CHAPTER - 1

INTRODUCTION

Whenever there is decline of righteousness, and rise of unrighteousness, I incarnate myself to protect the virtuous, And to destroy the wicked, From Age to Age.

-Srimadbhagavat Geeta (IV.7/8)
1.0 INTRODUCTION

HRD Climate refers to the overall climate prevailing in an organization, which facilitates positive developments of its human resources. The term 'climate' is used to designate the quality of the internal environment which conditions in turn the quality of cooperation, the development of the individual, commitment to organizational purpose, and efficiency with which that purpose becomes translated into results. The climate is the atmosphere in which individuals help, Judge, reward, constrain, and find out about each other. It influences morale and the attitudes of the individual towards his work and his environment.

HRD climate helps the employees to acquire traits that would enable them to execute their present or future expected roles and aids in developing their capabilities for Organizational Development. A person's behavior is the outcome of several factors or motives. Motivation is one of the important factors affecting human behavior. 'HRD climate' has a definite impact on motivational need satisfaction of the individuals in the organization, which in turn, leads to the overall performance of the organization (Krishnaveni, R, Ramkumar, N) (2006).

HRD climate is characterized by the tendencies such as treating employees as the most important resources, perceiving that developing employees is the job of every manager, believing in the capability of employees, communicating openly, encouraging risk taking and experimentation, making efforts to help employees recognize their strengths and weaknesses, creating a general climate of trust, collaboration and autonomy, supportive personnel policies, and supportive HRD practices. An optimal level of development climate is essential for facilitating HRD activities (Rao & Abraham 1986).

The HRD Climate of an organization plays a very important role in ensuring the competency, motivation and development of its employees. The HRD climate can be create using appropriate HRD systems and leadership styles of top management. The HRD climate is both a means to an ends as well as an end in itself. HRD climate is a very important factor to be considered while studying and analyzing organizations, because it has a profound influences on the outlook well being and attitudes of organizational
members and thus on their overall performances. (Dr. Anukool Manish Hyde, Sulakshna

Any organization that would like to be dynamic and growth oriented has to pay attention
to the development of its human resources. People must be continuously help to acquire
capabilities for effective performance of new roles that may arise in the process of
organizational growth and change in the environment. Thus, HRD becomes crucial for
organizational dynamism and growth. An organization becomes dynamic and growth
oriented if their employees are dynamic and pro-active. Through proper selection of
people and by nurturing their dynamism and other competencies, an organization can
make their people dynamic and pro-active.

All organizations irrespectively and researchers unanimously agree that a congenial HRD
climate is extremely important for ultimate achievement of the organizational goals. Climate is a commonly expressed and referred to as “atmosphere”, “environment”. Etc.
Each has its own traditions; a method of action and culture, which is, totally comprises
the climate for the development of people. HRD climate contributes to the organizations’
overall health and self-renewing capabilities, which intern, increase the capabilities of
individual, dyads, team and the entire organization.

In order to promote a real HRD climate in any organization, it is imperative to have the
prevalence of general supportive climate not only the prevalence of general supportive
climate not only by the support and commitment of the top management, line
management but immensely good supportive personnel policies and positive attitudes are
equally important towards such development. The general climate therefore, is a
combination of support from all the concerned quarters via, from the management people
working in different levels, good supportive personnel policies and practices as well as
the positive attitude towards the development of the people vis-à-vis their
organization.(Schneider and Reichers, 1983; Chandra, and Coelho, 1993; Rov 2001).

The Present study is an exhaustive investigation to understand the nature of HRD climate,
influencing factors on HRD climate, perceptions of employees and contributions of
organization towards employee’s developmental activities in Electricity Supply
Companies (ESCOMS) of Karnataka Power Transmission Corporation Limited
(KPTCL), a public power transmission company of Karnataka. The HRD climate survey is described in detail to build a conceptual framework for systematically processing in completing the research study. It is possible to determine the HRD climate of an organization through dimensions developed by modern sciences and behavioral scientists.

Karnataka Power Transmission Corporation Limited is witnessing needs to be rearranged drastic changes in the structural, technical, social and policy matters. As electricity supply company's reforms involve a number of complex and intricate issues, the employees participation will be specific inputs in terms of knowledge and skill to enable them to play their role effectively and efficiently. The current power scenario demands a very comprehensive approach to attract, utilize, develop and conserve valuable human resources.

1.1 Definition of HRD climate

Payne and Monsfield (1973) viewed HRD climate as a conceptual linkage between organizations and individual that intervenes between specific situation attributes or events and individual perceptions, attitudes and behavior.

Pritchard and Marasick (1973) define HRD climate as a relatively enduring quality of an organizations internal environment, distinguishing it from other organizations, which: (a) results from the behavior and practice of members of the organization especially in top management, (b) is perceived by members of the organization, (c) serves as a basis for interpreting the situation, and (d) acts as a source of pressure for directing activity.

1.2 Elements of HRD Climate

The elements of HRD climate can be grouped into three categories-General Climate, OCTAPAC culture and HRD mechanisms.

a) A general supportive climate is important for HRD, if it has to be implemented effectively. Such supportive climate consists of not only top management's commitment, good personal policies and positive attitudes towards development. The general climate items deal with the importance given to human resources development in general by the top management and the line managers.

b) HRD mechanisms measure the extent to which HRD mechanisms are implemented seriously. Successful implementation of HRD involves an integrated
look at HRD and efforts to use as many HRD mechanisms as possible. These mechanisms include: performance appraisal, potential appraisal, career planning, performance rewards, feedback and counseling, training, employee welfare for quality of work life, job-rotation, etc, and are described in later paragraphs.

c) OCTAPAC culture is essential for facilitating HRD. The OCTAPAC culture deals with the extent to which Openness, Confrontation, Trust, Autonomy, Proactivity, Authenticity and Collaboration are valued and promoted in the organization. Like child development, HRD also needs favorable environment to grow and to make use of the opportunities. Therefore, before carrying out HRD plans HRD climate is to be generated. HRD climate can be defined as the culture, which supports Proactivity, openness, collaboration or delegation, trust, authenticity, confrontation and autonomy. The brief descriptions of these HRD elements are discussed here under.

i) Openness: Openness can be defined as a spontaneous expression of feelings and thoughts and the sharing of these without defensiveness. Openness applies in both directions, receiving and giving. Both these types of openness may relate to ideas, feedback and feelings. Employees feel free to express their ideas and the organization is willing to take risks and experiment with new ideas and new ways of doing things. The degree of openness of the organization is an important factor in determining the nature of various dimensions of HRD being designed. Because of openness, there would be more unbiased performance feedback as well. Indicators of openness in an organization are productive meetings and improved implementation of systems and innovations.

ii) Confrontation: Confrontation can be defined as facing rather than shying away from problems. It also implies a deeper analysis of interpersonal problems. All this involves taking up challenges. The term confrontation is used with some reservation and means putting up a front, as contrasted with turning one’s back to the problem. Confrontation facing a problem and working jointly with others to find a solution to the problem.

The outcome of confrontation can be willingness in terms role clarity, improved problem solving, and willingness to deal with problems and with difficult employees and customers. There will be willingness to discuss and resolve sensitive issues. These indicators, which are the outcomes, can be increased by periodic discussions with clients, bold action, and refusal to postpone sticky matters. Employees face the problems and
work jointly with others concerned to find its solution. They face the issues squarely without hiding them or avoiding them for fear of hurting each other.

iii) **Trust:** While introducing the HRS in an organization, trust is another factor, which should be considered along with openness. If the level of trust is low, the various dimensions of the HRS are likely to be seen with suspicion, and therefore, the credibility of the system may go down. It is reflected in maintaining the confidentiality of information shared by others and in not misusing it. It is also reflected in a sense of assurance that others will help when help needed and will honor mutual commitments and obligations.

