

The period of training ranges from one day to fifteen days. Normally training at human resource development institute is given for 15 days whereas orientation programme held for one to two days.

Supervisory training and development programmes are also held for supervisory and executive cadres. These programmes are normally held at BHEL's Human Resource Development Institute. These training involves case study method and/or management gains method.

3. **Evaluation of Training and Development** – Evaluation of training and development involves the undernoted four major dimensions:

(I) Evaluation of contextual factors.

(II) Evaluation of training inputs.

(III) Evaluation of training process.

(IV) Evaluation of training outcomes.

The methods of evaluation involves:

a) Reaction Evaluation and b) Outcome Evaluation.
4. **HRM Practices in BHEL** – Bharat Heavy Electrical Limited (BHEL) the largest engineering and manufacturing enterprise of its kind in India was set up in 1956 at Bhopal under Public Sector by Government of India. At present BHEL has 14 manufacturing units at different locations in India besides 4 Power Sector Regional Centres, 8 Service Centres and 18 Regional Offices. It is an ISO 9000 certified company operating on the concepts of Total Quality Management (TQM). The company has been given 'Navratna' status by Government of India in view of its excellent performance. BHEL's vision is to become a world class, innovative, competitive and profitable engineering enterprise providing total business solutions.

The greatest strength of BHEL is its 51808 highly skilled and committed employees. BHEL provides its every employee an equal opportunities to develop himself and improve his position. Continuous training, retraining, counselling, career planning, a positive work culture and participative style of management have developed a committed and motivated work force leading to enhanced productivity and higher levels of quality. BHEL has established a Human Resource Development Institute at Noida and other training centres at BHEL's 16 manufacturing plants at different locations of India.

BHEL's Human Resource Development Institute extends its invitation and intends to collaborate with leading management institutes and in-house human resource development institutes in India and abroad to identify and work together on new frontiers of human resource development. The main focus of such collaborative ventures would be to bridge the gaps and overcome the barriers which are likely to emerge in the turbulent future.
The HRM philosophy of BHEL primarily attempts to develop a positive attitude on the part of its workers and executives. Training programmes have, therefore, been planned to inculcate values and ethics among the employees. Tailor-made training packages for fostering positive attitudes towards work have been developed and executed. Several development programmes have also been held to improve effectiveness of manpower management at Shopfloor. Training programmes are conducted not only to improve functional competence but inculcate values and positive attitude towards work.

As far as executive training programme are concerned these are at the core of company’s managerial activities. BHEL regularly conducts training programmes towards improvement of managerial competence and functional and technical capabilities, particularly to manage people at all levels. Contended people is the crux of the company's corporate policy, and for this the BHEL’s management is willing to turn every stone.

Motivation is the main pivot of every human resource policy and accordingly due weightage has been given by BHEL’s management to the motivation in order to achieve higher targets. Comprehensive motivation packages backed by productivity linked incentive schemes are effectively functioning. Managers are empowered and encouraged to use non-monetary motivators-providing conducive working conditions, interesting job designs, incentive schemes, etc.

Participation of employee in formulation of policies is an important feature of BHEL's HRM policy involvement of all categories and levels of employees in the affairs of BHEL is major concern of management. Representation is given to the employees through different committees formed to manage different matters. This way the workers get
participation in the management of affairs of the company which directly or indirectly influence them. BHEL is trying to establish a participative culture in the organisation for which the Quality Circle Programmes are being conducted in a big way.

**HRM PROCESS MANAGEMENT AT BHEL**

BHEL uses flow chart technique for HRM process management which is a cornerstone in Total Quality Management. The process flow chart has been discussed in the previous chapter together with decision symbols, activity symbols, data base symbols and rework loop. For the assessment of total quality improvement Total Quality Self Assessment technique is used. Subsequent to the TQ Self Assessment BHEL’s management make a appraisal of self assessment feedback and relooks into its policies and strategies and redefine the same for the coming year. T.Q.M. Team tries to learn from the past so that major causes of concern may be spotted and remedical measures may be taken as corrective actions for the future.

