CHAPTER I

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Organizations are becoming increasingly aware of the importance of human resources. This awareness is generated by the realization of the fact that human factor is a critical dimension in organization effectiveness. The real life experiences substantiate the assumption that no matter how sophisticated and modern the business of the organization, becomes it will find it extremely difficult to sustain its growth and effectiveness unless its human resources are complementary to its operations. This has propelled human resource development into a major field of study in recent years, and this renewed interest has further facilitated in developing newer approaches for managing human resources. Training and Learning functions have become most powerful differentiators and providing a competitive edge. Human Resource Development (HRD) in the years ahead will demand that learning occurs faster in more diverse places, across different cultural and national boundaries for organisational efficiency. The real challenge for HRD is to find new ways to implement learning technologies that are efficient, effective and that deliver immediate strategic business results.

Importance

According to George and Stephen, (1984), men, materials, money, markets, machines and methods are regarded as the most important resources of organizations. But human resources are regarded as only dynamic factor of production. Other factors of production are considered to be worthless without the involvement of this prime factor. A business unit comes into existence with certain welldefined objectives. The management makes an effort to co-ordinate human and material resources in such a manner that organizational objectives are achieved. Koontz and O’ Donnel, (1976) rightly observed that an organization is a creation of
an environment in which people contribute to the best of their abilities to attain the goals of the organization.

In hiring a worker, one always hires the whole man. The human resource – the whole man is of all resources entrusted to man, the most productive, the most versatile and the most resourceful. (Drucker, 1954). Failure to recognize this fact causes immense loss to the nation, industry and the industrial organization. It has been suggested by Magginson (1967) that this resource should be viewed as a form of capital and as the product of investment (return on investment) whereby production is acquired.

Human resource is the most critical factor for determining the efficiency and effectiveness of an organization, because it is precisely the people who will decide when and how to acquire and utilize various resources, including the human resources, in the best interest of the organization. The ultimate success and survival of an organization will invariably be determined by the quality and competence of its human resources. Of all the tasks of management, says Likert (1967), appropriately,

"Managing the human component is the central and most important task, because all else depends upon how well it is done".

Thus, human resource is the most important asset in an organization, because all other natural resources can be better utilized by human resource only. Realizing the importance of human resource, many of the organizations are focusing attention on developing this resource, so that the organization could achieve higher levels of productivity and efficiency.

Need for HRM

Although the potential for development of human resources is unlimited, Mead (1963) observed that the most intelligent individual uses only 10 percent of his capacity. A similar study of Athan, (1964), reveals that the average employee's application of his mental powers
on his job is only about 15 to 20 percent of capabilities available to him. If this is the case with
developed countries, one could imagine the extent of utilization of the developing countries. It
is relevant to mention the comment of Adam Curle, a famous economist who said that if the
under developed, countries have remained without development, it is largely because the
people are under developed, having had no opportunity to realize their maximum potentialities.
The maximum utilization of people and their potentialities is key to the growth of
organizations. In the development of individuals lies the development of organizations, as well
as of nations. The economic development cannot be accomplished in developing countries
unless, they have a well educated and trained, highly achievement-motivated, and properly
developed human resources (Rudrabasava Raj, 1980).

Likewise, the enterprise cannot make any progress unless it has a well trained, efficient
and adequately motivated work-team. Similarly, individuals cannot derive job satisfaction
and lead a high standard of living unless they are well trained and highly developed. It may be
noted that management of human resources can assist in the attainment of these national,
enterprise and individual goals, through effective utilization, and proper development of human
resources.

Concept of Human Resource Management

The concept of Human resources Management has emerged in 1970s for improving
human performance by increasing human capacity and productivity for fully realizing human
potential and for ensuring the quality of life in and outside the organizations.

Human Resource Development is a process, which consists of a series of activities,
conducted to design behavioural changes, in a specified period. Lippitt, (1978), points out that
HRD as a system depends on:
1. Work itself which generates a higher grade of responsibility for the employees
2. The individuals personal and professional growth;
3. The improved quality output as a result of increased responsibility;
4. Organization as an open system.

