CHAPTER - I

RESEARCH DESIGN AND METHODOLOGY
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1.1 What is HRD management?

According to Dr.N. Khan, HRD is the process of increasing knowledge, skills, capabilities and positive work attitude and values of all people working at all levels in a business undertaking men. The development of these resources is crucial function of the managers. The HRD management covers the managerial functions including the identification of the HRD mechanisms, the assessment of HRD Climate, Training effectiveness, Performance Appraisal Effectiveness, Leadership Styles of managers, and Effective Counsellor Attitudes of managers in the industrial organisations. These are some of the important elements of the HRD management. The study of HRD management helps in understanding the role of HRD in the development of the organisations as well as people working in the organisations.

The resources of men, money, material and machinery are collected, coordinated and utilized through people. It is through the combined efforts of people that material and monetary resources are effectively utilized for the attainment of common objectives. Therefore the people are the most significant resource of any organisation. Manpower is the only resource which does not depreciate with the passage of the time; on the contrary it appreciates. This becomes easier by the effective use of HRD management.

The word ‘Development’, in the term HRD is an important word because it indicates the development of individual employees, and groups of employees working together to achieve the goals of the organization. In the socially interactive organizations like Cooperatives, applied
research in HRD should focus on ascertaining the HRD climate, effectiveness of HRD practices and the factors that foster or hinder the HRD effort. Such researches would indeed offer certain clues for devising a comprehensive HRD framework, so that the organization may function proactively in the changing environment.

In the Welfare State of India, industrial cooperatives have come to be deemed as an instrument of social change. Industrial cooperatives themselves also have realized the importance of the role their human resources are expected to enact in bringing about the envisaged social change. HRD as a formal organizational effort of the industrial cooperatives is receiving substantial attention both from the academic and in-house research. A review of literature, however, revealed that there is a lack of research studies about the HRD climates and HRD practices particularly in the industrial cooperatives. The present work has attempted to fill this void.

1.2. Statement of the Problem:
In the backdrop of the above discussion, the researcher has undertaken a study, entitled

‘A STUDY ON HRD MANAGEMENT IN SELECTED COOPERATIVE INDUSTRIAL UNITS IN KOLHAPUR DISTRICT’

1.3 Objectives of the Study
The researcher found that there are very few studies on HRD management in cooperative industrial organisations situated in the Kolhapur district i.e. the study area of the present study. These studies were on the training and development aspect of the HRD. On the national level, most of the studies were carried out in the organisations belonging
to private sector and public sector, and there were almost no studies available for reviews which were carried out in the cooperative sector.

In view of the introductory remarks, foregoing discussions about the research in the area of topic and the study universe, the research endeavor carried out by the researcher aims at fulfilling the following objectives:

1. To take the review of the development of HRD in India.
2. To identify the HRD mechanisms implemented in the selected industrial cooperatives under study.
3. To measure the HRD climate prevailing in the selected Industrial Cooperative units under study;
4. To assess the extent to which the training function is being effectively managed therein,
5. To assess the extent of implementation of development oriented performance appraisal systems of the cooperatives under study.
6. To assess the extent to which the manager respondents possess the attitudes required to be a good counselor.
7. To study the perceptions of managers about their own beliefs and styles (Leadership/Supervisory Styles) towards subordinates; and,
8. To submit such meaningful suggestions, as may be appropriate.

1.4 Hypotheses of the Study

The following hypotheses have been set to test under this study:

1. The ‘good’ HRD climate prevails in the cooperative organisations under study;
2. The training function is effectively managed in the cooperative organisations under study;
3. The Performance Appraisal Systems in the cooperatives under study are HRD oriented;

4. Managerial staff of the selected Cooperatives under study has the counselling attitude.

5. Manager respondents of the selected Cooperatives have the developmental approach in their leadership/supervisory styles.

1.5 Methodology Adopted

The methodology adopted for the present study is known as survey method. Observation method is also used to get some information for the study.

1.6 Data Collection

Primary and Secondary sources have been used for data collection as follows-

1.6.1 Primary Data:

The primary data collected with the help of questionnaires and informal interviews of the managers. Some observations also were made by the researcher. For the purpose of collection of primary data the questionnaires prepared by Dr. T.V. Rao are adopted without any modification and administered to the managerial staff respondents.