**T.Q.M. At BHEL**

Japanese management gives priority to the quality of its product. The most consistent quality conscious firm is awarded the Deming Prize which is the most prestigious annual award for Japanese industry. The Deming Prize, the Malcolm Baldrige Award and ISO 9000 are together called the Quality Trinity. Total Quality Management is outcome of Deming’s teachings which aim at continuously improving quality in the entire system by working horizontally across departments, by working with suppliers to provide consistent quality and by working closely with customers to deliver superior value. BHEL follows this concept which means creating an atmosphere in which every member of
the team of employees may contribute towards making a quality product bearing this in mind a lot of emphasis is laid on working environment, training, discipline, workers' relations, safety, house keeping etc. The quality of the product is ensured by total involvement of workers. Workers are given opportunity to use all their knowledge, imagination and intelligence in transforming their ideas into realities. Workers are organised in a group, called a 'Kaizen' group, which constantly looks out for the three biggest enemies of quality production, viz., overstrain, inconsistent behaviour and waste. Japanese call the three enemies Muri, Mura and Muda respectively. On locating any of these enemies Kaizen group immediately calls a meeting of its members, discusses the problems and finds a solution. Finally, an action plan for implementation is drawn-up. This collective approach to quality helps producing excellent results and enhances team spirit as well.

Suggestions

BHEL a 'Navratna' public sector enterprise has successfully made headway in the area of Human Resource Management in India. BHEL developed an integrated approach to HRM. It got success in using HRM approach to improve the organisational efficiency, work culture, job satisfaction of employees etc., resulting in cordial industrial relations and better productivity. At BHEL, human resource planning is integrated with overall functional planning of the organisation and hence every manager has to make his functional plan in consultation with other functional managers. Obviously, organisational people are given an opportunity to suggest their alternative plans of action. BHEL's top management is aware about the fact that effective human resource development can not be achieved without organisational development. In fact managerial effectiveness and organisational effectiveness are interlinked with organisational development, while organisational development itself is impossible without development of people in the
organisation. New technologies, methods, techniques and process are emerging very fast resulting in occupational changes, leading to dynamic organisational demands. BHEL's management is observing such human resource management policy that provides solutions to all dynamic problems.

Although BHEL has been accredited for ISO 9000 after successful implementation of TQM yet certain weaknesses still exist in BHEL's HRM that need proper attention for attainment of higher efficiency and productivity. With a view to remove these weaknesses and to make BHEL's Human Resource Management more effective the following suggestions are moved:

(I) Synthesisation Of Corporate Philosophy

With HRM Philosophy:

The corporate philosophy of BHEL aims at achievement of higher productivity with optimum utilisation vis-a-vis development of available resources including human resource. Being a public sector enterprise BHEL cannot emphasis over profit maximisation and workers mechanisation. Difference between corporate goal of a private enterprise and a public sector enterprise must be recognised and HRM policies should not be allowed to shift towards mechanisation of work force. Obviously, a commercial undertaking cannot be managed as a social organisation but it can have certain social objectives to achieve. Methods of organisational development have solutions for dynamic problems and these can be used to keep the workers equipped to face dynamic situations, BHEL's existing HRM Policy has a little room for organisational development.
(II) Respect for Human Values:

No practice or policy can stand for a longer without support of spiritualism especially in India. The principles of spiritualism have great respect for human values. These principles act as pillars to uphold human actions. There is a big chance that in wake of attaining image of global corporate giant BHEL may compromise with its present policy of respecting human values. The rigid ISO standards and 'Benchmarking' can emphasize too much on mechanisation of human work for achievement of higher profitability that can put man at a footing equal to machine. This situation would be atrocious to employees of BHEL. This need to be avoided.

(III) ISO 9000 Should Not Be Allowed To Over Shadow HRM:

With the development of international trade the need for a common set of universally accepted quality procedures and methods become obvious and, therefore, in early 1980 the International Organisation for Standardisation (ISO) set up technical committees to make recommendations in this regard. The suggestions moved by the committee from the nucleus of the ISO 9000 standards. These standards are a set of basic rules for manufacturing a product or rendering a service which have received acceptance almost all over the world. ISO 9000 standards consist of a number of other ISO standards like ISO 9001, ISO 9002, ISO 9003, ISO 9004 and ISO 9005, which relate to different quality spheres and have nothing to do with the degree of quality of product or service. The certification implies certification of facilities and not a quality of product. Certification of facilities include workers skill and training but does not include the system of redressal of workers problems and organisational development arrangements. In short, ISO standards do not address human factor which, in fact, affects quality even more than the materials and machines. These do not even
suggest of how to bring out the best in people. ISO standards, therefore, should not be mistaken for standards of human resource management and hence must not be allowed to overshadow HRM policies. In fact ISO 9000 together with other standards cannot be maintained without support of effective human resource management. Since, ISO standards do not intervene in the area of HRM ISO certifications does not disturb HRM and hence BHEL can continue with this certification to fulfil requirement of international trade.