Focus on all these aspects is what HRD is all about.

HRD is defined by Thacker (1971) as follows:-

"a process in which the employees of an organization are continuously helped in a planned way to (a) acquire or sharpen capabilities required to perform various tasks and funcions associated with their present and future expected roles; (b) develop their general enabling capabilities as individuals so that they are able to discover and exploit their own inner potential for their own and/or organizational development purpose; and (c) develop an organizational culture where superior subordinate relationships, team work, and collaboration among different subunits are strong and contribute to the organizational health, dynamism and pride of employees."

HRD Mechanisms

The goal of HRD systems is to develop the following (Dwivedi 1970):

- The capabilities of each employee as an individual;
- The capabilities of each individual in relation to his or her present role;
- The capabilities of each employee in relation to his or her expected future role(s);
- The dynamic relationship between each employee and his or her supervisor;
- The team spirit and functioning in every organization unit (department, group, etc.)
- Collaboration among different units of the organization; and
The organization's overall health and self-renewing capabilities, which, in turn, increase the enabling capabilities of individuals, team, and the entire organization.

To achieve the above objectives, it may be suggest that HRD system may include the following mechanisms or subsystems.

- **Performance Appraisal**
- **Potential Appraisal and Developments**
- **Feedback and Performance Coaching**
- **Career Planning**
- **Training**
- **Organization development (OD)**
- **Rewards**
- **Employee Welfare and Quality of Work Life**
- **Human Resources Information**

*Performance appraisal*

Performance appraisal of one type or the other is practiced in most organizations all over the world. A written assessment to which the employee has no chance to respond, is still common in most countries, particularly in developing countries. It is felt that this type of appraisal serves no purpose. It is time that more organizations begin to utilize the performance appraisal, interview the managers and the subordinates, during which the subordinate's strengths and weaknesses are discussed, concerns are shared, and the subordinate is given the opportunity to defend or improve any deficits in his or her performance.

In HRD organizations, every supervisor has the responsibility to ensure the development of his or her subordinates in relation to the capabilities required to perform their jobs effectively. Generally, the supervisor schedules individual meetings with each employee
to discuss the employee’s performance, communicate the performance areas that need attention, and jointly establish areas to be worked on, or goals to be achieved by the next scheduled discussion.

*Potential Appraisal and Developments*

In organizations that subscribe to HRD, the potential (career – enhancement possibilities) of every employee is assessed periodically. Such assessment is used for developmental planning, as well for placement. A dynamic and growing organization needs to continually review its structure and systems, creating new roles and assigning new responsibilities. Capabilities to perform new roles and responsibilities must continually be developed among employees. The identification of employee potential, to ensure the availability of people to do different jobs helps to motivate employees in addition to serving organizational needs.

*Feedback and Performance Coaching*

Knowledge of one’s strengths helps one to become more effective, to choose situations in which one’s strength are required and to avoid situations in which one’s weaknesses could create problems. This also increases the satisfaction of the individual; often people do not recognize their strengths. Supervisors in an HRD system have responsibility for ongoing observation, and feedback to subordinates, about their strengths as well as their weaknesses, for guidance in improving performance-capabilities.

*Career Planning*

The HRD philosophy is that people perform better when they feel trusted and see meaning in what they are doing. In the HRD system corporate growth plans are not kept a secret. Major changes are discussed at all levels to increase employee understanding and commitment. Most people want to know the possibilities for their own growth and career

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opportunities, because managers and supervisors have information about the growth plans of the company. It is their responsibility to transmit information to their subordinates and to assist them in planning their careers within the organization.

Training

Training is linked with performance appraisal and career development. Employees generally are trained on the job or through special, in-house training programs. For some employees (including managers), outside training may be utilized to enhance, update, or develop specific skills. This is especially valuable if the outside training can provide expertise, equipment, or sharing of experiences that are not available within the organization.

