CHAPTER-I
INTRODUCTION

"The vision is to transform India into an economic, scientific and military power. At the core of 'India 2020' is the elimination of poverty — not merely by lifting the poor above the poverty line but by providing them with a fairly assured income. I personally believe that it is possible to eliminate poverty by 2020". — Dr. A.P. J. Abdul Kalam, President of India

The world economy, in the decade of 1990s and also in the present millennium is going through a process of rapid changes. India has experienced unprecedented growth over the last decade. However, the growth over the last ten years promises to be just a prelude to what could potentially lie ahead. India is awakening to the challenge of competing globally and replicating if not surpassing the success stories of the East Asian tigers and the Chinese. To win, the leaders and people of India must accept the challenges of global competition and win not only here at home against local competition, but also against new foreign entrants. Now, the focus has shifted to battle it out not only on domestic soil but also, in the international global market.

It is true India has accepted the process of globalization and liberalization in the year 1991. Since then there are lots of changes in process of economic as well as industrial development. Corporate houses have been restructuring their business and resetting the business priorities in a number of new ways. The companies are adopting new challenges, the process of openness, competition, and quality
development, and the international benchmarking to make their presence felt in international and global domain. More so, they are also adopting the strategy of high return on investment on capital as well as higher profit needs for the organizations. Coupled with the above needs the organizations are alive to the needs of shareholders for greater and better dividends for the capital they have invested, as well as higher market value for their share that they are holding in the companies. At the same time the expectations of the workers and other stakeholders such as government, society and people in general are to be taken care about. Moving towards a free market economy is a very serious effort. Though it appears to promise a brighter future for the Indian people, it is also likely to yield many unintended consequences. It will surely affect the culture, systems and practices in Indian organization.

Though we are living in uncertain times, a few issues are becoming clearer. One, winners are emerging across industries who capture disproportionate share of market, profit and valuation. Two, winning will be difficult and winners will need to use discontinuities to continually re-invent themselves and re-shape industries and market. Finally, winners will be independent of size, sector and scale of operation.

While the things are looking up, industry and businesses are also facing various challenges from competition, need for up gradation of technology, need for new knowledge, enhancing the skill and competency of the people in work, better quality and striving for new market, cost reduction, adoption of new ethical code, social, political and legal requirement. Coupled with the above factors the established companies are facing the specter of extinction because they are finding that their
existing knowledge structure to run the companies are changing and the infant and
new companies with modern knowledge and management techniques are surging
ahead. What has been noticed in last few years of the twenty first century is that the
new infant companies like Infosys, Wipro Infotech, Zee Telefilms Ltd., Biscom etc
and many more new entrants have crossed the established brands like Tata, Birlas,
Reliance, ITC, and Hindustan Levers by market capitalization and shareholders
preferences. The competition and other factors are so dominant that it is very
difficult to predict about the fact that is going to dominate the market in near future.
A brief analysis of above fact could be made out of the following news item: There
are two ways of looking at “BT 500, A list of India’s Most Valuable Companies”
that marks its 13 the anniversary this year. “The first is from purely numerical (and
trifle vicarious) perceptive: who are the top ones on the list this year? How many
have slithered down the greasy pole? How many have managed to climb higher?
Who are the new entrants to the Top ten clubs? The second is more than just a
comparison of ranks and numbers. It’s about the bigger stories that the numbers
point at........one of those big stories is the resurgence of manufacturing. And
symbolic of this trend are two companies, Tata Motors and Maruti Udyog, both
carmakers that have bounced back: the former is back in the Top 10 and the latter
has improved its ranking significantly..............five companies whose
performance in this year’s listing have been significant: Reliance Industries, Tata
Consultancy Services (TCS), Maruti Udyog, Dr. Reddy’s Labs and Hindustan
Lever. For the last two, the past year hasn’t been a very happy one, with both of
them sliding in terms of their ranks, albeit for very different reasons”. The above
information is an indicator of volatility in the performance and results of various top
ranking Indian Companies. This is part of the whole story, but it is clear indicator that the well established past trend of Indian Inc., only few established houses are going to dominate the show; is an old story. Many new dominant players are emerging. Therefore nothing could be taken for granted.

Along with the above, we are noticing and experiencing many major changes in management. Its works, its perception and its direction. Thus, business management has become very complex and fast changing and also very challenging. Because of such developments, the earlier theories of management and experiences are becoming redundant under the pressure of changes that are taking place in business of the New Economic Order. With changes taking place at all structure of business, there should be changes at all levels of organization structure: at the level of workers, supervisors, engineers and managers. There should be changes in knowledge, skills and attitude. Basically, there is a need to re-examine very closely the organization’s values and culture. These are the basic foundation on which the future organizations shall have to be built. Such an environment shall have to be created in the organizations where people are self-searching, exploring the issues and continuously learning. For only when people are continuously learning from their own experiences and go on building skills and knowledge, then they would get to the levels that is desirable as per the call of the day. That needs lots of changes in the organization culture. One very crucial aspect here would be creating “strategic vision”. It is not only creating strategic vision, which is clear and encompassing, but also to ensure that the strategic vision is driven all the way down into the organization. This is another challenge. If the vision in the organization is placed all
the way down into the depth of the organization, it will end up creating self-driven members taking charge with a sense of achieving excellence.