Trust is accepting what another person says at face value and searching for negative motives. Trust is an extremely important ingredient in organizational building process. A minimum level of trust may be deemed necessary for the performance appraisal system and other elements of HRD. Employees department and groups trust each other and can be relied upon to do whatever they say they will.

iv) **Authenticity:** Authenticity is the value underlying trust. The willingness of a person to acknowledge the feelings he/she has, and accept him/her as well as others relates to him/her as persons. Authenticity is the congruence between what one feels, says, and does. It is reflected in owning up to one's mistakes and in an unreserved sharing of feelings. The outcome of authenticity in an organization is reduction in distortion of communication. This can be seen in the correspondence among members in an organization. Authenticity is reflected in the narrowest gap between the stated values and the actual behavior. This value is important for the development of a cultural of mutuality.

v) **Proactivity:** Proactive means taking initiative, pre-planning, taking preventive action, and calculating the pay-offs of an alternative course before taking action. The term 'proact' can be contrasted with the term 'react'. In the latter action is in response to an act from some sources; in the former, the action is independent of the sources. Employees are action-oriented, willing to take initiative and show a high degree of productivity. They anticipate issues and act/respond to the needs of the future.
vi) Autonomy: Autonomy is giving freedom to let people work independently with responsibility. It is the willingness to use power without fear, and helping others to do the same. It multiplies power in the system. Autonomy-using power and empowering others-is the basis of collaboration. Organizations can vary in the sense of autonomy they may create for their employee members.

vii) Collaboration: Collaboration involves working together and using one another’s strength for a common cause. Individuals, instead of solving their problems by themselves, share their concerns with one another and prepare strategies. Work out plans of action, and implement them together. Collaboration is reflected in strong and effective teams and inter-teams in an organization. It is to accept interdependencies, to be helpful to each other and work as teams. Employees collaborate with each other and have a feeling of belongingness to the same family and working for a common cause.

These elements can prove important instruments for organizational dynamics, growth and effectiveness, if implemented effectively by the top management of organization irrespective of their size, nature of ownership and control. Change brought in a systematic manner by using General Climate along with OCTAPAC Culture & introduction of HRD mechanisms would result in a strategic fit between: a) employee and the organizations. b) Organization & its business environment.

1.3 Contributing factors to HRD Climate

There are certain factors, which are considered as the contributing factors to HRD climate:

i) Top management style and philosophy
Top management should have a developmental style, a belief in the capability of people, participating approach, and openness to suggestions from the subordinates or some of the dimensions that contribute to the creation of positive HRD Climate. Top management also develop the system of getting feedback on improvement in such a way that should not create misrupt or fear, otherwise purpose of it is defeated. (IGNOU Study material)

ii) Personnel policies
Personnel policies show high concern for employees that emphasize equity and objectivity in appraisals, policies that emphasize sufficient resources allocation for
welfare and developmental activities, policies that emphasize a collaborative attitude and trust among the people go a long way in creating the HRD climate.

iii) HRD Instruments and sub systems
A number of HRD Instruments have been found to generate a good HRD Climate. Particularly performance appraisal, counseling, career development, training mechanisms, potential development systems etc. contribute to the HRD Climate.

iv) Self-renewal mechanisms
Organizations that have to build in self-renewal mechanisms are likely to generate positive HRD climate. Creation of necessary climate for development is a pre-requisite to both management and employees to show progressive attitude.

v) Attitude of personnel and HRD Staff
A helpful and supportive attitude on the part of HRD and personnel people plays a very critical role in generating the HRD Climate. If the personal behavior of any of these agents is not supportive, the HRD climate is likely to be vitiated.

vi) Commitment of line managers
The commitment of line managers to the development of their subordinates is a very important determiner of HRD climate. If line managers spend a part of their time for their subordinates, it is likely to have a positive impact. In HRD implementation top management commitment in creating an organizational climate that empowers employees is very imperative.

1.4 Factors required for good HRD climate

i) Top to Bottom effort
Organization is considered a complete organization after including top authority to bottom line of workers. In addition, whenever we talk about development at organizational level effort is needed from top level to bottom level. The responsibility of top authority is not just decision making but also ensure effective implementation of the decision taking, but they should also emphasize on proper implementation of decision by adapting various controlling technique. Bottom level workers should have positive mindset towards their organization. Bottom level workers have to work with dedication. They should have realization that the organization is their organization.
ii) Role of Manager and Supervisor

To prepare Human Resource Development Climate, Manager and Supervisor’s responsibilities are more or we can say that they are the key players. Managers and Supervisors have to help the employees to develop the competencies in the employees. To help the employees at lower level they need to update properly and they need to share their expertise and experience with employees.

iii) Faith upon employees

In the process of developing HRD Climate employer should have faith on its employee’s capabilities. It implies whatever amount is invested that should be based on development of employees. Top management should trust the employees that after making huge effort to develop employees, employees work for the well-being of organization and for human being also.

iv) Free expression of Feelings

Whatever Top management feels about employees they have to express to employees and whatever employees think about top management. Employers should take the employees into confidence and establish inter-personal relationship other words we can say that there should not be anything hidden while communication process. Clear communication process will help to establish the HRD Climate.

v) Feedback

Feedback should be taken regularly to know the drawbacks of the system. This will help to gain confidence in employees mind. Employee will trust the management and he can express his opinion freely, which is very good for HRD Climate. Feedback will help to overcome the weakness.

vi) Helpful nature of employees

Whenever we talk about 100% effort then we have to talk about employee’s effort too. Nature of employees should be helping the management and its colleagues. They should be always ready to help to customers too.

vii) Support of personnel management

Personnel policies of organization should motivate employees to contribute more from their part. Top management’s philosophy should be clear towards Human Resource and its well being to encourage the employees.
viii) Encouraging and risk taking experimentation
Employees should be motivated by giving them authority to take decision. This concept is risky but gradually it will bring expertise in employees to handle similar situation in future. It will help to develop confidence in employees mind. Organization can utilize and develop employees more by assigning risky task.

ix) Discouraging stereotypes and favoritism
Management needs to avoid those practices, which lead to favoritism. Management and Managers need to give equal importance. Those people who are performing better they need to appreciate and those who are not performing well they need to be guided. Any kind of partial behavior should be avoided.

x) Team Spirit
There must be a feeling of belongingness among the employees, and willingness to work as a team. Likert focused attention on teams as important elements of humanization of organizations.

1.5 Components of HRD climate

i) Organizational Structure
An organization's structure is actually a ‘snapshot’ of a work process, frozen in time so that it can be viewed. The structure enables the people’s energy to be focused towards achievement of its goal. Employee must have a clear definition of not only the work structure but also the role used to organize the work. If the structure and the role is not clear, people will not know what the work process is, who is responsible for what, whom to go for help and decision, and who can Assist in solving problems that may arise.

ii) Organizational Culture
Organizational culture is the pattern of beliefs, knowledge, attitudes, and customs that exist within an organization. Organizational culture may result in part from senior management beliefs or from the beliefs of employees. Organizational culture can be supportive or unsupportive, positive or negative. It can affect the ability or willingness of employees to adapt or perform well within the organization. The most effective work culture is one that supports the organizations HR strategies by aligning behaviors, processes and methods with the desired results. It is not just achieving results but the
methods through which they are achieved that are critical to long-term success. Before any HR strategy is designed, there must be a clear understanding of the organization, its current values, its structure, its people as well as its goals and vision for the future.

iii) HR Processes
The HR system of an organization should be comprehensive enough to take care of employees from the time they join until the time they leave HR. Their demands must not be ignored, but a feeling of belongingness be created. Process should be very clear and impartial, so that employee’s faith in organization. From recruitment to retirement, whole process should be according to employee’s expectation and ability of employer.

1.6 Measuring HRD Climate

i) Economic conditions
An organization’s economic condition influences its culture in several ways. The more prosperous an organization is the more it can afford to spend on research and the more it can afford to take risk and be adventurous.

ii) Leadership Styles
An organization leadership style plays a profound role in determining several aspects of its culture. An authoritarian style may make the organization’s culture characterized by high position structure, low individual autonomy, low reward orientation, low warmth and support and so on, or it may be opposite, like goal directed leadership.

iii) Managerial assumptions about human nature
Every act on the part of the management involves human beings is predicated upon assumptions, generalizations and hypotheses relating to human behavior. There are two theories of behavior (Theory X and Theory Y).

iv) Managerial values and ethos
The feeling of managers about norms and values what is good and what is poor as management practice. It can be checked on a few dimensions. They are – self-awareness, risk-taking, participation, bureaucracy, equity, employee’s security and growth.

v) Organization size
In small organization, there are a few levels of management; these are generally more amenable to democratic and participative functioning than big organizations. More open communication system in small organizations. Hence, these organizations have a different type of climate than what are in big organizations.