1.6.2 Secondary Data:

The secondary data are collected through library visits, books, Journals, magazines and souvenirs. Internal office record of the concerned units was referred. The secondary data necessary for completing the research was collected mainly from the published sources in the academic libraries and annual reports of these cooperatives.
1.6.3 Data Analysis

The primary data collected from the respondents was processed on a computer by using ‘SPSS software’ and ‘MS Excel’ software, under expert supervision. The statistical findings derived from this exercise, have been interpreted through an intellectual exercise for the purpose of drawing conclusions.

1.7 Scope of the Study

The present work, in fact, is descriptive research into the ongoing HRD efforts of the industrial cooperatives, in the study area. Only the managers associated with HRD management are administered the questionnaires for collection of primary data.

a. Sectoral Scope: Its sectoral scope focuses on the cooperative sector having manufacturing activities.

b. Geographical Scope: Its geographical scope is confined to the boundaries of Kolhapur District.

c. Topical Scope: Its topical scope is confined to the micro level aspects of the human resource management.

d. Analytical Scope: The analytical scope is limited to the fulfillment of the objectives set out and testing of the hypotheses.

e. Functional Scope: The functional scope is confined to offering a set of meaningful suggestions for improving the HRD effort in the industrial cooperatives.

1.8 Why Research on Cooperative Industrial Units?

What is the Significance of the present Study?

The answers to the above questions can be traced in the following paragraphs. The success of any organisation depends on the performance
of its human resources. The performance of the people can be enhanced by training and development, Performance appraisal, HRD climate, supervisory styles and counseling attitudes of managers. These are some of the important elements of the HRD management. The study of HRD management helps in understanding the role of HRD in the development of the organisations as well as people working in the organisations.

The success of industrial cooperatives in the Kolhapur district caused a curiosity in the mind of the researcher to study the management of HRD and its relationship with the development of the selected cooperatives in the district. The researcher noticed that cooperatives are seen failing but they must succeed because its principles and philosophy are very useful for the community development of the members. And if that is the case then how they can be made successful. Can some model be developed which can be used in the development of the cooperative organisation. The present research is the outcome of this thought in the mind of the researcher. Considering the contribution of cooperative sector in the development of the country, research on HRD and its dimensions, is important. Hence this study was undertaken by the researcher.

1.9 Sampling Design

In the present study the sampling design used is of a purposive/subjective/judgment sampling type. It is also called Expert Choice Sampling. It is a non-random sample, drawn using certain amount of judgment with a view to getting a representative sample.

In purposive sampling, units are selected by considering the available auxiliary information more or less subjectively with a view to ensuring a reflection of the population in the sample. The purposive
sampling approach is more useful where it is necessary to include a very small number of units in the sample.

In the present study, a desired number of sample units are selected deliberately, which are pretty old units, labour intensive, each unit having invested more than 50 crores of capital, labour strength being more than 500 people in each unit, very famous and well known in the Kolhapur district. They are known as progressive, prominent, successful, well known and reputed cooperatives in general. Total 9 units were selected for study. 3 units from sugar sector, 3 units from milk sector, and 3 units from spinning sector. The units are well known cooperatives in the Kolhapur district.

In the 9 units, there are around 450 managers working in these units. Around 30% of these 450 managers, i.e. more than 150 manager respondents were given the questionnaires, but only 148 of them have returned the questionnaires duly filled in. These managers were selected randomly on the recommendations of the General Managers of these units, for administration of structured questionnaires.

The questionnaires were taken from the book ‘HRD missionary’ authored by Dr. TV. Rao. The primary data is collected from roughly 30% of the managerial staff that is closely associated with the HRD activities. ‘The sample of 150 plus managers, in the survey, were administered the questionnaires but only 148 managers have returned the filled up questionnaires.'
Table No. 1.1

Classifications of Respondent Managers

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Managers/Respondents</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Line Managers</td>
<td>58</td>
<td>39.19</td>
</tr>
<tr>
<td>2</td>
<td>Staff Managers</td>
<td>90</td>
<td>60.81</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>148</strong></td>
<td><strong>100.00</strong></td>
</tr>
</tbody>
</table>

Source-Survey data

The researcher after taking prior appointments visited the cooperative units, and met the concerned heads of the departments, discussed with them the academic purpose of the research and requested their cooperation in the data collection which they readily agreed and helped the researcher in the research project.