In-house training programs are developed by in-house trainers or consultants hired for the task, and periodic assessments are made of the training needs, within the organization. The effects of all training programs are monitored and added to the data concerning training needs. Managers and employees who attend in-house or outside training events, also are expected to submit proposals, concerning any changes they would like to suggest, on the basis of their new knowledge. Thus the training received by employees is utilized by the organization.

Organization development (OD)

This function includes research, to ascertain the psychological health of the organization, which is accomplished by means of periodic employee surveys. Efforts are made to improve organizational health through various means in order to maintain a psychological climate that is conducive to productivity. The OD or systems experts, also help any department or unit in the company, that in having problems such as absenteeism, low production, rework, interpersonal conflict, or resistance to change. These experts also refine and develop various systems within the organization to improve their functioning.
Rewards

Rewarding employee performance and behavior, is an important part of HRD. Appropriate rewards not only recognize and motivate employees; they also communicate the organization's values to the employees. In HRD systems, innovations and use of capabilities are rewarded, in order to encourage the acquisition and application of positive attitudes and skills. Typical rewards include certificates of appreciation, newsletter announcements, increases in salary, bonuses, special privileges, and desired training. Promotions generally are not considered as rewards, because promotion decisions are based on appraisals of potential, whereas most rewards are based on performance.

Employee Welfare and Quality of Work Life

Employees at lower levels in the organization usually perform relatively monotonous task, and have fewer opportunities for promotion or change. This particularly is true in developing countries. In order to maintain their work commitment and motivation, the organization must provide some welfare benefits such as medical insurance, disability insurance, and holidays and vacations.

Quality-of-work-life programs, generally focus on the environment within the organization and include, basic physical concerns such as heating and air conditioning, lighting and safety precautions; additional physical amenities such as food and beverage facilities, recreation, and aesthetics; and psychological and motivational factors such as flexible work hours, freedom to suggest changes or improvements, challenging work and varying degrees of autonomy.

Human Resources Information

All appropriate information about employees should be stored in a central human resources data bank (usually by means of computer). This includes all basic information about each employee, training programs attended, performance records, potential appraisals,
accomplishments, etc. This data is utilized whenever there is a need to identify employees for consideration for special projects, additional training, or higher-level jobs.

**Approaches to HRD**

Human Resource Development is possible in two different ways:

1) Self development, and  
2) Development through others.

The essence of “self approach” is the realization on the part of the human being that the development of a knowledge, self-discipline and will, makes one a fuller man, and it is a means for reaching the last step of the ladder, viz. happiness rather than mere survival, progress and prosperity. In the first category, the individual has to develop, the self, through the following approaches:

- Self-perception
- Self-realization
- Self-fulfillment
- Self-control.

The development through others can be made possible through different training and development methods, which are already in vogue in the HRD system as inputs. These include:

- Human engineering,
- Counseling,
- Individual and group coaching,
- Career appraisal,
- Potential appraisal,
- Simulation,
- Sensitivity training.
○ Transactional analysis,
○ Planned progression,
○ Quality circles, etc.

Whatever may be the method employed in HRD system, it must be evaluated in the light of what is the extent of the knowledge gained, skills acquired, discipline adopted and attitudinal change registered.

Managerial Training and HRM

Training as a concept is old. Changing times and situations are fast providing that an effective management team is as much, or rather may be more important to the survival of an organization as any tangible item on the balance sheet.

Ever since World War II, phenomenal changes in the socioeconomic forces, including changes in public policy, concept of social justice, industrial democracy, problems of ecology, coupled with the fast developing scientific and technological innovations, resulting in the increasing size and complexity of business, all these have led to revolutionary changes in management thinking, its techniques applications and in the ways, an organization operates (Aggarwala, 1987).