(IV) **Benchmarking Not To Become Oppressive:**

Benchmarking is an ongoing investigation of learning experience ensuring that the best and world class corporate process and practices are discovered, adapted and implemented for improving activity and performance of one's own system. Regarding the relationship between benchmarking and reengineering it is said that you can benchmark without doing reengineering but you cannot reengineer without benchmarking. Today, benchmarking has become a global movement and is being regarded as a classic TQM technique the world over. Benchmarking since emphasise adaption of the best practice in the world and the selection of the best is based on performance and profitability there is a danger of being adapted such a HRM practice which may be oppressive for the workers in the form of increased work load to yield higher profitability. In the process of becoming world pioneer engineering enterprise BHEL is attempting benchmarking. But caution is necessary against such human resource practices which ignore human and social values and completely centered around profitability.

(V) **Organisational Development System Be Relooked:**

Organisational development (OD) has a focus on the internal dynamics of organisation and remarkably little attention has been given to the cultivation of theories and intervention practices that are centred
on organisational/environmental relationships. At BHEL OD has been thought to be and looked as time transformational change. But this concept does not work properly in a continuously changing environment of today which calls for continuous learning and changes. BHEL should accept the concept of learning organisation, i.e. an organisation which enables people to constantly challenge the status quo by creating, quering and sharing knowledge. Essential to this concept is creation of an organisational culture where experimentation is encouraged and employees or not penalised for risk taking. Globally, Motorola, leading provider of electronic equipment, system and services has been identified as one of the best learning organisations. BHEL in matters of its organisational development should observe Motorola as a model.

(VI) Increase Involvement of Grass Root In Fixation of Goal:

At BHEL's hierarchy middle level executives have higher say as compared to lower level workers. This phenomenon is not good. Participation of grass root workers in formulation of strategies and in fixation of objectives need to be higher for their higher involvement in corporate activities. The communication system should be at work constantly to inform them about the challenges, changes and performance results. The results of analysis should also be revealed before them to help them modify their opinion. This process is likely to sharpen their decision making power and ensuring higher participation of grass root level workers.

(VII) Other Suggestions:

(a) Empowerment - This deceptively simple idea says that employees at all levels of an organisation should be given responsibility and authority for most day-to-day decisions. Within broad limits it must be up the employees to decide what they can decide and what must be
pushed up the ladder to higher management. The difference between this concept and the earlier concept of participation management lies mainly in the reasons behind the concepts rather than any major divergence in the concepts themselves. The need for participative management came from management's desire to make employees more satisfied on the assumption that they would therefore be more productive. Today, the case for empowerment comes from business needs that are central to the success of a company: Fast response to customers, strong cross-functional links at multiple levels are too local, too fleeting or too many in number to permit a centralised decision-making process.

The crucial indicators of an empowered work force are as follows:

1. People show an awareness of the goals and strategy of the organisation.
2. They take personal responsibility for the outcomes of their work.
3. They continually monitor their own performance.
4. They seek additional resources when they do not have what they need to perform well.
5. They take initiatives to help people in other areas to improve their performance.

(b) **Expanded Scope of Quality Circles** — Quality circle were first developed in Japan in the early sixties. Today, these circles have spread to many other countries including India. The Ramchandrapuram unit of BHEL at Hyderabad is perhaps the first to have pioneered the quality circle movement in India. The concept was first told to the company's top
level executives. But it was later-on thought that the movement will not gain ground unless the middle management’s support was also available. The middle management was known for using debious means to scuttle quality circles because it did not like these circles coming up with problems about which it had earlier told the top management that they simply did not exist, or with solutions which it had always considered impossible. So, the middle managers were also exposed to the new philosophy and were made to realise that they could ‘make or mar’ the movement. Meetings were also organised to convince workers of the sincerely of purpose of the management. Procedures for functioning were outlined and remedies suggested for various pitfalls. The concept has now become very popular in all the units of BHEL.

But the existing quality circle groups need to be re-organised with broader scope of functioning. The suggestions include:

(1) There should be self directing bottom-up approach in setting up and functioning of a quality circle.