1.10 Tools for Data Collection

For accomplishing the objectives of the study, both types of data (i.e. primary and secondary) were collected by the researcher. For collecting primary data, Survey Method was used. Survey data was collected by administering the separate questionnaires for ascertaining the HRD Mechanisms, HRD climate, the effectiveness of the training, effectiveness of performance appraisal, employee counseling, and leadership (supervisory) styles of respondent managers, performing managerial duties. The sample size of respondents selected for taking opinions was equal to 148. The sampling technique used for selecting the organisations and the respondents in these organisations was the Purposive Sampling Technique. Also, the Non-participatory Observation Method was adopted for recording the researcher's impressions about the various HRD practices in the Cooperatives under study. The necessary secondary data was collected through the reference books, journals, magazines, newspapers and Internet.
1.10.1 Questionnaires/Instruments

Effective implementation of HRD is facilitated by periodic assessment and monitoring of:

i) The HRD climate,

ii) The effectiveness of various HRD instruments,

iii) The various roles performed by the HRD department and its staff,

iv) Competencies and competency gaps of HRD staff,

v) The development philosophy and supervisory styles of line managers etc.

The following instruments are presented in this section along with some background information about their use.

1) The questionnaire for identifying the HRD Practices adopted by the organisations;

2) The HRD Climate Survey Questionnaire to measure the HRD climate prevailing in an organization.

3) Training Effectiveness Questionnaire to assess the extent to which the training function is being effectively managed.

4) Performance Planning and Development Questionnaire to assess and monitor the implementation of development oriented appraisals.

5) Supervisory and Leadership Beliefs Questionnaire to assess the HRD styles of line managers

6) Effective Counsellor Attitudes Questionnaire to assess the extent to which any employee has the attitudes required to be a counsellor or helper.

1.10.2 HRD Climate Survey Questionnaire

The 38-item ‘HRD climate survey’ developed by T.V. Rao and E. Abraham (1990) at the XLRI Centre for HRD is an instrument that is
used in the present study to survey the ‘HRD climate’. The instrument consists of 38 items on a ‘five-point scale’ to measure the elements of ‘HRD Climate’ which can be grouped into three broad categories referred to ‘General climate’, ‘OCTAPACE Culture’, and ‘HRD mechanisms’. These 38 items assess OCTAPACE (Openness, Confrontation, Trust, Autonomy, Proaction, Authenticity, Collaboration, and Experimentation) culture and implementation of HRD mechanisms.

In HRD Climate Survey, the mean score for each item ranges from 1 to 5, where mean score of 1 indicates an extremely poor climate and mean score of 5 indicates extraordinary good HRD climate on that dimension. Mean score around 3 indicates an average HRD Climate on that dimension giving substantial scope for improvement. Mean score around 4 is indicative of a good HRD Climate where most employees have positive attitude towards HRD policies and practices. The mean score around 2 indicates a poor HRD Climate on that dimension. The same interpretation applies to the overall mean score across all items.

In order to make the interpretation easier, the mean scores are converted into percentage using the formula:

\[
\text{Percentage Score} = (\text{Mean Score} - 1) \times 25
\]

This is done on the assumption that the mean score of 1 indicates zero per cent, 2 corresponds to 25 per cent, 3 indicates 50 per cent, 4 corresponds to 75 per cent, and lastly 5 indicates 100 per cent. The ‘percentage score’ indicates the degree to which a particular dimension exists in that organisation out of the ideal 100. Thus it is certainly desirable for the organization to have ‘percentage scores’ above 50 on each item as well as on overall all items.
1.10.3 Administration of Questionnaire

The questionnaire uses a five-point scale. It could be administered to all employees’ specially supervisory and managerial staff and an HRD climate profile can be drawn up. The scores may range from 1 to 190 when the scores on all the 38 items are added to get a composite score. Scores above 152 indicate a good HRD climate. Scores closer to 190 indicate an excellent climate (which is rare). Scores below 114 indicate that there is considerable scope for improvement.