Training has caught the attention of many of the progressive and more enlightened managements for sometimes past. More particularly in the context of the mounting size of the workforce, and the number of managerial jobs raising faster and professional management gaining wide acceptance with the increasing size and complexity of organizations. The problem of retaining efficient managers has become all the more intricate and difficult, due to the serious shortage of adequately trained managerial personnel, as the organizations have come to face at present, and which has been rendered still more acute, being actuated by competition, for high talent manpower among business, the professions and Government. To meet such an alarming situation, there has come about a significant and wide recognition of
managerial training and development in the minds of the modern managements. Inaugurating the Tata Management Center at Pune in 1965, Mr. J.R.D. Tata, emphasizing on the managerial training and development, very rightly said,

"Trained managers are 'vital' to the economic development of the country. The managerial training and development program should indeed be the integral part of the country's business and industrial activity, so that side by side, with the improvement in professional standards, there may be a more significant contribution by the managerial class to the economic progress of society".

The basic and primary objectives of managerial training and development are:

- To adequately enhance the present effectiveness of managerial personnel, through a planned and deliberate process of learning within an organization;
- To identify managers with further potential, and ensure they receive the required developmental training and experience. To equip themselves better to meet the prospective organizational demands for higher assignments, as may be occasioned due to long absence of individuals, owing to sickness, deaths, transfers, promotions, resignations, retirements or any other unanticipated new developments, by way of any extension plans of the organization or otherwise.

Managerial personnel will not survive unless they keep pace with the modern management education, research, theory, principles and practices. This will be possible only if they are exposed to various techniques and tools of executive/management development. Management development is the first and foremost responsibility of the highest level of management. Top management can fulfill this responsibility in three ways (David W. Ewing, 1981):

1. By creating the climate, structure and procedures which foster the development of people, in and for managerial functions.
2. By periodically making appraisals of present and forward assessments of future management talent.

3. By organizing internal and/or external programs to accelerate the autonomous natural management development within the organization as such.

The process of management development is a continuous and on-going one. This presupposes and underlines on one hand, the need to extend training throughout the career span of manager and, on the other, the need to train all levels of management.

HRM - Status in India

In India, the subject of management development is a relatively new and challenging one. However, in a large, relatively enlightened private sector undertaking, and in a majority of public sector units, we observe the use of many of the latest engineering technologies and managerial techniques developed in the west. Management approaches like Management by objectives, Organizational Development etc., are being explored with great interest. Techniques for identifying and improving managerial styles like managerial grid, sensitivity training are also being introduced slowly. All these belong to the package of management development effort. These systems to help improve professional and personal growth of the individual and, consequently, growth of the organization (Pereira, 1985).

Larsen and Turbo Limited undertook the first HRD exercise in India. The exercise consisted of requesting a team to study various aspects of performance appraisal, potential appraisal, employee counseling, career development and planning, training and development.

Organizational development.

A number of other organizations like Sundaram-Clayton, State Bank Of India, Bank of Baroda, EID-Parry (India) Ltd, have started the practice of HRD. Thus HRD movement picked up its momentum in India in 1990s. One significant contribution the concept of HRD
and the HRD movement have made to the corporate sector in our country is to refocus the attention of top management and personnel departments on “people”. Personnel function is becoming more humanistic in its outlook and executives are becoming more people-oriented in their attitudes and behaviour. However, these changes are small compared to what is needed and what is possible. We have a long way to go in developing people and bringing about an HRD culture.

An Overview of the Public Sector

State participation has been considered necessary in both the developing countries as well as the developed countries (Lewis, 1955)15. Among the development policies that have been propounded to achieve rapid economic growth, the state has been assigned a crucial role.

Two broad factors have contributed to the expansion of public sector.

- One is that in the developed market-economies, government sponsorship has been concentrated more on science-intensive industries.
- The second factor is a consequence of the persistent structural problems experienced in both the developed as well as the developing countries. In the present decade many governments have turned to state owned Industries to dampen inflation, to stimulate employment, to manage the contraction of troubled industries (e.g., Steel, heavy engineering and ship-building) with a minimum of social cost, or to redistribute production and employment to depressed areas of the domestic economy (Garner, 1978)16.