Visions are aesthetic and moral- as well as strategically sound. Visions come from within-as well as from outside. They are personal- and group-centered. Developing a vision and values is messy, artistic process. Living it convincingly is a passionate one, beyond any doubt. Developing vision with his team is perhaps the single most important job of a leader. It is visionary leadership that recognizes the early sign of commitment and by communicating and magnifying them throughout the organization creates a sustainable change. Visions need to challenge people, evoke a feeling that draws people towards wanting to be a part of something quite special. When a vision is framed as something that is achievable within a set amount of years, then it falls into the terrain of a strategic plan. Helping people clearly understand and get committed to significant goal requires one to involve them in decision-making. Together one can determine the destination of organization (vision and mission). Then everybody in the organization will have ownership in the path that leads to the destination (value and strategic plan). The vision-development process is therefore a balancing act. It requires imagination, a mental capacity for synthesis, and a trust in intuition.

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“I, personally, get motivated by challenging visions that reach out to the future and serve as a beacon for corporate direction. Strategic plans don't turn me on; they don't turn most people on, but they are necessary. By the way, we are now also quite clear that strategic plans have a much higher probability of not being achieved if there is no over-arching vision informing them”.

1.01: Strategic Visioning

What Is Strategic Vision?

"Strategic vision is a mental image of what the future world ought to be like. (The prophet’s view). Forecasting the actual precedes development of a strategic vision, matter of fact, realistic and pragmatic future to create an estimate of what the future is likely to be. In doing this, the strategist looks at history, the current situation, and trends. Strategy is the crossover mechanism for moving from the world as forecasted to the world of our vision.

Strategic vision provides direction to both the formulation and execution of strategy. It makes strategy proactive, rather than reactive, about the future”.

The process of developing a vivid picture of the future is an important step in creating a future that is better than today. A clear, motivating image can inspire us to reach higher and overcome challenges. Once created, a vision will begin to impact today as a foundation for new decisions. While all that sounds great, crafting a meaningful vision of the future isn't always that simple!

1.02: Art And Science
It is not a surprise that visual thinking plays an important role in the creative process; as well as creative thinking plays an important role in the strategic thinking and planning process. Till recent past such practice of creative thinking was not given much importance in organizational processes. However, with advent of new technology, competition, large scale rise and fall of well established corporation, globalization, new government policy and procedures, peoples expectation etc. are cause which has created a situation where creative thinking process had to be given a new thinking. At the same time while knowledge and technology are so dominant yet the people as key factors in the process of development has given rise to acceptance of such models. In the new economy India is becoming a dominant player. This is due to two reasons. Much of the economy is opening up and has accepted the process of globalization, and all types of corporations, organizations, government etc are open to the new ideas. Secondly, in the opened up economy, the knowledge workers are getting opportunity to show their creative talents.

Visual thinking can help us link our intuitive sense of events in the world with our intellectual understanding. In tasks such as the development of a long-range strategy, where thinking needs to come from both sides of the brain, it is important to find ways to draw out both our imagination and our analytic abilities. Visual based techniques can help us link possibility thinking, intuition, and current realities.

1.03: Visualization

A vision can be a mental picture of an “ideal” organization, relationship or life. Studies have shown that we are more likely to reach an objective if we can see it and can imagine the steps to reach it. Visioning is a common strategy in sports. For
example a good batsman will sketch in his mind about a perfect drive that he would play to a particular type of delivery of ball.

Visual thinkers create pictures or models of a problem in their mind, play with the visual, move it around, refine it, and use it to raise more questions. A drawing or model helps push thinking further. Albert Einstein imagined himself traveling through the universe as a "man in a box" on a ray of light. This vision helped him develop the theory of general relativity.

1.04: Tools And Techniques

In a strategic planning process, there are four fundamental questions: "Where are you now?" Where are you going? "Where do you want to be?" and "How are you going to get there?"

Visual ways of addressing these types of questions help the mind "to see". Seeing can help identify issues and opportunities, organize information, prioritize, clarify thinking, and set goals on a personal and/or organizational level.

Simply speaking there could be four important steps of visualization

First step of visualization:

- For e.g. envision an article written in the future about one self or one's own company, say developing an approach to long term planning.
- Record his or her desired future in a diagram, sketch, model, or in a photographic montage. Suppose an architectural firm drawing up house, buildings, township sketches of future say 15 years from now.
• Imagining about receiving recognition or an award for a major accomplishment. What is the award for? What has been accomplished?