The scores of all the respondents may be analysed item-wise and areas needing improvement should be identified and discussed in small group.

1.10.4 Instructions:

The following instructions were given to the respondents. “A number of statements are given below describing the HRD climate of an organization. Please give your assessment of the HRD climate in your organization by rating your organization on each statement using the following five-point scale”.

- 5 = Almost always true
- 4 = Mostly true
- 3 = Sometimes true
- 2 = Rarely true
- 1 = Not at all true

1.11 Training Effectiveness Questionnaire:

This questionnaire is intended to assess the effectiveness of the training function in the organization. Any formal training should contribute to growth and development of employee competencies and motivation. If training has to be effective it has to be need-based, well-planned, evaluated, monitored and used. Both the line managers and the
HRD staff become partners in ensuring the effectiveness of training. This questionnaire measures the extent to which the training function is effective in the organization.

1.11.1 Administration of Trg. Effectiveness Qsnr.

This questionnaire could be administered to line and staff managers as well as HRD staff. The results could be analysed to review the effectiveness of training function. The item-wise data could be used to identify areas needing improvement.

The ratings on the 25 items may be added for each respondent to compute training effectiveness score. The scores could range from 0 to 100. Score above 75 indicates that the training function is effective in the organization.

1.11.2 Instructions:

For Training Effectiveness Questionnaire, the respondents were instructed to indicate on the ‘Five-Point Scale’ the extent to which each of the following items is true in their organizations.

0 = not at all true, 1 = a little true, 2 = somewhat true, 3 = true to a great extent, 4 = very true.

1.12 Performance Appraisal Effectiveness Questionnaire

This questionnaire aims at assessing the extent to which the performance appraisal system in the organization is HRD-oriented. An HRD-oriented appraisal system promotes participative planning of performance, participative analysis of performance leading to the identification of factors facilitating and hindering performance, performance review discussions, relatively more objective-assessment through task and target orientation, identification of development needs, more
communication, openness, mutuality and trust between appraisers and appraisees.

The extent to which some of these components are a part of the appraisal system is assessed in the first part of the questionnaire. The second part assesses how well the development oriented appraisal system is being implemented in the organization.

This questionnaire is meant for executive appraisals only.

1.12.1 Administration

This questionnaire can be administered to managers/employees covered by the appraisal system. The response may be tabulated and analysed item-wise. Items with low scores may be identified for discussion by HRD staff or top management or performance appraisal task force or performance review committee or any other appropriate body that has the responsibility to improve the appraisal system.

1.12.2 Instructions

The respondents were instructed to please answer the following items on a five-point scale by assigning:

i) '0' to those items that you think are totally false for your organization.

ii) ‘1’ to those items that are only slightly true or true to a little extent (25% true 75% false),

iii) '2' to those items that are somewhat true (50% true and 50% false),

iv) '3' to those items that are mostly true (75% true), and

v) '4' to those items that are completely true.
1.13  Leadership Styles Questionnaire

1.13.1 Administration and Scoring

These are 10 sets of items in the questionnaire. Each set of items contain one "Benevolent" style related item (‘a’ in each item), one "Critical" style related item (V in each item), and one "Development" style related item. In every set of items a total of 6 points are to be distributed depending on the extent to which the item characterizes the belief of the respondent.

Add scores on all 'a's to get the Benevolent Score for the respondent.

Add scores on all 'b's to get the Critical Score for the respondent.  
Add scores on all 'c's to get the Developmental Score for the respondent.

The total of all the three scores should add up to 60 as there are 10 sets of items. The highest score indicates the dominant style of the respondent. The next highest score indicates the "back-up" style of the respondent. While a relatively higher score on developmental style is desirable, lack of flexibility in using other styles may not be desirable. Such "flexibility" is not measured by this questionnaire and this issue may be discussed in the group. A Development Style is congruent with HRD philosophy.  

This questionnaire can be administered with slight modifications to study the perceptions of subordinates. An interested manager can get rated himself or by subordinates anonymously, analyse the responses with the help of the HRD department and examine his beliefs and styles.

1.13.2 Instructions

There are various ways in which senior executives and top level managers provide leadership to their employees. Consistencies in their
beliefs about their subordinates and other employees, and the way they interact with their subordinates reveal a lot about their styles. Through this questionnaire we intend to assess your perceptions about your own leadership style.