In India, the government has attached an added significance to the expansion of public sector mainly for removing the regional imbalances and for safeguarding the overall interest of the society (Gupta, 1975)17.
Objectives

The politico-economic philosophy of the Governments, necessarily guides the objectives of public enterprises, all over the world. Public sector was assigned a strategic and crucial position in the Indian economy. It was expected to be the principal agent for rapid economic and social transformation by developing infrastructure and the core sector, and closing the gaps in the industrial structure. In the words of Jawahar Lal Nehru, the first Prime Minister of India

"the public sector represents a dynamic urge to go towards the socialistic society, which we are seeking to build up. The public sector has to grow. It has a strategic importance." (Uppal and Amandeep, 1987).

Public Enterprises in India have been assigned the following major objectives. (Bureau of Public Enterprises, 1980)

- To help in the rapid economic growth and industrialization of the country and create the necessary infrastructure for economic developments;
- To earn return on investment and thus generate resources for development;
- To promote redistribution of income and health;
- To create employment opportunities;
- To promote balanced regional development;
- To assist the development of small scale and ancillary industries; and
- To promote import substitution, save and earn foreign exchange for the economy.

Growth

Public enterprises in India are largely a post-Independence phenomenon. The issue of public sector versus private sector assumed great significance immediately after the attainment of Independence especially after the acceptance of planning as the possible means to achieve
the desired development of the country. (Prakash, 1980)19, (Sinha, 1966)20. Within a year of the attainment of Independence, the Government of India announced its first Industrial Policy Resolution on April 6, 1948. This was the first official document spelling out the role of the public sector in the industrial development (GOI, 1948)21. The Constitution of free India which came into force on 26th January, 1950 enjoined upon the state to ensure

"that the ownership and control of the material resources of the community are so distributed as best to sub serve the common good" and "that the operation of the economic system does not result in concentration of wealth and means of production to the common detriment" (Article 39).

The First Five Year plan presented to the government in December 1952 emphasized the need for a rapid expansion of the economic and social responsibilities of the state through a progressive widening of the public sector and a reorientation of the private sector, the needs of the planned economy (Planning Commission, First Five Year Plan, 1952)22.

**Before economic reforms**

Right from the commencement of the First Five Year Plan to the present, the investment in central public sector undertakings (PSUS) is on increase from Rs. 290 millions (1951-56) to Rs. 1,017,020 millions (1990-91). The number of PSUS is also risen from just five in the First Plan to 236 in 1990-91. At the same time the capital employed of these units increased from Rs. 219,350 million to Rs. 1,017,020 millions. Interestingly the net addition of units during the above period varied between three and eight. Excepting in 1986-87, the addition in capital employed is considerable. Further, it is notable that marginal capital employed on every additional unit is an increase especially from 1986 – 87. It has been reached to as high as Rs. 56,473 million by the end of 1990 – 91. It may be due to either increase in cost of the project or the setting up of capital intensive and high tech projects.
Evidently the profit making units are consistently increasing from 104 to 124 during 1981-82 to 1990-1991. At the same time the loss making units have also increased from 83 to 109. But the number of units operating at neither profit nor loss situation (BPE) is more or less the same excepting 1986 – 87, It could be inferred that the addition of profit making unit is being offset by the addition of loss making unit. Strikingly, it could be observed from the table that total amount of profit generated by the profit making units is on an increase from Rs. 12,930 million s to Rs. 54,320. The amount of loss by the loss making units also rose from Rs. 8,480 millions to Rs. 30,640 millions. Thus the PSU’S are bearing some net profits to the exchequers as the total profits exceed total loses. It is significant to mention that, the net profit margin on the capital employed by these units never exceeded five percent.

The initial increase of employment growth from 1980-81 to 1981-82 (5.44 per cent) has been gradually on decline over the years and even touched to just 0.45 percent in 1987-88. In the immediate year it has been reduced by 9.54 per cent. Due to introduction of ‘golden shake hand’ scheme, the employees may retire from service voluntarily with all retirement benefits applicable to the individuals concerned. Though in 1989-90 a considerable rise in employment in this sector has been noticed (11.30 percent over the previous year), it has again marginally declined in the successive year i.e. 1990-91.