More complex visual diagramming techniques can reveal patterns, interrelationships and interdependencies, stimulate creative thinking and enable new ideas and innovations. When working with groups of people, visual tools can help to foster creative dialogue, create perspective shifts and help to record new ideas.

1.05: Mind Mapping

Mind Mapping is a powerful technique that can help in developing a strategy, or expand thinking on a subject. The 'Map' uses words, lines, logic, colors, images, and links to draw out associations and stimulate thinking. The technique works as well in large group brainstorming sessions, as it does one-on-one with a coach. Such brainstorming can help the organization to know and understand: Where it has been, where it is now, and where it is going.

1.06: Scenario Planning/Future Mapping

Scenario planning tools have been around for decades and are useful to help anticipate change, predict the elements of different scenarios and develop strategies to be able to shape each possible future.

1.07: About Future Maps:

The purpose of this overview is to summarize the results of a Future Maps Global Scenario and understand the key change drivers that will shape the global future in
2010. The process of Future Mapping is designed to enable a learning capacity to emerge to encourage critical forward thinking. To enable people in the enterprise to be able to better: 1. anticipate change, 2. predict the elements of future-shapers and 3. Develop a strategy to be able to shape their future.

Turning strategic vision into reality is a full-time job — for everyone in the organization. The task of how its vision is achieved is classic tale of focus and alignment.

1.08: The Balanced Scorecard in Practice

Balanced Scorecard system has cut a path in business as a more rigorous way to measure performance by quantifying what had been considered intangible assets, such as human capital, information, and culture. The system draws strength from four perspectives: 1) financial measures; 2) customers; 3) internal processes; and 4) learning and growth.

Skilled pilots are able to process information from a large number of indicators to navigate their aircrafts. Yet navigating today's organizations through complex competitive environments is at least as complicated as flying a jet. Why should we believe that executives need anything less than a full battery of instrumentation for guiding their companies? Managers, like pilots, need instrumentation about many aspects of their environment and performance to monitor the journey toward excellent future outcomes.

The Balanced Scorecard provides managers with the instrumentation they need to navigate to future-competitive success. Today, organizations are competing in
complex environments so that an accurate understanding of their goals and the methods for attaining those goals is vital. The Balanced Scorecard translates an organization's mission and strategy into a comprehensive set of performance measures that provides the framework for a strategic measurement and management system. The Balanced Scorecard enables companies to track financial results while simultaneously monitoring progress in building the capabilities and acquiring the intangible assets they need for future growth.

The Balanced Scorecard emphasizes that financial and non-financial measures must be part of the information system for employees at all levels of the organization. Front-line employees must understand the financial consequences of their decisions and actions; senior executives must understand the drivers of long-term financial success. The objectives and measures for the Balanced Scorecard are more than a somewhat ad hoc collection of financial and non-financial performance measures; they are derived from a top-down process driven by the mission and strategy of the business unit. The Balanced Scorecard should translate a business unit's mission and strategy into tangible objectives and measures. The measures represent a balance between external measures for shareholders and customers, and internal measures of critical business processes, innovation, and learning and growth. The measures are balanced between outcome measures — the results from past efforts — and the measures that drive future performance. And the scorecard is balanced between objective, easily quantified outcome measures and subjective, somewhat judgmental, performance drivers of the outcome measures.
One test of whether a Balanced Scorecard truly communicates both the outcomes and the performance drivers of a business unit's strategy is its sensitivity and transparency. Observers should be able to look at the scorecard and see behind it, into the strategy that underlies the scorecard objectives and measures.

The Balanced Scorecard is more than a new measurement system. Innovative companies use the scorecard as the central, organizing framework for their management processes. Companies can develop an initial Balanced Scorecard with fairly narrow objectives: to gain clarification, consensus, and focus on their strategy, and then to communicate that strategy throughout the organization. The real power of the Balanced Scorecard, however, occurs when it is transformed from a measurement system to a management system. As more and more companies work with the Balanced Scorecard, they see how it can be used to:

- Clarify and gain consensus about strategy
- Communicate strategy throughout the organization Align department and personal goals to the strategy
- Link strategic objectives to long-term targets and annual budgets. Identify and align strategic initiatives
- Perform periodic and systematic strategic reviews to Obtain feedback and to learn about and improve strategy.

Globally, the Scorecard was developed to address a research finding that nine of 10 companies that can formulate business strategy were to implement it. In India, the problem is fundamental. A high portion of business in India- if not nine out of 10-
does not have a strategy worth speaking about. Thus there was very little progress in implementing the Scorecard system in India\textsuperscript{13}.

1. 09: Developing Competitive Strategy To Meet Challenge of Future

Many of the concepts used in strategy were developed during the late 1970s and 1980s when underlying competitive conditions evolved within a well-understood model. Japan's manufacturing success with its emphasis on operating efficiency challenged some of the traditional assumptions - but it is only in the last decade that a new competitive landscape has emerged and the rules of engagement have changed. While the canvas available to today's strategists is large and new, companies will need to understand global forces, react quickly, and innovate when defining their business models. During this period, underlying competitive conditions evolved but within a well understood paradigm.