The respondents were required to give beliefs about their subordinates or the employees whom they supervise and the characteristic ways in which they deal with them on the 10 sets of items given below.

Each set contains 3 items (a), (b) and (c). You have a total of 6 points to distribute in each set between (a), (b) and (c). Give the maximum marks or points (say, 6, 5 or 4) to the item that best describes your beliefs or behaviour. Give the remaining points to the rest of the two items in such a way they again describe your belief or behaviour. Thus in any set you can give all the 6 points to one item if that is the best description of you and the other two (they get zero each) do not characterize you at all. Or you may give 5 points to the best describing item and 1 to another item which has some characteristic of you. Similar other combinations can be 4, 2, 0 or 4, 1, 1, or 3, 1, 2, etc. All the items need to be answered. The sincere and true responses will help user/respondent to gain right insights into his styles.

1.14 Counsellors Attitude Questionnaire

1.14.1 Administration of questionnaire

The 25–item questionnaire can be administered to line managers. Scores above 75 indicate effective counsellor attitudes. Low scorers may identify items on which they score low and discuss in the group about their beliefs and the sources behind their beliefs.

1. The line manager can also attempt to rate himself as his subordinates would rate him. The ease with which the rater is able
to shift his frame of reference and look at himself from the point of view of his subordinates is indicative of "empathic attitude". Empathic attitude is an essential quality for effective counselling. Some managers find it difficult to look at themselves from their subordinates' point of view.

2. The HRD manager should administer this questionnaire on himself and clarify his own attitude before using it for other line managers.

3. The HRD staff or a small group of people can get together, self-administer this questionnaire and study their own attitudes.

4. An interested manager can get himself assessed on this questionnaire by his subordinates and use it for gaining insights into his own behaviour.

1.14.2 Instructions for administration of questionnaire

Read each question given here. Rate yourself on each question using a 5-point scale: Where,

4 = definitely or always;
3 = mostly or most frequently;
2 = sometimes;
1 = seldom;
0 = never.

In the next column rate yourself as your subordinates or employees would rate you. Write 4, 3, 2, 1 or 0 for each question in both columns according to the scale just explained. You could also get yourself rated by your subordinates to assess the extent to which your perceptions and their perceptions are similar. In the present study the managers have rated themselves about their counsellor attitudes.
1.15 Limitations of the Present Study

The generalization of the inferences may require further studies of the HRD Climate and other practices in the large number of cooperatives. The findings of the study, therefore, may be read with caution.

1.16 Outline of the Study

This research report has been divided into Seven Chapters as under:

Chapter-1: Research Design & Methodology.

This chapter gives the outline of the research design of the present study. Significance, the objectives, and scope of the study are given here. The types of data and their sources, sample size, sampling design, types of questionnaires used, the way of using the questionnaires, instructions for the purpose are also given in this chapter.

Chapter-2: Review of Literature

This chapter takes a review of the research work done in the past in India chronologically. The review helps in getting the idea about the research work done in different sectors along with cooperative sector. The gap observed gives clue for further research.

Chapter-3: A Conceptual Framework,

This chapter gives conceptual background of the HRD climate, Training effectiveness, performance appraisal, leadership styles adopted by the managers in the cooperatives, and the counselling attitudes shown by them.

Chapter-4: Profile of the Industries and Representative Organisations under Study.

This chapter gives overview of the sugar, milk and spinning industries in the cooperative sector in India.
Chapter-5: Profile of Kolhapur District.

This chapter gives a brief account of the cooperative movement in the Kolhapur district. The overall information of cooperative organisations in brief, their number and present status is highlighted.

Chapter-6: Data Presentation and Analysis

This is a chapter in which all the data collected is presented in a systematic manner and analysed with the help of SPSS and Excel software. The results are discussed in the next chapter.

Chapter 7: Findings, Conclusions and Suggestions.

In this chapter the findings, conclusions and suggestions are given on the basis of data analysis done statistically. The new HRD model is suggested for the use of cooperatives in general.

Appendices

i. Questionnaires
ii. A Select Bibliography.
iii. Selected HRD Resources
iv. Professional Bodies