After economic reforms

After the initial exuberance of the public sector entering new areas of industrial and technical competence, a number of problems have begun to manifest themselves in many of the public enterprises. Serious problems have been observed in the insufficient growth in productivity, poor project management, over-manning, lack of continuous technological upgradation and inadequate attention to R&D and human resource development. The low rate of return on capital invested has inhibited the ability of the public enterprises to regenerate themselves in terms of new investments as well as in new technology development. This
resulted in many of the public enterprises becoming a burden rather than an asset to the Government.

It was, therefore, decided to redefine the role of the public sector, in tandem with the economic liberalization. According to the industrial policy announced on 24-7-1991, the following have been set as the priority areas for growth of public enterprises.

- Essential infrastructure goods and services.
- Exploration and exploitation of oil and mineral resources.
- Technology development and building of the manufacturing capabilities in areas which are crucial in the long term development of the economy where private sector investment is inadequate.
- Manufacture of products where strategic considerations predominate such as defence equipment.

Accordingly the number of industries reserved for the public sector was pruned to eight which include the following:-

1. Arms and ammunition and allied items of defence equipment, aircraft and warships.
2. Atomic energy,
3. Coal and lignite.
5. Mining of iron ore, manganese ore, chrome ore, gypsum, sulphur, gold and diamond,
6. Mining of copper, lead, zinc, tin, molybdenum, wolfram,
8. Railway transport.

The list has been further pruned subsequently and now only atomic energy and railway transport are reserved for the public sector. In May 2001, the sensitive defence production which was hitherto reserved for the public sector was thrown open to the private sector. foreign investment up to 26 per cent has also been allowed in this sector. The new industrial policy also indicated that the public sector would withdraw from the following cases:
• Industries based on low technology
• Small-scale and non-strategic areas
• Inefficient and unproductive areas
• Areas with low or zero social responsibility or public purpose
• Areas where private sector has development sufficient enterprise and Resources

The main elements of the current Government policy towards Public Sector Undertakings (PSUs) are:

• Bringing down Government equity in all non-strategic PSUs to 26 per cent or lower, if necessary.
• Restructure and revive potentially viable PSUs.
• Close down PSUs which cannot be revived.
• Fully protect the interest of workers.

In order to give thrust to the process of disinvestment in PSUs, a new Department of Disinvestment was set up. The Department is responsible for all matters related to disinvestment of Central Government equity in Central Public Sector Undertakings, implementation of disinvestment decisions and implementation of the erstwhile Disinvestment Commission. The new policy also made it clear that the Government will ensure that the public sector is run on business lines as envisaged by the Industrial Policy Resolution of 1956. It was also decided to close down unviable sick public undertakings. The new public sector policy marks a much needed change for accelerating the pace of development by better utilization of the national resources (including entrepreneurial resources) and for increasing competition and efficiency. The Industrial Policy Statement of July 1991 observed that in the 1950s and 1960s, the principal instruments for controlling commanding heights of the economy was investment in key industries. Today, the state has other instruments of intervention, particularly fiscal and monetary instruments.
Government in July 1997 unfolded its strategy to grant autonomy to some PSUs on an experimental basis. The objective of the new approach was to select some vanguard PSUs to support them in their drive to become global giants. The Government, after a detailed and in-depth inter-ministerial discussions selected nine PSU for marking them truly world class entities and it euphemistically named these as Navaratnas. NTPC is one among them.

- Bharat Heavy Electricals Ltd. (BHEL),
- Bharat Petroleum Corporation Ltd. (BPCL),
- Hindustan Petroleum Corporation Ltd. (HPCL),
- Indian Oil Corporation Ltd. (IOC),
- Indian Petrochemicals Corporation Ltd. (IPCL),
- National Thermal Power Corporation Ltd. (NTPC),
- Oil and Natural Gas Corporation Ltd. (ONGC),
- Steel Authority of India Ltd. (SAIL), and
- Videsh Sanchar Nigam Ltd. (VSNL).