1. 10: Emerging Competitive Landscape

The decade of the 90s has witnessed significant and discontinuous change in the competitive environment. The accelerating global trend to deregulate and privatization have given rise to the countries as diverse as India, Russia, Brazil and China as global competitors. They emerged as new players in the fields such as chemical and electronic companies; computing, communications, components, and consumer electronics; food and pharmaceuticals; and cosmetics - is disrupting
traditional industry structures. These discontinuities are changing the very nature of the industry structure - the relationships between consumers, competitors, collaborators, and investors. They are challenging the established competitive positions of incumbents and allowing new types of competitors and new bases for competition to emerge.\textsuperscript{14}

1.11: Innovation as a New Source of Competitive Advantage

Innovation was always a source of competitive advantage. However, the concept of innovation was tied to product and process innovations. In many large companies, the innovation process is still called the "product creation process". Reducing cycle time, increasing modularity, tracking sales from new products introduced during the last one-decade or so as a percentage of total sales, and global product launches were the hallmarks of an innovative company. Increasingly the focus of innovation has to shift towards innovation in business models.

1.11: Technology

The twenty-first-century belongs to technology. It has already become the most important driver of economic growth and development. Two great technologies - biotechnology and infocom - will spectacularly change life, living and living systems.

Information and communication technologies are already making a tremendous impact by changing our concept of time, space and size and enhancing human
ability. Biotechnology will substantially alter the quality of life, the form of life and the duration of life.

1.12: Knowledge

Consequently, we have entered a new age - the knowledge age. The relationship between people and business in the industrial and knowledge age are fundamentally different. These are reflected in recruitment policies and strategies for retaining talent. Giving due leverage to such factors that would attract talented persons today and that would motivate them to give their best.

1.13: Strategy in the Future

Considering the dramatic changes taking place in the competitive landscape, both the concept of strategy and the process of strategy making will change definitely. Older approaches of strategy formulation and application will not be sufficient. This will demand new approach and new thinking.

While both traditional and new concepts of strategy have similar goals, it is in the focus that they differ. In the near future, it is companies with a "Strategic Intent" as against a focus that will emerge victorious in the war for global market dominance. Strategic Intent is an "obsession with winning at all levels of the organization and then sustain that obsession over the 10 to 20 year quest for global leadership". This entails the combination of a vision of a leadership position as well as the establishment of criteria to chart the company's progress. This also gives consistency to short-term action while leaving enough room for reinterpretation as new opportunities emerge.
Knowing the broad contours of the future is not as difficult as people normally assume. While a broad strategic direction is critical to the process, it is equally important to recognize that dramatic changes in the environment suggest managers must act and be tactical about navigating their way around new obstacles and unforeseen circumstances.

Organizational transformation must be driven by a point of view about the future of the industry. That in the changing competitive landscape the first task is to develop a process for pulling together the collective wisdom within an organization. To create the future requires industry foresight. For example, if managers don't have detailed answers to the questions about the future, their companies can't expect to be market leaders. Industry foresight is based on deep insights into trends in technology, demographics, regulations and lifestyles, politics etc., which can be harnessed to rewrite industry rules and create new competitive space.

1.14: Strategic Planning & Corporate Vision

Strategic planning is the blueprint to achieve organization’s goals and planning for future growth. The process of Strategic Planning gives the organization’s marketing efforts specific focus. It provides a framework for examining the organization its products and services, customers, prospects, and more. For example, large pharmaceutical companies are challenged to enhance their R&D efficiency; they are actively restructuring their operations to become leaner and more productive. One can find out about strategies employed by large Indian pharmaceutical companies to improve R&D, and apply them to their own projects for better global positioning.
1.15: Strategic Planning contributes to overall Business Goal

Any important corporate initiative should involve thoughtful planning. Sometimes executives question the need for strategic planning to improve customer service and to make the company more effective.

Improving internal staff service is vital because study shows that it can account for as much as 40 percent of a company's costs! Often such costs are buried in various operating budgets or lumped under the selling, general and administrative expense categories on income statements.

CEOs are often concerned that staff functions - human resources, finance, and information services - are not focused enough on contributing to the business goals of the operating units. As well they are troubled that the priorities of the functional staffs do not seem consonant with the purposes of the entire organization. The purpose vision-based planning is not only to bring about desired results for individual department or functional area in the organization, but it should set goals for the entire organization.

1.16: Sharing Vision

Usually the source of vision is a leader, a person who possesses a unique combination of skills: the mental power to create a vision and the practical ability to bring it about. To be successful the leaders must create compelling vision, which is acceptable and shared by all. The best organizations share their vision by training its employees well, on trends in the business of the organization, its objectives plus
how to perform a needs assessment, choose a solution, orient new employees, make
one to perform as per the goal set, provide needful support once one fails and also
re-training and help in sticking to the company and much more.