### 1.7 HRD Climate and Organizational Climate

HRD Climate is an integral part of organizational climate. It is the perception that the employee can have on the development environment of an organization. The developmental climate will have the following characteristics (Rao & Abraham, 1986):

- A tendency at all levels starting from the top management to the lowest level to treat the people as the most important resources.
- A perception that developing the competencies in the employees is the job of every manager.
- Faith in capability of employees to change and acquire new competencies at any stage of life.
- A tendency to be open in communication and discussion rather than being secretive
- Encouraging risk taking and experimentation
- Making efforts to help employees recognize their strengths and weaknesses through feedback
- A general climate of trust
- Team spirit
- Tendency to discourage stereotypes and favoritism
- Supportive personnel policies
- Supportive HRD practices include performance appraisal, reward management, potential development, job rotation and career planning, etc.

Organizations differ in the extent to which they have these tendencies. Some organizations may have some of these tendencies, some others may have only a few of these and a few may have most of these. It is possible to work out the profile of an organization based on these tendencies.
In the recent past, simple instruments have been developed to measure the HRD climate in organizations. These instruments are being widely used to assess periodically the climate, maintain profiles and design interventions to further improve it. This chapter presents a detailed conceptual background of the HRD climate; various research studies are available on HRD climate and discuss an instrument to measure HRD climate that is being used by different organizations. Reader also will get an overview of the HRD climate existing in different organizations.

To survive it is very essential for an organization to adapt the change in the environment and continuously prepare their employees to meet the challenges; this will have a positive impact on the organization. Organization is considered complete organization after including top authority to bottom line of workers. In addition, whenever we talk about development at organizational level effort is needed from top level to bottom level.

In fact, no organization can assemble growth, potentialities and capabilities of its work force overnight. People with human energy and capability, such as knowledge, skills, attitude, aptitude, experience, motivation, physical and intellectual, strength, and potential for growth are not readily available. Hence every organization needs to develop its human resources over a period of time and the only choice the organization is left with it is to develop them if they cannot get them readily available from an open market (Mufeed, 2005; Russ & Preskill, 2005; Pal, 1997, Mufeed 2006 b). An organization's success is determined as much by the skill and motivation of its members as by almost any other factor. While this has always been true, recent changes focus attention on ways human resource development activities can be used to ensure organizations have what it takes to successfully meet the challenges (Desimone et. al. 2002).

The top management subscribing to these values is a starting point. When a critical mass internalizes these values, there emerges a conducive climate for HRD. This positive HRD climate renders the existing systems more effective and makes the organizations more receptive to the introduction of relevant additional system (Athreya 1988). A healthy HRD climate certainly boosters the overall internal environment of the organization, fosters employee commitment, involvement and satisfaction with the job.
The HRD subsystems, organizational effectiveness and HRD climate have been analyzed only based on the opinions of the respondents. Despite these limitations, the study has a great significance for the public sector as it provides valuable information on its HRD programmes and the existing HRD climate. The public sector organizations can accordingly pay more attention to those aspects of their HRD programmes, which have been ignored in the past but can generate better HRD climate.

1.8 Importance of HR and HRD climate

Human Resources is one of the most important and dynamic capital in the growth of the organization. In the era of information and knowledge, the two most serious issues that plague industry are retention and development of human resource. The importance of HRD climate in an organization is as under:

Environmental factors of HR are prime influencing elements of change in HR strategy. It gives HR professionals time to anticipate opportunities in HR areas and time to plan optional responses to these opportunities. It helps HR professionals to develop an early warning system to prevent threats emerging out from HR scenario, or to develop strategies, which can turn a threat. It forms a basis of aligning the organization strengths to the changes in the environment. It enables the entry of the latest national/international HR developments of the employee. Employees should also have commitment to the organization and it is essential for achieving organizational goals.

In the recent years, there has been an increasing recognition of the importance of human resource and as result, a new concept of dealing with the human resource known as human Resource Development (HRD) is fast growing everywhere. Every organization needs this concept to continuously develop its employee's competencies in a planned way and it brings into sharp focus the importance of roles, which employees occupy in organizations.

Human Resources take active role in the modern economic scenario of any country. Physically the material resources alone cannot benefit the growth of the country without human resource component, which transforms physical resources into productive resources. Present study fulfills this objective by measuring HRD climate in public service organization only.
This study is an attempt to find out HRD climate in public sector organization with special reference to Karnataka Power Transmission Corporation Limited (KPTCL). The factors contributing towards HRD climate, have been identified and areas to improve so that HRD climate can be more congenial and effective.

Employees play a distinctive role and make major contributions to productivity, efficiency and customer satisfaction. Industries have to be people oriented and policies, structure and system will have to be human centered. In addition, the employees have to be equipped with high tech practices, thereby enabling them to operate confidently in view of modernization and automation. Increasingly, more importance is being given to “people” in organizations.

In the past, people working in organizations were given attention merely in administering the necessary conditions of work. The traditional concept of personnel management was based on a very narrow view of human motivation. The basic assumption underlying that view was that human beings are primarily motivated by comforts and salary, and necessary attention may be given to rationalize these, so that people do not get dissatisfied. Most of the attention, therefore, was on administration of salary and other benefits. It is now being increasingly realized that people working in organizations are human beings. They have their own needs, motivation and expectations, and that their contribution to the organization is much more than that of any other resource being used.

In Indian Organizations, the importance of Human Resource Development has been comprehensively felt and various processes and instruments of HRD are being applied in different organizations in the manufacturing, financial and Service sectors. Whether it is a case of SBI, LIC, GIC or Canara Bank, Indian Bank or it is a case of HMT, TISCO, TELCO, NDDB, Thermax, Hindustan Motors, the importance of HRD in managing people for results and bringing effectiveness in the field of 'Management' have been widely appreciated in all the Conferences of National HRD network. (S K Dhar)

The HRD climate can be created using HRD systems and leadership styles of top management. In the recent past simple instruments have been developed to measure the HRD climate in organizations. These instruments are being widely used to assess periodically the climate, maintain profiles and design interventions to improve it further.
The dedication of members to organizational purpose and the efficiency with which that purpose becomes translated into results. Climate perceptions are psychologically meaningful by its practices and procedures.

Top managers are increasingly turning to Human Resources Development (HRD) mechanisms such as performance appraisal and team building for introducing organizational change. While the process of HRD as a way to help employees initiate and cope with change is appealing, top managers would do well to examine the appropriateness of the assumptions HRD makes about people and their values. Singh argues that top management should examine the managerial culture of the group and the organization before introducing change through human resources development (HRD) interventions.

JP Singh is a Professor of Organizational Behavior at the Indian Institute of Management; Ahmedabad, HRD assumes that people prefer to change and that individuals have drives towards personal growth and development, which are activated when the environment is supportive and challenging. HRD also assumes that individuals wish to be accepted in at least one small reference group beyond the family, such as the work group. While behavioral theorists and practitioners as valid universally accept these assumptions, it is also accepted that the preference for individual versus group identity varies from individual to individual and group to group.

The prevalent thinking about introducing change through HRD is that HRD is helpful and, therefore, introducing it in a form that makes practical sense is all that is needed. It is my thesis that managements have alternatives and can make more precise choices among HRD interventions. It is important to recognize that the choice of an HRD intervention is itself a crucial decision. Knowledge about prevailing culture is the key for making this decision.

1.1.1 Human Resource Development- An Overview

Human Resource Development is the frameworks for helping employees develop their personal and organizational skills, knowledge, and abilities. Human resource Development includes such opportunities as employee training, employee career development, performance management and development, coaching, succession planning, key employee identification, and organization development.
The focus of all aspects of Human Resource Development is on developing the superior workforce so that the organization and individual employees can accomplish their work goals in service to customers. Healthy organizations believe in Human Resource Development and cover all of these bases. An optimal level of "Developmental Climate" is essential for facilitating HRD. (Asian Journal) The focus of HRD has generation and improvement of HRD climate should not be forgotten. HRD mechanisms and sub systems are merely instruments and instead of depending on one or a few instruments, the organization should be flexible enough to keep trying out several instruments for strengthening HRD culture.