Two more enterprises, GAIL and MTNL, were later given the same status. It was decided that these PSEs would have freedom to incur capital expenditure, decide upon joint ventures, set up subsidiaries/offices abroad, enter into technological and strategic alliances, raise funds from capital markets (international and domestic) and enjoy substantial operational and managerial autonomy.

The Boards of these PSEs have been broad-based with induction of non-official part-time professional directors. All the measures have taken with the objective of making the PSEs competitive. Greater operational, financial and managerial autonomy has also granted to 97 other profit-making enterprises referred to as Mini-Ratnas, for making them more autonomous, efficient and competitive.

Achievements
In the development of Indian economy the public sector has played an important role and has contributed its co-operation in a wide range of activities. The public sector has accelerated the pace of economic development of the country and has changed entirely the industrial and economic scene of the country. The achievements claimed for PSEs in India may be summarized as under:

(a) The public sector in India has set up a number of key industries, which would have not been possible through the private sector.

(b) The public enterprises in India have been helpful in the diversification of the country’s industrial structure.

(c) The PSEs in India have also contributed to a sizeable amount to the foreign exchange reserves by promoting exports and curtailing impost.

(d) The PSEs in India have also made a significant contribution to the balanced economic development in the country.

(e) They have significantly increased employment opportunities in the country.

(f) They have also been helpful in generating the internal resources.

(g) The nationalization of major Commercial banks, Life Insurance and General insurance Business in India has given the public sector a commanding position in the credit and investment system of the country.

(h) Public enterprises have inherited rich managerial, technical and scientific capabilities in the country’s human resources to a considerable extent.

Over a period of 60 years or so, the growth of the public sector in India has been phenomenal in terms of investment, production and scope of activities. Investments totaling 60 billion have been made. Over 70% of India’s economy is in the hands of the Public Sector. It has spread over all parts of India employing more than two million people. Its coverage
extends beyond basic and heavy industries into consumer goods, electronics and a variety of services including tourism and the hotel industry.

HRM in public sector

The objectives of the public sector must be taken into account while deciding about how its managers should be like. While the need thus is for dynamism and adaptability to changing conditions, it is precisely these qualities, which our personnel system lacks, as lamented by the Administrative Reforms Commission (Rama Rao, 1979). It recommended that Government should, with the assistance of experienced administrators and experts in training techniques, formulate a clear-cut and far sighted national policy on civil service training, setting out objectives and priorities and guidelines for preparation of training plants. (Lallan Prasad, 1985)24, (Jain K.K, 1990)25. Enough attention is being paid to training in the public enterprises. Almost all of the public sector units have a separate training department for executive training and separate budget for training activities. Department of Public Enterprises (DPE) is acting as a nodal agency for coordinating training and development of managers in the Central Public Sector Undertakings. It is concerned with the formulation of training policies and programs for these enterprises at the national level. DPE organizes special programs for the Top, Senior Executives, arrange for deputation of managers on a selective basis for training abroad, and play a catalytic role in development of in-house training facilities in the public sector enterprises. Rao and Lokur (1981)26 identified that the emphasis on training is quite high in the public enterprises.

While the public enterprises are responsible for identifying the training needs and providing the training facilities to their managers, DPE supplement their efforts in this regard by organizing programs, in collaboration with the premier management institutions, in areas where special efforts are needed, to meet the training and development requirements, not available with the public enterprises.
At present, the training institutions (external), and in-house training departments offer few courses of generalized nature and at times, of course, of specialized nature. There are courses for executives and lower level staff. There are courses in specific functional areas, like the marketing management, production management, general management, design and development, financial management etc. Occasionally, seminars and workshops on planning, management information system etc., are also organized.