Thus in this era of change, there is no easy recipe for the success of business
organizations. The only ways that companies can survive are by realizing the
importance of revitalizing themselves - both from within and without. Towards this
purpose, a firm has to stretch its goals by creating a strategy for the future that the
entire organization identifies with and subscribes to. While global leadership cannot
be planned for, it does not come by accident. Managers must learn to make decisions
that are outside the range of conventional "Strategic planning". Developing core
competencies is an essential part of the path to achieving the firm's strategic
intentions. Thinking globally, companies must identify the fields in which it needs
competencies - not only with the current products but also with an eye on the future.
Also, the speed at which decisions need to be made is bound to increase in the
coming years. Companies must learn to harness the power of the information
technology and the Internet to speed up decisions. Finally, a company must also
look at a situation where it keeps the people inside the organization thoroughly
trained and well acquainted with the all future trends so as to keep them fighting fit
and with a view to co-opting them as the company moves on the road to achieving
global excellence\textsuperscript{18}.

1.17: STRATEGIC VISION AND HRD

Vision has already been explained as something, which the firm aspires to become.
It is a statement of achieving perfection. It sets the broad direction for the firm's
competitive behavior. Vision has to be followed by actionable road maps detailing the intentions of the firm to achieve tangible objectives in the future. Core purpose, ideology and value define the vision of the company- a short, simple statement which articulate the rai-son d’ etre of the organization. Vision provides to the employees motivation to work. Well communicated and organization wide vision is shared value and results in teamwork towards achieving commonly accepted organizational goals.

When the goals are well set there is no question of taking it easy. It is a question of trying to create very clear strategic vision and ensuring that the whole team understands it. Everybody is on board. They feel excited about it. They feel they can create a space for them selves along with their own personal mission. Therefore, the whole effort here is to really create an environment where members understand what they have to do. Therefore, that brings about very high potential and very high degree of challenge in the performance level of the team of people involved inside the organization.

In the kind of changes and challenge as mentioned above there will be need for considerable amount of competency building within the organization. People are not only allowed to understand about the corporate vision and goals, they are also to be involved in designing action plans for achieving the desired objectives. They have to learn to plan for the market, that requires a considerable amount of changes in competencies, and also changes in the attitude: the mental framework itself has to be changed. All this requires an active program of HRD intervention, because without that kind of changes in competency and change in attitude, this kind of vision
oriented planning process can never be implemented. In order to achieve the vision there has to be changes in the system and procedure. There shall have to be cultural attunement and also structured changes in the total organizational structure. The organization shall have to be market responsive. In order to do it, the standard and practices of the organization shall have to be thoroughly changed. And to make people competent in new practices and procedures they shall have to be trained under new systems. The changes that are talked about is the major role Human Resource Development (HRD) process that is to be evolved, leaving aside the large areas in which changes are foretold.

Human resource development and people management are the biggest value drivers in the new economic order. More so in the era of knowledge-focused industries, which seem to be galloping on the bourses, both in the West and at home in India.

Competitive advantage through the honing of employee skills is another vital aspect. A competency-based approach has its advantages and cultural differences can be managed via HRD medium. Moreover, empowerment cannot be separated from modern HRD techniques. Human resource development, which for the most part remained a cliché till recently, has now begun to find its rightful place under the sun, courtesy companies like Infosys and its like. These companies are creating wealth for their shareholders, which include the employees themselves.

Reward yourself even as you reward others then appears to be the new maxim. HRD thus is no longer about carrots and sticks, but a fine art, which has to be constantly practiced and honed on the whetstone of contemporary stylists. Going forward, knowledge management will be the new locomotive, and as several investment
analysts argue, India has an abundance of intellectual capital from the well-known pharma and software start-ups to media, advertising and entertainment sweat shops etc. However, with passage of time Indian entrepreneurs and managers have realized this fact that even in traditional Indian industry they will not be able to keep themselves aloof from knowledge intervention. In reality, survivability and growth of all Indian Industry will be totally dependent on how fast they learn about the changing needs of business world, both about present and future needs of business. Therefore, knowledge enhancement through process of HRD and remain competitive will be the mantra for success for all Indian Organization in the New Millennium.

1.18: Why does an organization need human resource strategy?

HRD is important in strategic management in two distinct ways- strategy formulations, and strategy implementation. Most organizations are facing significant challenges, which require additional skills and competencies to meet their business objectives. The strategic goals of organization today may be in the areas of creating new opportunities and developing new market, new technology and client services, but the role of Human Resources (HR) planning on a strategic level may not be as clearly defined.