HRD is a process, not merely a set of mechanisms and techniques. The mechanisms and techniques such as performance appraisal, counseling, training, and organization development interventions are used to initiate, facilitate, and promote this process in a continuous way. Because the process has no limit, the mechanisms may need to be examined periodically to see whether they are promoting or hindering the process. Organizations can facilitate this process of development by planning for it, by allocating organizational resources for the purpose, and by exemplifying an HRD philosophy that values human beings and promotes their development.

Human Resource Development (HRD) is a process by which employees of an organization acquire and develop their capabilities and inner-potentials continuously to perform various functions or roles assigned to them by the organization. It ensures development of their 'self' and the 'organization' and helps in developing organizational culture to achieve the pre-determined objectives. HRD is concerned with creating a climate of work culture productive efficiency and integration by

i) Building the capabilities of the people
ii) Preparing them for change
iii) Improving productivity with quality development and achieving organizational goals in a dynamic and competitive business environment.

HRD in its narrow sense converts only training and development and was being practiced in the industrial organizations. HRD in its comprehensive and composite present form is a recent development. In the Indian context, HRD in its present form was introduced
during the eighties. A review of literature indicates that HRD, in its true sense, is still in its introduction stage in most of the organizations. Very a few organizations have started evaluating its effects. Many organizations are engaged in dispensing with the conventional system of training and development to introduce this new system of human resource development.

1.1.2 HRD in the Indian Public Sector

The Human Resource Development in India is of recent origin. In the opinion of Nadler the term ‘HRD’ was first applied in 1968 in George Washington University and gained more acceptances during the mid-1970. Many used it alternatively as ‘Training and Development’; Japan is the first country to begin with HRD practices. “Better people”, not merely better technology, is the surest way to a ‘Better society’. Human Resource Development can be defined as a set of systematic and planned activities designed by an organization to provide its members with the opportunities to learn necessary skills to meet current and future job demands.

Economic Survey (Government of India, 1994:146-47) states that human resource development is the ultimate goal of our developmental programmes and is crucial for the long-term success of economic reforms. Significant progress has been made over the years in HRD as reflected by demographic indicators, literacy, educational levels and health services etc. India ranked 134 among 173 countries in 1993 in terms of Human development Index. It is therefore necessary to pursue a conscious policy to strengthen development in social sectors and to protect the interests of the poor and vulnerable sections of the society during the period of transition to a path of sustainable, broad-based growth. India is a large country and has vast potential to become a strong and modern nation with its huge natural resources and sizeable population. It is the third largest country of scientific and technical work force.

The managers in India are quite alive to the aspect of HRD. Accordingly, importance has been given to spreading education in our various five-year plans. The seventh-years plan states that one of the primary tasks must be the harnessing of the country’s human resources and improving their capabilities for development with equity. The traditional method of informal apprenticeship would be inadequate for the preparation and advanced
training of the managerial resources to be required. Institutions and individuals both in India and within international community visualized the national needs.

1.1.3 Significance of HRD

The environment and cultural values of the organization would have a very significant bearing upon people's conviction. Peter Drucker has rightly observed the significance of personnel as, the real difference between one organization and the other is the "performance of people" In essence, the survival, development and performance of an organization—although not solely but heavily—depend on the quality of personnel.

Human Resource is the most important assets of production than material, machine money etc. Any investment made on training and development of people shows the results after many years. When we deal with development of skill, knowledge and attitude, the progress and development is a very slow process, but not on indefinite process. The development of people for modification and improvement in skill, knowledge and attitudes depends upon the quality of training, learning objectivity, systematic and proper evaluation. The development of people is to be viewed properly giving weightage to the culture of the organization in which people are growing.

1.1.4 Philosophy of HRD

One of the important processes of HRD is to bind together the organizational values and beliefs, which contribute to the organizational stability over the years. Whether formally started or otherwise, every organization is guided by a set of beliefs or philosophy. These generally represent the value systems and guiding spirit of the top management, tempered by experience and time. Where unstated or not consciously evolved as in the large majority of organizations, the guidelines tend to be blurred over a period. Other than in very small organizations, interpretation of the unstated guidelines becomes a matter of individual opinion, with considerable for personal bias. The larger the organization grows, the more it begins to act like a conglomerate of several autonomous parts, rather than a unified whole.

Out of the several issues covered in the corporate philosophy, significant issues that are related to people are: "Managerial effectiveness should be maximized by having an
involved, committed and highly motivated team. "The team should be developed and sustained by,

- Building or acquiring the skills necessary to meet existing and long-term organizational needs.
- Providing a favorable work environment and consciously fostering an open, largely participative management style based on trust and cooperation.
- Good employer-employee relations should be achieved and maintained through-regard for basic human values.

This Corporate Philosophy forms an effective backdrop against which several organizational processes, in the organization are being initiated and policy issues are being resolved. Some of the practical aspects of HRD Philosophy are:

- Employees are to be adapted into the family and their welfare should be the foremost of the company's concern.
- Every individual has to be developed as a whole person and every person needs to be given opportunities for development.
- Re-training and multi-skilling should be an on-going responsibility of the company.
- The company needs to ensure a fair and reasonable compensation, which will secure a decent standard of living for every worker.
- The reward system should be based on merit and contribution.

HRD process, therefore, must be carried out by striking a balance between the needs of the individual organization and the physical facilities of that organization. People need competencies to perform the assigned tasks. Higher degrees of quality of performances of tasks require higher degree of skills. Without continuous development of competencies in people, an organization is not likely to achieve its goals (IGNOU, 1992:6). In fact, competent and motivated people are essential for the growth, survival and excellence of the organization.

Some organizations may achieve a saturation point in terms of their growth over a period. To maintain such a saturation level of growth and to enable the organization to operate in the changing environment, employees are to be helped to sharpen their existing competencies and to acquire new ones.
In order to improve its services and effectiveness in terms of cost reduction, reduction in delays, increased customer satisfaction, improved quality, promptness of services, market image, job satisfaction of employees in the organization etc, the organization needs to develop its employee competencies to perform the task required to bring about such improvements. Thus, HRD is needed by every organization that is increased in establishing itself; growing, diversifying and renewing itself to become more effective; improving its systems and services; changing and becoming more dynamic and playing leadership roles.

The objectives of HRD are primarily to create conditions where in the basic goodness in the people will be exhibited in their actions. Their real worth is realized for their own growth and growth of others. In the organizational context, this would mean creating conditions in terms of rewards, policy, and opportunities to learn, contribute, excel and advance in career. Cohesive work groups etc, wherein employees feel alike and willingly come forward together to do their very best, enjoy doing so and continue to grow.

The determination of major objectives of HRD may include:

- To develop personnel in required numbers and with required knowledge and skills to meet the anticipated or existing needs of the company.
- To encourage persons to grow on sound lines in their capacities, to handle greater responsibilities.
- To improve the performance of personnel at all levels in the jobs they hold.
- To sustain good performance of persons throughout.

HRD aims at developing such a climate through periodic diagnosis and appropriate intervention. The above-mentioned goals are for developing superior-subordinate relationships; team development, inter-team collaboration and organizational health are implied. HRD has the goals of developing individual competencies, inter-personal relationships, team spirit and organizational development.

A healthy climate is required in the organization for utilizing and enhancing employee competencies and development of employee motivation. HRD also aims at climate development. A healthy climate is one where:

- The free expression of ideas, opinions and suggestions is encouraged.
There is promotion of collaboration among various individuals, teams and departments.

People say what they mean, do what they say, and where people can be trusted.

Initiate pro-activity and creativity.

Problems are diagnosed and solved collectively or individually.

Every senior seems to developing subordinates as his responsibility.

Seniors support their subordinates and juniors respect their seniors.

Problems, mistakes and difficult situations are handled with a learning orientation.

Participation is encouraged.

Every incident is treated as a learning opportunity.

People have a sense of satisfaction in their work.

People feel that they are cared for and have a sense of belonging.

1.1.5 Multiple goals and aims of HRD

The goals of HRD systems are to develop:

- Developing the individual to realize his potential as an individual to the maximum extent.
- Developing the individual’s capabilities to perform his present job better.
- Developing his capabilities to handle future likely roles.
- Developing and maintaining high motivation level of employees.
- Strengthening superior subordinate relationships.
- Strengthening team spirit among different teams.
- Promoting inter-team collaboration
- Promoting climate development and organizational health development (Rao, 1990)
- 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 individual in relation to his or her expected future roles
- The dynamic relationship between each employee and his or her supervisor
- The team spirit and functioning in every organizational unit
- Collaboration among different units of the organization
The organizations overall health and self-renewing capabilities which, in turn, increase the enabling capabilities of individuals, dyads, teams, and the entire organization.