Problems

In 1986, Wakhlu,27 pointed out certain weaknesses in the system of training in public sector enterprises. They continue to haunt not only some of the public sector units but also private sector units:

i. There is a need for an agency to systematically and continuously assess the training needs, adapt the system to these needs by suitable modifications and to monitor the quality of training with a view to initiating further improvements.

ii. Training is not integrated with subsequent career paths of the trainees. There is no systematic procedure to link performance in training to the trainees future prospects (training is to be taken with adequate seriousness by the trainees and the trainers).

iii. Class room formal training at training centers has not yet been integrated with on-the job training in the units of enterprises to which trainees belong.

iv. There is a need to plan properly the post training utilization of trained personnel in enterprises.

v. There is an urgent need to assess training needs/gaps of individual employees and to depute such employees for adequate training.
vi. There is a significant gap in respect to training of decision making skills and analytical abilities which are achieved through scientific method and appreciation of modern quantitative techniques and tools.

In this study an attempt has been made to understand the HRD practices in public enterprises with a focus on training and development activity in NTPC. The effectiveness of any training activity is normally gauged through the participant's training and learning experiences. Every trainee attends training programs with certain expectations and aims at enhancing his knowledge base and enriching his job skills and abilities. In organizations training is perceived as a means to achieve one's career goals and organizational goals.

The present study has been designed with a prime belief that training is a continuous process and is needed at all levels in the organization. Training is also considered as the basic foundation for all HRD and OD initiatives in an organization.

There is always a concern among HR professionals to create a synergy between research and practice, leveraging available technology without losing the human touch and social component of learning, striking a healthy balance between work life and personal life. To create workplaces with human touch, acknowledging intellectual capital as a lifeblood of organizations, embracing globalization, and multi-cultures, managing knowledge and learning effectively, developing partnership and collaboration of internal and external organization and fostering lifelong learning.

As mentioned above, training is a continuous process and is needed at all levels in the organization. Training is also considered as the basic foundation for all HRD and OD initiatives in an organization.
The study attempted to cover SEVEN Ps of Training and Development namely, (1) Perspectives, (2) Perceptions, (3) Preferences (4) Planning and implementation, (5) Participation, (6) Problems and, (7) Prospects associated with Training and Development initiatives in NTPC.

1. Perspectives: Perspective is the way one visualizes a particular situation or a problem and forms an understanding/opinion about the same. Here an attempt has been made to find out how trainees and trainers perceive various issues related to training viz a viz organization and work.

2. Perceptions: Perceptions are the functional dimensions of a task and the way one weighs and judges a problem or task so that importance is given to each issue or part of the problem. The study attempted to find out how the training activity is perceived by the respondents in the organization.

3. Preferences: Preferences are the priorities accorded to the performance of different tasks involved in the training process so as to enable the achievement of training goals. The study also attempted to understand the preferences accorded by the respondents to training.

4. Planning: The planning and implementation dimension, the fourth P, in the training process focused to understand the role of planning of various training programs, and study how various training programs are being implemented. The study examined various aspects of planning the training activity, through the survey of respondents.

5. Participation: The participation dimension of the study tried to elicit the level of participation of different employees in the training activity- identifying training needs, training planning and implementation.
6. **Problem:** The study also made a deliberate attempt to understand various problems faced by persons participating in various training programs and study aims to suggest solutions to various problems identified during the study.

7. **Prospects:** Finally the study looked at the prospects of making training activity in NTPC as a meaningful and rewarding activity to the people and the organization in successfully meeting the challenges of change.

The findings of the study are presented in the following pages more or less in the same order of the issues elaborated in the 7-P Training Model. As mentioned above, in this study, the researcher captured the views, experiences and expectations of the trainees who underwent training during the last five years. The study aims at suggesting a comprehensive model for training and development activity, based on the understanding of training needs from the trainee's perspective. As it is highly important for any training activity to be trainee centered, to give maximum benefit to the trainee, and also to the organizational development process as well. The study has covered a wide range of issues pertaining to the planning, design and implementation of training programs. The study also attempted to understand the personal and professional dimensions of the respondents.