Responsible leaders can take a proactive role in creating a long term HR strategy that is in harmony with the overall direction of their organization while addressing people issues. In any organization, the creation of a formal HR function provides the
opportunity to link human needs to business needs. In general terms, the purpose is to:

- Ensure that the organization has the human capacity and capability to support the organization's goals and objectives.
- Provide effective recruitment, selection, retention and management of the performance of its people.
- Create an appropriate work environment that is in compliance with legislation and is sensitive to both management's and employees' needs.
- Provide structure, compensation, policies, standards, reward systems, benefit programs and grievance handling.
- Foster a culture, which reflects organizational values.

After formulating the policy as has been described above, the systematic implementation of strategy will bring about immense benefit to the organization in a number of ways. They may be in the form of higher ownership and participation of people in the strategic planning process, commitment of the people in its implementation, higher motivation and organizational effectiveness etc.

1.19: Building Human Capital for Competitive Advantage

The age of globalization has placed business in new and different competitive situations where knowledge, effective behavior has come to provide a competitive edge. The information age has forced organizations to see knowledge as an asset.
The enterprises have turned to systematic knowledge management to develop effective intellectual capital at workplace.

In information age companies don’t hire people for their physical abilities but for their knowledge. These companies don’t hire a person, they hire knowledge and skills. This is a totally different concept, in contrast to the majority of employment patterns in previous eras, when a person’s strength and endurance were considered as factor for getting employment. Now day’s knowledge workers must continuously strive to enhance their knowledge base. Technologies, concepts, and standards are fast changing. Knowledge Workers should always work hard to acquire all such knowledge to make positive contribution at their workplace. They are to acquire new professional skills to remain proactive. In these days of technology, information and skills people are the assets of the organization, not the machineries, money or any other physical asset. Human capital is the combined knowledge, skills, and experience of a company’s employees. It is the single most important asset a company has access to. It cannot be copied by other companies and can therefore be a source of sustainable competitive advantage.

Considering the above development in today’s situation, organization strive to put their efforts to enhance the skills and knowledge of the workers in order to create more value through them. In today’s situation market value of a corporation is not only judged through the physical or financial assets that it posses. The organization is judged by the value of the intellectual capital that is at its disposal. Therefore, various methodologies are being adopted by organizations to project their intellectual capital. In India many knowledge base organizations such as Infosys
Technology, Wipro, and Tata Consultancy Services etc. project their market value of intellectual capital from time to time. In such situation attempts are being made by all other modern organizations to enhance their long-term human capital value through various efforts. There are programs to retain the best talents by the organizations. One of the major objectives of HRD Strategy is to enhance value of human resource or human capital of the organization through various programs and efforts.

1.20: We can now analyze the broad areas of this study on the following hypothetical assumptions:

I. **HRD For Vision Penetration:**

Evolving the “right” vision is an entrepreneurial or top management function. However, its dispersion or perception down the line and its getting enthusiastic acceptance by all will gain greater significance in future. Achieving the objective shall become the primary responsibility of HRD function. Vision not only provides the direction to business and driving fuel to the organization, it is also the ideology and guideline or standard to evaluate business conducts and decisions. The utility of “vision” however increases immensely if all down the line understand it. And this is where HRD is expected to play a significant role.

II. **Strategic Vision Provided For Internal Environment**

Vision is individualistic and separate for each corporation. But all companies shall have to create the environment, which is conducive to attracting, motivating and retaining its people. People in the organization expect from their work: the source of
“life satisfaction” and “fulfillment”. Therefore, it is desirable to create an internal environment, which will enthuse its people to perform. But while performing it is also important that they are responsive to outside challenges and needs of the organization. This will be possible through people, organizational culture, useful tradition and practices, as well as developed organizational systems. Naturally, in all such process HRD is expected to play a very vital role.

III. Development of Organizational Capabilities:

In the present millennium it is expected that the rapid economic development and growth, technological innovations, competitive market environment, high degree of needs and expectation of consumers will pose tremendous challenge to the work and capacity of each and every organization. Under the environment of rapid changes and competitiveness only those organizations will be able to survive and succeed where people working under them are constantly learning and keep developing their skills with the need of the time. In order to do so organizations shall have to be proactive. It shall have to visualize the future needs and challenges well in advance, set its vision and direction well ahead, and at the same time keep its people ahead through a process of continuous learning. In both the above processes HRD function will play a very important and significant role to help the people in the organization acquire new skills, new knowledge, as well as prepare them in a psychological state of readiness to continuously change and modify.
IV. World Class Vision

All enterprises can benefit from shared vision and its active implementation. It has now become a global business vision. The major implications involved in Global Business Vision are: (a) vision has to meet the rising expectations of global stakeholders. Even if a firm is manufacturing in only one country, it has to show sensitivity, understanding and concern for all its stakeholders, customers, dealers, vendors, government or the civil society, at home and overseas. (b) The vision should take into account global opportunities and threats in product market, factor market, capital and technology flow. (c) The vision should include elements of sustainable contribution in all countries where the firm opens operation. All these processes as explained above may sound easy to understand, but while putting them into action, it requires considerable amount of competency development. This is where HRD process can intervene.