In fact, HRD aims to achieve multiple goals as follows:

- to prepare the employees to meet the present and changing future job requirements.
- to prevent employee obsolescence
- to develop creative abilities and talents.
- to prepare employees for higher-level jobs.
- to develop the potentialities of people for the next level job.
- to promote individual and collective morals, a sense of responsibilities, cooperative attitudes and good relationships.
- to broaden the minds of senior managers by providing them with opportunities for an interchange of experiences within and outside.
- to create a climate that enables to discover develop and use his/her capabilities to a fullest extent in order to further both individual and organizational goals.

1.1.6 Focus of HRD

Growing needs of growth and expansion, on the one hand and increasing efficiency and productivity to combat competition, on the other, emphasis on increasing creativity and autonomy of the people in the society. The expectations of the people are changing fast. They want to be dealt with, respected as human beings, and are to be provided opportunities for the fuller expectation of their potentials. HRD helps the organization not only in the attainment of its objectives but also provides opportunities to the people to fulfill their requirements and get maximum job satisfaction.

The focus of HRD includes:

I. Developing Human Sub-systems in the Organization

1. The individuals : The relationship between himself and his role in the organization.

2. Two-person unit : Superior -subordinate relationships.

3. More than two persons unit : Work groups.
II. Developing HRD climate

HRD can also be facilitated by created HRD climate, means

1. Proactivity: Employees are action oriented, willing to take initiative and show a high degree of pro-activity.

2. Openness and risk taking: Employees feel free to express their ideas and they are willing to take risks, experiment with new ways of doing things.

3. Collaboration: Employees collaborate with each other and have a feeling of Belongingness to the same family and working for common cause.

4. Trust and authenticity: Employees, departments and groups trust each other and can be relied upon to do whatever they say they will do.

5. Confrontation: Employees face problems and issues without hiding or avoiding them for the fear of hiring each other.

6. Autonomy: Employees have some freedom to act independently within the boundaries of their role/job (Rao, 1991:196).

Thus, the competence and dynamism of employees require a developmental climate, internationalization of HRD mechanisms or sub systems.

HRD climate can be developed if top management has a strong belief in the capabilities of its people; its policies show high concern for employees: HRD staff has a supportive role and line managers are committed. HRD sub-systems and increasing effectiveness also help in building HRD climate.

III. Developing HRD processes

Developing HRD process for efficient working behavioral changes, better interaction and sound organizational environment. Pareek (1992) identifies nine of these important human processes from micro level (Individual) to the macro level (Society);

i) Existential processes in the person.

ii) Empathetic process between two persons.

iii) Role coping process.

iv) Group building.

v) Inter-group collaborative process.

vi) Organizational decision-making process.
vii) Process of social awareness in the community.
viii) Influence process at organizational environment interface.
ix) Value shaping processes in the society.

Thus, the focus of HRD can be seen as simultaneous development of various human sub-systems in congruence with the development of the organization as the overall human system existing in a purposeful relationship with its environment.

1.1.7 The Concept of HRD

HRD is the process of increasing the capacity of human resources through development. Individuals do it as they work to support others development and the HRD staff does it as it creates the overall development of tools for the organization. Thus, it is a process of adding value to individuals, teams and organization as human system.

HRD is mainly concerned with developing the skill, knowledge and competencies of people and it is people-oriented concept. When it is call as a people-oriented concept the question of people being developed in the larger or national context or in the smaller organizational context? Is it different at the macro level? However, can be applied for both the national level and organizational level.

However, many personnel managers and organizations view HRD as synonymous to training and development. Many organizations in the country renamed their training departments as HRD departments. Some educational institutions started awarding degrees and diplomas in HRD even though the concept is not yet clear.

HRD refers to empowering the people and enabling them to use their power for development of the organization to which they belong and society at large. It refers to developing pro-activity and capacity to embrace larger issues. Considering the vital importance of human resources, they are now being treated as assets, which are most precious for the survival of the organization. HRD is the centre of HRS and most vital for the organizational advancement. HRD includes both the development of the people and development of the organization.

The HRD plays an important role in designing and monitoring efforts in the organization. The four partners or agents of development can be identified as;
i) The person's role
ii) The immediate boss of the person
iii) The human resources management department
iv) The organization (Jayagopal, 1990-53)

HRD can now be studied in the context of an organization and the nation.

a) In the Context of an Individual
HRD deals with the individual values, behavior, action and thoughts. As such, it may be defined as the activities and processes undertaken to promote the intellectual, moral, psychological, cultural, social and economic development of the individual to achieve his highest human potential as a resource for the community. It means as all-round development of the person so that he can contribute his best to the community and the nation.

b) In the Context of Organization
In relation to the needs of the organization, HRD refers to the improvement in capacities and capabilities of the employees. It involves the creation of climate in which the human knowledge, skills, capabilities and creativity can bloom. It involves the use of processes through which the employees of the organization are prepared to give their best for corporate objectives and involves optimal effectiveness in their jobs. It also involves setting up of a system through which human capacities and potentials can be tapped to the mutual satisfaction of individuals and the organization.

HRD from organizational point of view is a process in which the employees of an organization are helped/motivated to acquire and develop technical, managerial and behavioral knowledge, skills and abilities, and mould the values, beliefs, attitude necessary to perform present and future roles by realizing highest human potential with a view to contribute positively to the organizational group, individual and social goals. Further, it deals with all types of skills, the present and future organizational needs and aspect of contribution to not only organizational also other goals.

The analysis shows that there are three aspects, which are affecting on HRD, viz.

1) Employees of an organization are helped/motivated,
2) Acquire, develop and mould various aspects of human resources, and
3) Contribute to the organizational group, individual and social goals.

It is also being realized that organizations have an obligation to the society, that they should also contribute to the development of people, and operate with the new values of treating people as human beings, as well as contribute to this value of creating traditions and culture of respecting people as human beings. Human resource development in the organization context is a process by which the employees of an organization are helped, in a continuous and planned way to:

1. Acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles;
2. Develop their general capabilities as individuals and discover and exploit their own inner potentials for their own and/or organizational development purposes; and
3. Develop an organizational culture in which supervisor-subordinate relationships, teamwork and collaboration among sub-units are strong and contribute to the professional well being, motivation and pride of employees. (Rao, et al., 1989, vii)

This definition of HRD is limited to the organizational context. In the context of a state or nation it would differ.

c) In the Indian context

Considering the importance of HRD in the organizational and individual context, the national HRD network and ministry of HRD came into existence. The national HRD network is a network of human resource development of professionals and others who are basically concerned with promotion or expansion of HRD movement in the country. It is a non-profit organization and a professional body dedicated to the advancement of knowledge, skills, values and attitudes through education, training and experience sharing. The main objectives of national HRD network include determination of knowledge and experience and to facilitate learning among HRD people, line managers and all employees that have HRD role to perform.
Now at the end of the twentieth century, it seems that the output of the organizations serves some human purpose but the physical and psychological effects of working in these organizations are often not very healthy (Phil Herbst. 1974). The concept of HRD is yet well conceived, though they have defined the term, their approach.

As it is of recent origin and still is in the conceptualization stage. It is an understanding of the term, i.e., new or rather was new. HRD is not only training and development, but many personnel managers and organizations view HRD as synonymous to Training and development. Many organizations in the country renamed their training departments as HRD departments. Surprisingly some organizations renamed their personnel departments as HRD Departments.

The concept of Human Resource System (HRS) assumes that human beings are a great asset to an organization. They are not merely unavoidable to be reckoned with; in fact, they can contribute a great deal to the achievement of organizational goals. This positive view of people working in the organizations as an asset with unlimited potential is the core of the concept of the human resource system.

**1.1.8 HRD Needs**

HRD is needed by any organization that wants to be dynamic and growth-oriented or to succeed in a fast-changing environment. Organizations can become dynamic and grow only through the efforts and competencies of their human resources. Personnel policies can keep the morale and motivation of employees high, but these efforts are not enough to make the organization dynamic and take it in new directions. Employee capabilities must continuously be acquired, sharpened, and used. For this purpose, an “enabling” organizational culture is essential. When employees use their initiative, take risks, experiment, innovate, and make things happen, the organization may be said to have an “enabling” culture.