(2) There should be a firm commitment of top management for implementing the circle’s recommendations. In circumstances where a recommendation can not be implemented the management should explain the reasons therefore.

(3) The foremen who lead the circle should be trained.

(4) Groundwork should be carefully planned and carried out. Generally one has to overcome inertia of workers who are suspicious of management motives. A facilitator (generally from within the company) may be appointed to prepare the
ground. His tasks will include training circle leaders, coordinating inter-circle activities and obtaining specialist advice from other departments where necessary.

(c) **Employee Participation in Management** - Participation is a way of gaining commitment by workers to some proposal on the ground that if you have been involved in discussing it you will be more interested in its success. Several researches studies have shown that the intensity of participation depends on four factors:

1. The Subject Matter of Participation - Worker's Interest in participation varies with the nature of issues involved in participation. If they are trivial or foreclosed, and everyone realises it, participative methods will boomerang. Issues that do not affect the workers concerned will not, on the whole, engage their interest.

2. Level Participation - Participation can take place at 3 levels in an enterprise: floor level, plant level and corporate level, In big enterprises there may be a fourth level also, i.e., the departmental level, in between the shop floor and the plant. Most workers desire participation at the floor level because at this level they can directly participate without representatives.

3. Personal Characteristics - Participation also depends on the individual characteristics of workers. They must want participation and must have the necessary skill and information to enable them to participate effectively.
4. Extent of Participation – This should be very clear to the workers. If their advice only is required then they should be told so. If they are asked for a decision then that decision must be accepted.

The scope of the scheme is limited to subjects related to economy, elimination of waste, reduction of cost, elimination of defective work, improvement of quality, methods, layout, process and procedures, upkeeps of machinery, tools and equipment, improvement of working conditions, production and productivity, safety, welfare, discipline and other related matters. All matters connected with collective bargaining falling within the purview of union relations are specifically excluded from the scheme.

(d) Autonomous Work Teams – An autonomous work team is one which can plan, regulate and control its own work world. The management only specifies the goals—that too in collaboration with the team. The rest is left to the team. The team organises the content and structure of its job, evaluates its own performance, establishes its speed and chooses its production method, It makes its own internal distribution of tasks and decides its own membership. It also decides whether it should have a leader for regulating its internal and boundary conditions and who that leader should be. Autonomous team approach increases satisfaction and reduces turnover and absenteeism. Moreover, if a breakdown occurs in one team’s operation, all other teams can continue their operations undisturbed. This is not so in the assembly line.

Milliken and Company in the United States employs 14,300 workers, or what the company teams “associates”. The company has achieved a flat management structure in which associates, working
primarily in self-managed work teams, exercise considerable authority. Self-managed work teams are groups of employees who have the power to make operating decisions and operate the system designed by managers. This approach has worked so well that Milliken has eliminated nearly 700 management positions since 1981, freeing that many individuals to serve as process-improvement specialists. This can be used by BHEL to streamline its top heavy structure.

(e) **Flexible Organisation Structure** – Every manager has to deal with 2 types of problems in an organisation: routine and non-routine. The existing bureaucratic organisation structures, though suitable for dealing with the routine problems, are not suitable for dealing with the non-routine problems. These structures are geared to maintain stability by ensuring utilisation of largely predetermined production processes and operations. They cannot successfully sustain and strengthen change programmes or find innovative solutions to problems. Studies have shown that to take full benefits of various technologies available in the form of computer integrated manufacturing (CIM), computer aided manufacturing (CAM), computer aided design (CAD), computer aided production management (CAPM), flexible manufacturing system (FMS) and so on, a manager needs types of non-bureaucratic organisation structures (with few levels of authority, low division of labour and low use of rules and procedures) which may exist side by side the existing bureaucratic organisation. This new flexible structure is known as collateral organisation. It is manned by those very individuals who are manning the existing organisation. Only the mode of functioning of the individuals in the 2 form change according to the problem in hand. It is bureaucratic when the problem is of the routine type and non-bureaucratic when it is of the non-routine type.
This is hoped that if the above noted suggestions are implemented at BHEL the existing weaknesses of human resource management would completely be removed and the organisational structure of BHEL will become more powerful and effective. The dream of BHEL's management to become a global giant can be turned into reality with more dynamic and responsive work-force. After implementation of these suggestion BHEL, I hope, will emerge as a model HRM corporation. It will attain efficiency and profitability of higher order with the support of its actuated and contented human resource.