V. A Leader’s Role In Learning Organizations

Business leaders today need critical knowledge about emerging trends. Leaders must learn to navigate real-time change - whether that change comes from terrorism, competitors, customers, technology or global economic factors. Developing an ability to anticipate the future in the face of uncertainty, disruptions and chaos will be an essential part of leading the 21st century enterprise. Complex and fast changing trends must be integrated into business strategy.

An understanding of key future trends will drive opportunity for business leaders worldwide. Key questions that must be integrated into future business strategy are: How will changing customer demographics affect business strategy? What workforce shifts will attract talent? What are the top technologies and business processes that
will shape competitive advantage? How will future economic trends affect markets? What new opportunities does science offer? What role will globalization and trade play in the future? What are the essential strategies to building an agile organization and navigating uncertainty?

World Class Organizations constantly experiment and learn from themselves and others. They learn from their successes and failures. They are innovative. They invest in research and development. Their employees are learner. They are networking organizations and they have knowledge and skills. They use their network to influence others as well as delve lope themselves. They maintain their competitive edge through benchmarking, and comparing themselves with the best using their network. They are reflective organizations. They are change prone and adoption prone. Thus creating a learning organization is another major challenge before HRD Managers.

A learning organization represents a fundamental shift in culture. A few leaders understand the depth of commitment required to build learning organization. This involves willingness to change mental models. This is much easier said than done. In practice, it is disorienting and deeply humbling because our mental models were the key to our confidence and our competence. To be a real learner is to be ignorant and incompetent. Not many top executives may subscribe to this philosophy. Most top executives have little understanding of the task of developing culture. It requires patience. Reflective ness and willingness to find a new balance between focusing on results and focusing on how one would be operating while one would be trying to
achieve those results. This is one of the major challenges that all leaders and HRD Managers are facing.

1. Taking all the above factors into consideration, studies were carried out keeping in view the following objectives:

1. The main objective of the research project is to know, understand and analyze various factors relevant with Human Resource development (HRD) function of an organization and its relevance to achievement of strategic business vision of the organization. In other words this study will explore various possibilities to integrate strategic business vision of an organization through the process of Human resource Development (HRD) function.

2. The study is to focus on the facts that, in organizations aspiring to achieve strategic business vision how will the management shall have to design its Human Resource Development (HRD) objective and strategy. Also, in order to face various new business challenges and changes over a period of time in future (in the present millennium) how management shall design and develop the Human Resource Development Objectives.

3. The strategic business vision as may be pervasive will be encompassing the whole organization. However, to put this objective vision into action, understanding and acceptance by all in the organization will have to be propagated. This process entails development of human resource function.
Integration of human resource function with business strategies is the major objective area of this study.

4. The present and future business of the present millennium, poses the greatest challenge to business leaders and organization in the form of technological innovation; rapid changes due to globalization and liberalization and also challenges of faster economic growth, over and above improvement of quality of lives of the people. Such challenges shall have to be perceived by leaders of organizations. By setting strategic business vision and transforming these goals into reality through the people within the organization is a daunting task. This process needs to improve upon the performance of the people as well as their competencies. To perform better and to improve competencies a through process of HRD is a must. This is, one more area of this research study.

5. Last but not the least another objective area of this study is to establish synergy between strategic business vision, management of change, challenges posed by technology and world and world economic orders, people’s expectation, organization’s own objectives of providing value added quality services to the society, integrating personal objectives of individuals with the objectives of the organization and ultimately the survival of the organization and its growth in the changing situation In the above process a vital integration role is expected to be played by HRD function.
1.22: Methodology Of Research:

1. Both desk research and field research methodologies are being adopted to arrive at the objective of this research project.

2. In Order to achieve clear-cut objectives relevant to understanding strategic vision and human resource development a holistic approach has been adopted. Like: in-depth analysis of various available documents, publications, case studies, reports, seminar papers, books, and journals etc. on the subject were read and analyzed to understand the concept. Considering the fact that the subject undertaken for this research study is of comparatively of recent origin in India and abroad and for business organizations located in N.E. Region, therefore, those units have been selected for case studies which already perceive their business vision for the new millennium as well as which have already undertaken the process of HRD programs. However, one SSI Unit has been taken up for studies only to analyze its preparedness for new changes, assuming that it has no HRD program.

3. This study is a unit based case study on the subject of research. In this process papers, publications, programs, studies, training programs undertaken by units were analyzed, studied, and conclusions were drawn. In-house consultations were conducted with various key officials, executives, workers as well as people in the different hierarchies of the respective units of the case study. This was done to known their minds and opinion. In order to collect additional data from the units of study, the researcher also
participated in various in-house HRD Programs such as counseling, appraisal, trainings seminars, discussions, interactions during the course of this research study.