According to Dayal and others concern for development of people, have becoming important for competitions in the business and impressive developments in automation. New systems require new skills. Thus, development of people decentralizations of decision-making, different management practices. In the opinion of Nadler and Wiggs the ultimate purpose of HRD activities is “to make a difference” in the real world of costs,
quality, quantity, accuracy and timeliness. It has been rightly observed by Billimoria and Singh that “each human being is born as something new, each is born with the capacity to win in life, and each has his own unique potentials, capabilities and limitations”.

In the opinion of Prof. Ishwar Dayal, HRD is an approach founded on the belief that people are capable of growth, given an environment that facilitates individual growth. Therefore growth is important for organizational growth. HRD makes a person, a total person in terms of skill, maturity, competence, self-awareness, adjustment to the environment, and confidence.

According to Rao, Verma, Khandelwal and Abraham, HRD is a process by which people in various groups are helped to acquire new competence continuously so as to make them more self-reliant and pride in them. HRD is a process in which the employees of an organization are continuously helped in a planned way to acquire their capabilities that are required to perform various functions associated with their present or future expected roles.

To develop their general capabilities as individuals so as to discover and exploit their inner potentials for their own or organizational development and to develop organizational culture in which superior-subordinate relationships, team work and collaboration among sub-units are strong and contribute to the professional well being, motivation and pride of employee.

Many people are not very clear as to the difference between HRD and personnel functions. As a result, Personnel Managers are automatically being designated as HRD managers performing personnel and industrial relations functions.

The basic principle of HRD philosophy is the belief in –

- Human potential and its development
- Optimum utilization of human resources
- A harmonious balance between business strategy and HRD strategy

HRD is an integrated process and cannot be thought of in isolation. According to Rao major interventions of HRD are Performance and Potential appraisals, Career Planning, Training, Organizational development and Reinforcement. HRD interventions may vary from one organization to another depending upon their needs based on diagnostic studies.
i) HRD is needed to develop competencies

No organization can survive, if its employees are incompetent in terms of knowledge, skills and attitudes. Competent employees are as much the necessity of a non-profit organization. Both public and private organizations need competent employees for the success of their internal and external operations. A profit organization interested in growing must think of developing its employee's competence and create a good HRD climate along with diversifying increased customer satisfaction, improved quality, market image etc.

ii) HRD is needed to mitigate some of the evil consequences of industrialization

It is very evident that the factory system has dehumanized and deskilled various jobs by enriching workers roles HRD satisfies their needs of advancement, growth, self respect, recognition, creativity and autonomy. Under career development plans workers are more or less assured about their future. Other HRD mechanisms such as counseling, monitoring, quality of work life etc. enable workers to lead an integrated life, which is mostly, portioned by the factory system into two lives the organizational life and the personal life.

iii) HRD is needed to bring about system-wide changes

Where as traditional human resource development methods like training, Job-rotation etc. have their relevance and usefulness; they are themselves inadequate to bring about the kind of system wide change, which is visualized in the concept of HRD. In traditional methods, often-top management personnel have the attitude that all is well with them and it is only the lower level, which needs to be trained and developed. They gradually enrich the entire socio-technical system.

iv) HRD is needed to develop a proper climate in the organization

Executives in most of the traditional organizations seem to hold the following values the important human relationships are those which are related to achieving the organizational objectives, i.e. getting the job done. For being effective in human relationships one needs to be more rational and logical in his behavior rather than emotional. Human relationships are most effectively motivated by carefully defined direction, authority and control as well as appropriate rewards and penalties that emphasize rational behavior and achievement of the objectives.
The above values when held by them lead to the following consequences.

- Executives generally remain unaware of human problems of their subordinates because the latter suppress their emotions and disguise their feelings.
- Decision-making becomes less effective because there is dropping off experimentation and risk making with new ideas.
- Conformity, mistrust, and dependence, especially of those who are in power, increase. HRD develops a new climate in the organization. It replaces the old value by new ones.
- People become more open, independent, authentic, creative and collaborative in their behavior.

v) HRD need in the Indian Context

With liberalization of the Indian Economy, many changes are taking place in the corporate sector. Many public sector enterprises are being sold to private hands. There is an increase in the workload, ban on new recruitment, retrenchment of labor, imposition of voluntary retirement schemes and so on. Tenth five-year plan (2002-2007) recommends reduction in the number of government employees at the rate of 3% annum for 5 years during the plan period.

There is pressure on the Indian industry to perform and produce good quality goods and provide quality services with increased competition there is a need to become cost effective and upgrade work methods, work norms, technical and managerial skills and employee motivation to face new challenges. HRD will have to play a very crucial role if the following changes that are sweeping through our industry are to prove successful.

a) Restructuring of Organizations

Any Indian companies are restructuring their organizations structures by thinning their management ranks and expanding their span of control. The traditional functional departmentalization cast around development, manufacturing and marketing are giving place to departments focused on broad classes of products or services. These new departments reduce hierarchy, stress better work, reward creativity and increase receptivity to the customer. The skill sets required of those heading these departments differ from the skill sets required of those heading the traditional functional units.
b) **Emphasis on core competency**
There is now a perceptible shift in favor of developing core competency through mergers and demergers. Companies went to professionalize their groups.

c) **Technological Changes**
With the advancement in tele-communications, employees can now work in their homes. Tele work, has freed them from the trouble and inconvenience of traveling over long distances. The redundant workers everywhere needs to be rehabilitated through training. The change has to be brought about with a human face. At this point, the HRD managers have a crucial role to play.

d) **Work Force Empowerment**
In the corporate democracy, to become a reality many companies are now vesting their employees with greater authority, expanding their job titles and increasing their accountability.

e) **More attention to special categories of workers**
Special category of workers like physically handicaps, women, religious minority, backward and other forms the ever increasing proportion of the total work force every year and hence measures like flexi time and tele work are likely to assume greater significance.

f) **Compensation linked to share holder value**
Top management compensation in U.S firms is becoming increasingly tied to shareholder value through expanded use of share options. Companies in India may follow these examples and link executive compensation to the production of greater investor wealth.

g) **Greater employee retention and commitment**
Employee retention has been at the forefront of human resource strategies in recent times with the looming prospect of the labor market tightening further, organizations will be hard pressed to find enduring remedies to dysfunctional employee turnover. They will also have to sustain conditions that induce long-term employee commitment and membership behavior. In a study of 7,500 large companies in 13 counties conducted by the walker information and CSM world wide network an Indianapolis- based organization.
Continuous research is needed to discover new HRD methods and interventions. This is possible only when there are HRD oriented organizations to pool and share their experiences in diverse areas.

For the purpose of this study the concept of human resource development is based on the definition provided by Heathfield. “Human Resource Development is the framework, for helping employees develop their personal and organizational skills, knowledge, and abilities. Human Resource Development includes such opportunities as employee training, employee career development, performance management and development, coaching, succession planning, key employee identification, tuition assistance, and organization development” (Heathfield, 2007).

Progressive organizations worldwide have treated their people as their most important asset and probably have therefore become what they are today. According to Mufeed and Rao (2003), today’s business organizations live in an age of paradoxes fraught with uncertainties, complexities and chaos due to which survival has become very difficult and has prompted them to adopt new strategies for HRD for both managerial and non-managerial staff to combat with an ever increasing competitiveness besides maintaining a high level of efficiency and productivity in their work force. A slight carelessness in managing manpower makes them less productive first, then zero productive and then counter productive asset, by being capable of instigation others also not to work or produce.

A major challenge for any organization in this era of international competition seems to be 'survival and sustainability' amidst cut-throat competition. It is increasingly argued that the organizations, best able to meet the challenges will be those that can acquire and utilize valuable, scarce and inimitable resources (Barney, 1995). Human resources can fall into this category, particularly, if they are effectively deployed through appropriate human resource practices and management of organizational culture (Barney and Wright, 1998).

Human resource being one of the important factors of production, HRD is needed to develop competencies of individual employees through its various interventions. In order to develop, the individual should perceive that there is a climate favorable for their
development. This responsibility lies with the HRD department, which has to provide a proper climate in the organization conducive for employee development, termed as the HRD climate.