4. In addition to above in plant studies, various other data were collected from bulletins, books Journals, news papers, monographs and publication published by different organizations and publishers on the subject. Such publication may be of Indian as well as foreign origin. All these data were interpreted and analyzed for the purpose of achieving the objectives of the research. To arrive at a conclusion and to give some objective suggestions all the data collected during the research studies were interpreted.

5. The data collected from the units and that available from desk research were compared and analyzed to make some interpretation. A comparative analysis was attempted with the data available from present research works with the desk research.

6. Also opinions of various experts on the subject were taken for review and analysis. Their suggestions were sought occasionally whenever it was found necessary.

7. In addition to the above some other local and external facilities available from libraries and other medium of exchange of information as Internet will were widely explored.
During this research the researcher took some personal efforts to attend some training programs, workshops etc. organized on the relevant subject of research in order to broaden the scope of data collection.

1.23: Scope Of The Study:

(a) Basically his study will be conducted in the state of Assam. However, in order to collect relevant information I have contacted people from different units located at different parts of India.

(b) Study and analysis of various reports and publications were made from Indian and foreign origin.

1.24: Selection Of Units:

Selection of units for this research work were made on the basis of following factors:

1. Units, which are already having strategic vision for the present millennium or are in the process of acquiring such objectives as well as in the units where they have specific HRD Programs, were taken up for the purpose of this study.

2. The units, which are located in the state of Assam.

3. The unit which are already involved in basic industrial activities such as Tea, Oil, Manufacturing sector as well as consumer goods manufacturing unit.

4. In addition to above a Small Scale Industrial unit has also been taken up for studies.
The basis of selection was due to their uniqueness Oil India Limited for its size (it is the largest public sector unit located in Assam), Tata Tea Limited (for Brand), Assam Carbon Product limited for its alliance with foreign partner (a medium size local company with foreign partnership) and Rhino Industries for being a SSI sector unit.

While selecting the SSI unit for this research project, it was assumed that there was no such program of HRD or strategic visioning in that unit. But it was only to analyze and to see that if any such programs could be applied in future to such units of SSI sector through a specific model for their benefit.

1.25: Limitations Of The Study:

The limitation of this research study were experienced as follows:

1. The subject of this study is relatively of recent origin. Therefore, application of these concepts and experiences of respective units on the subject of research are very limited. Therefore, the researcher found some problem in collecting data both qualitative as well as quantitative that were in short supply.

2. However, within the above limitation the researcher made relevant attempts to collect all needful information so as to arrive at the objective of this research study.

3. In absence of quantitative statistical information (which is not available all the time) the researcher applied an analytical method of interpretation of
qualitative information such as interview and discussion technique to overcome the limitation related with this study.

1.26: Chapter Planning:

There are 10 chapters in this thesis. The chapters have been sub-divided into three sections. In Section -I we have one chapter (CHAPTER-I) about the basic introduction of the thesis, objectives and methodology and scope of work. In section-II we have 8 (eight) chapters. In this section we have analyzed the conceptual and theoretical framework of the research work and analyzed the present Indian scenario relating to the subject of research. Various books, literature, journals and Internet was thoroughly searched to arrive at a conclusion and to prepare the chapters. Section -III of the thesis has one chapter (Chapter-X) about critical analysis and suggestions for improvements. The last section has been sub-divided into three parts. In the first part of this section we have taken a brief background of Assam Economy to understand and evaluate our study. In the second part we have taken up four case studies at different units and studied the process of strategic vision and HRD. In the final part we have made some observation and analysis as well as some suggestions, scope of future research and conclusion.

1.27: The chapterization has been done in the following manner:

1. Introduction


3. Cultivating Change.

5. Managing Diversity (with reference to people, policy, culture etc.).


7. Corporate Management for Globalizations in the new millennium.

8. Strategies for Growth and Corporate Excellence in India under prevailing constraints and relative role of HRD to facilitate growth and achievement of excellence.


10. Case Study, Critical analysis of the study and suggestions for improvement and scope of future research.
Selected Reference Of Chapter-I

1. Kuldeep Singh, T.V. Rao, Baburaj V. Nair: "Values of HRD Profession"


11. Dr. James Canton: Future Maps: Three Global Scenarios for 2010 By CEO & Chairman Institute for Global Futures


14. **Subramanium Ramchandaran**: ‘Strategy in Competitive Landscape’


16. **Leland I. Forst**: Strategic Planning :Internal Services Need Review,


18. **Subramanium Ramchandaran**, ‘Strategy in Competitive Landscape’

19. **M.B. Arthreya**: Importance of HRD in strategic Management: Book-
    Selected Readings in HRD by- Kuldeep Sing, T.V. Rao, Baburaj V. Nair,
    Publisher: Tata McGraw-Hill Publishing Company Limited, New Delhi,
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