1.1.9 An approach to human resource development

There are number of procedures to develop human resource but the approaches to these processes are spelled out by Sharu Ragnekar in his paper “Changing Pattern of HRD” (The Manager 1980). He has classified five approaches to HRD process.

1. Queen Bee Approach
2. The Brahmanic Approach
3. The Human Input Approach
4. Automation Approach
5. The Creativity Approach

1. Queen Bee Approach: In this approach one particular individual utilizes all available facilities resources for his/her own development. This is based on the belief that individual has inherent ability to lead the community and take care of it.

2. The Brahmanic Approach: An elite group of the community takes opportunity to utilize the surplus of community for their development; this approach has been evident in the growth of civilization. For example, the caste system in India.

3. The Human Input Approach: It is based on a simple equation that man, materials, machines and money when put as input, is directly proportional to the efficiency and quality of the input. Human resource is the only one, which has great potential which if used yield manifold output.

4. Automation Approach: If innovations and modifications in the system are implemented. HRD efforts are simplified and rationalized. In this approach, Human resource is viewed as machines and materials, whose specializations are studied and best properties are utilized to improve competencies. Modern instruments like computer, CNC, CAD machines have accelerated decision-making process.

5. The Creativity Approach: In the creativity approach, HRD focuses on innovation and creativity to utilize latent potential. Elton Mayo, Maslow and Harzberg insisted motivational approach to improve quality and productivity of human resource. Learning
while doing is more commonly used HRD approach for individual developing whether she/he is a worker or a manager.

The human resources approach is developmental. It is concerned with the growth and development of employees towards higher level of competence, creativity and fulfillment because human resources are central source in any organization either public or private sector.

The human resource is supportive. It helps employees become better, more responsible persons, and then it tries to create a climate in which they may contribute to the limits of their improved capabilities. It assumes that expanded capabilities and opportunities for people will lead directly to improvement in operating effectiveness; work satisfaction will also be a direct result which employees make fullest use of their abilities. Essentially, the human resources developmental approach means that, better people achieve better results. It is somewhat illustrated by the ancient proverb: -

“Give a person a fish, and you feed that person for a day;
Teach a person to fish, and you feed that person for life”

Human resource approach is called the supportive approach, because the manager’s primary role changes from control of employees to active support of their growth and performance.

1.1.10 Principles in designing Integrated HRD System

Designing an integrated HRD system requires a thorough understanding of the principles and models of human resource development and a diagnosis of the organization culture, existing HRD practices in the organization, employee perceptions of these practices, and the developmental climate within the organization. The following principles are considered as designing integrated HRD systems.

The concept of HRD is still in the process of evolution. The researcher has attained to enlarge the coverage of the subject matter along with in-depth analysis of HRD. The subject matter is woven round the domain of “Human Resource Development”. The approach is to describe the concept of HRD based on the earlier research studies.

Lippit (1978) points out that HRD as a system depends on-
a) the work itself which generates a higher degree of responsibility for the employees,
b) the individuals personal and professional growth,
c) the improved quality output as a result of increased responsibility and
d) the organization as an open system.

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

HRD is a series of organized activities conducted with a specified time and designed to produce behavioral change. It is rooted in the belief that human beings have the potential to do better. It has two main purposes.

Speaking at the world management Congress held in New Delhi in December 1978, Peter Drucker in his keynote address has emphasized the need for developing human beings in the organization viewing them as human resources. He called upon the management to make substantial capital investment on human resources to develop the human beings in the organization through training, organizing, and developing the people at work. Every management practitioner now seriously thinks in terms of developing the human resources through various HRD programmes.

1.2.1 Overview of HRD Mechanisms

All the structures, systems and techniques that an organization uses to help its employees acquire and strengthen their capabilities are viewed under HRD mechanisms. These mechanisms or systems or techniques etc., can be used to facilitate favorable HRD climate in the organization in general and managerial and non-managerial in particular. The HRD function itself has been initiated in most of organizations in the last few years only. Some of them are yet to make their presence felt. It also reveals that no organization has yet introduced all the HRD mechanisms. Various authors have focused on various issues on HRD mechanisms, some who have emphasized on Performance Appraisal System and Training and development, and there are some, whose main focus was on potential appraisal, job enrichment, and job enlargement. (IGNOU Materials, MS22)

A new performance appraisal system, a skill inventory, a training policy, a career development plan, a potential development system, a job rotation and a new
communication method are all mechanisms in organization used to help employees
develop and utilize their competencies. These are means to competency development,
which in turn is a means for organizational growth and dynamisms.

Successful implementation of HRD involves taking an integral look and making efforts to
use as many mechanisms as possible (Rao & Abraham 1986). The mechanisms are used
by organizations to facilitate the HRD philosophy that values human beings and promotes
their development. These components of HRD climate are more essential to companies
like Power transmission sectors.

1. Performance Appraisal
2. Potential Appraisal
3. Feedback and Counseling
4. Career Planning
5. Training and Development
6. Performance Rewards
7. Employee Welfare and QAL
8. Job Rotation
9. Organizational Development

These HRD mechanisms or subsystems are briefly discussed as follows:

1.2.2 Performance Appraisal

Appraisal is the evaluation of worth, quality or merit. In the organizational context,
performance appraisal is a systematic evaluation of personnel by superiors or others with
their performance. Performance appraisal is also described as merit rating in which one
individual is ranked as better or worse in comparison to others. The basic purpose in this
merit rating is to ascertain an employee’s eligibility for promotion. However,
performance appraisal is more comprehensive term for such activities because its use
extends beyond-ascertaining eligibility for promotion. Such activities may be training and
development, salary increase, transfer, discharge, etc., besides promotion.

A formal definition of performance appraisal is the process of evaluating the performance
and qualifications of the employees in terms of the requirements of the job for which he
is employed, for the purposes of administration including placement, selection for
promotion, providing financial rewards and other actions which require differential treatment among the members of a group as distinguished from actions affecting all members equally”.

Dale S. Beach defined performance appraisal as follows: “Performance appraisal is the systematic evaluation of the individual with regard to his or her performance on the job and his potential development”. It emphasizes on two aspects: systematic and objective. The appraisal is systematic when it evaluates all performances in the same manner, utilizing the same approaches so that appraisal of different persons is comparable. Such as appraisal is taken periodically according to plan, it is not left to chance. Thus, both raters and ratees know the system of performance appraisal and its timing. Appraisal has objectivity also. Its essential feature is that it attempts at accurate measurement by trying to eliminate human biases and prejudices.

An HRD-oriented performance appraisal is used as mechanisms for supervisors to:

- Understand the difficulties of their subordinates and try to remove these difficulties
- Understand the strengths and weaknesses of their subordinates and help the subordinates to realize these
- Help the subordinates to become aware of their positive contributions
- Encourage subordinates to accept more responsibilities and challenges
- Help subordinates to acquire new capabilities
- Plan for effective utilization of the talents of subordinates

People differ in their abilities and their aptitudes. There is always some difference between the quality and quantity of the same work on the same job being done by two different people. Performance appraisal of employees is necessary to understand each employee’s abilities, competencies and relative merit and worth for the organization. Performance appraisal rates the employees in terms of their performance.

If the process of performance appraisals is formal and properly structured, it helps the employees to clearly understand their roles and responsibilities and give direction to the individual’s performance. It helps to align the individual performances with the organizational goals and also review their performance. Performance appraisal takes into
account the past performance of the employees and focuses on the improvement of the future performance of the employees. (HR Magazine, Sept, 1994 by Beverly Kaye, Zandy Leibowitz).

Performance Appraisal system helps the organization to understand employees better and realize their talent and potential for better channelisation and greater output. An appraisal is basically a review by which an employee’s performance on the job is assessed. Employee appraisals are conducted by employers as part of the employee’s career development plan.

With the employer-employee relations becoming crucial for the success of an organization, a fair appraisal system is highly pertinent these days. Nevertheless, sometimes, the whole process is dragged on for a long period, as managers are either too busy or a bit uncomfortable about the process. In a typical appraisal process, both the appraisee and the appraiser should be comfortable and honest. The appraiser should be easy reviewing and providing feedback and the appraisee should be comfortable about taking the feedback well and at the same time presenting the monetary expectations. (HR Magazine, Sept, 1994 by Beverly Kaye, Zandy Leibowitz).

Appraisals enhance communication between the supervisors and the employees, working best when they are designed with clear goals in mind. Also, with regular performance appraisals, employees receive a steady feedback and suggestions for constant improvement. Performance appraisal is meant to help employees to contribute more effectively to the organization growth and help in better evaluation of employees.

Managers and employees can sit together to discuss common targets as well as identify training requirements for future career growth of the employees. The performance appraisal system also helps the manager to understand employees better and realize their talent and potential for better channelisation and greater output. In addition, the managers get an insight into the employee’s work performance and ability, harboring better working relationships. (HR Magazine, Sept, 1994 by Beverly Kaye, Zandy Leibowitz)

By measuring only the activities in employee’s performance, an organization might rate most of its employees as outstanding, even when the organization as a whole might have failed to meet its goals and objectives. Therefore, a balanced set of measures should be
used for measuring the performance of the employee. (HR Magazine, Sept, 1994 by Beverly Kaye, zandy Leibowitz)

1.2.3 Potential Appraisal

In organizations, the potential of every employee is assessed periodically. Such assessment is used for developmental planning as well as for placement. It may be expanding in scale, diversifying its operations, introducing technological changes or entering new market, 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 most continually are 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.

The potential appraisal refers to the appraisal i.e. identification of the hidden talents and skills of a person. The person might or might not be aware of them. Potential appraisal is a future – oriented appraisal whose main objective is to identify and evaluate the potential of the employees to assume higher positions and responsibilities in the organizational hierarchy. Many organizations consider and use potential appraisal as a part of the performance appraisal processes. Potential appraisal can serve the following purposes:

- To advise employees about their overall career development and future prospects
- Help the organization to chalk out succession plans
- Motivate the employees to further develop their skills and competencies.
- To identify the training needs.

Techniques of potential appraisal of employees which are helps to the organizations, like self – appraisals, Peer appraisals, Superior appraisals, MBO, Psychological and psychometric tests, Management games like role playing and Leadership exercises etc.

Potential appraisal helps to identify what can happen in future so that it can be guided and directed towards the achievement of individual and organizational growth and goals. Therefore, potential should be included as a part of the Performance appraisal in organizations.
Potential appraisal is an important part of the appraisal process. Appraising an employee's potential helps to evaluate his/her capability for growth and development to greater challenges, responsibilities and positions in the organizational hierarchy. Most organizations incorporate potential appraisal in their appraisal processes for identifying and developing suitable employee base for succession planning. With the help of the potential appraisal form, the employees/individuals are judged on various performance and behavioral parameters like:

- The performance areas in which the improvement or development is indicated.
- The accomplishments and the targets achieved in the current appraisal period
- Overall rating of the performance
- What skills, knowledge, competencies and qualities should be developed?
- Has the employee taken any steps for improving his performance and his career development?
- Recommendations for the training and development of the employee
- Updating knowledge on the latest developments on their job related and subject areas.
- Rate the employee on the following characteristics or how does the employee fair on behavioral characteristics like decision making, Independent, Confidence towards the job, Handling stress and pressure, Inter-personal skills, both with superiors and subordinates, Leadership, motivating and conflict handling.
- The past performance of the employee and the potential of performing in future help to identify. (HR Magazine, Sept, 1994 by Beverly Kaye, Zandy Leibowitz)

1.2.4 Feedback and Counseling

The potential appraisal system is linked with feedback and counseling because the individual whose potential is assessed should be told of the results of the assessment. Feedback should be given through counseling sessions. It should aim at helping the individual to discover his strengths and weaknesses so that he would develop career ambitions that suit his potential. It is the responsibility of the organization to use some mechanisms to give such feedback to the individual.
Counseling is a means and not an end in itself. Development does not occur just because there is counseling. Counseling could be an effective instrument in helping people integrate with their organizations and have a sense of involvement and satisfaction. The following conditions are necessary for counseling to be effective:

1) General climate of openness and mutuality.
2) General helpful and empathic attitude of management.
3) Sense of uninhibited participation by the subordinates in the performance review process.
4) Dialogic relationship in goal setting and performance review.
5) Focus on work-oriented behavior
6) Focus on work-related problems and difficulties.

The counseling should also help him to identify the mechanisms of the development of his new potential in areas that need such development. Consoling is an indispensable function of human resource development and management. Once a proper career is chosen development in career. Many individuals who failed to make proper choice have failed in their lives. It is here that the counseling helps in HRD. If the individual chooses correct path a proper counseling alone can help him. Counseling plays a very important role in chooses the right career that suits his attitude and aptitude. Hence, the counseling must be closely linked with HRD.

Knowledge of one’s strengths helps one to become more effective, to choose situations in which one’s strengths are required, and to avoid situations in which one’s weaknesses could create problems. This also increases the satisfaction of the individual. Supervisors in an HRD system have the responsibility for ongoing observation and feedback to subordinates about their strengths and their weaknesses, as well as for guidance in improving performance capabilities.

During the performance coaching & Feedback workshop, participants learn the techniques, which enable them to maintain control of performance discussion. Workshop participants learn systematic process to guide the employee to taking accountability for
his or her own performance, whether speaking to a strong performer or a ‘problem employee’. The Techniques learned in the performance coaching and feedback workshop also apply to performance conversations with employees to reward and maintain good performance.

The feedback received should be used for coaching and developing the employee to meet their goals. It can be leveraged as a part of ongoing coaching, a review cycle, or as a simple check-in on a project, initiative, or activity the employee has been working on. Feedback should always be solicited in a positive manner and not used just when a performance issue has presented itself.

360 Degree Feedback can be one of the most essential tools for gathering behavioral feedback and performance feedback. In today's fast-paced environments, managers often find themselves not only responsible for team coaching, but for projects, process improvement an effort, training initiatives and the list goes on and on. Because we cannot be with our teams constantly, it can sometimes be difficult to have a true feel for their individual needs and even their performance.

Most managers find themselves making a number of assumptions or applying a certain amount of guesswork to fill in the gaps when they are not around. Others have leveraged the 360-degree feedback technique to ensure they stay on top of their teams while being pulled in numerous other directions. Asking the employee to provide some or all of the feedback provider names will ensure you select people they work with frequently and will instill some ownership in the employee for the feedback process. To ensure that the feedback providers give relevant feedback, Mark asks for feedback under three specific areas as are: a) Ability to Influence others with Analytics. b) Propensity to get the job done, meet deadlines, and deliver an excellent product. c) Level of Collaboration and Teamwork.

Performance appraisal process is incomplete without the feedback given to the employee about his appraisal and his performance. But the way of giving as well as receiving the feedback differs from person to person and their way of handling and their outlook towards the issue.
1.2.5 Career Planning and development

Career planning and development of employees are the responsibilities of both individual employee and management. Discharging one’s own responsibility amounts to ethical act. Individual career planning assumes greater significance with the unparallel growth and speed of knowledge, through training facilities and widespread increase in job opportunities. Similarly, organizational career planning also gained importance with the change in technology, human needs, values and aspirations.

<table>
<thead>
<tr>
<th>Exhibit. 1.1 Steps in establishing a career development system</th>
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<tbody>
<tr>
<td>1. Needs</td>
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<td>2. Vision</td>
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<td>3. Action Plan</td>
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<td>4. Results</td>
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A long-term focus of career planning and development will increase the effectiveness of human resources with required skill, knowledge and talent. If the organization believes in the development and multiplication of human resources, it should attempt to generate a climate of openness. Such climate is required for helping the employees to understand their strengths and weaknesses and to create opportunities for development.

Here are six areas of HR that can be linked to career development:

1. Compensation. More than ever, compensation systems must be designed to reward competence, skills and performance. This means, among other things, de-emphasizing promotions and finding other ways to recognize and reward employees who take the initiative to prepare themselves for current and future job requirements.

2. Performance appraisals. Because appraisals and career development are clearly related in some ways, HR practitioners in many organizations try to do them at the same time. But to obtain the long-term benefits of integrating these two programs, need to be
alert by the managers to the subtle but crucial distinction between strengthening employees' abilities to perform current responsibilities and developing them to meet future challenges and opportunities.

3. **Quality initiatives.** Both quality and career development focus on taking responsibility, setting goals, using information aggressively and communicating well. Yet these two initiatives are too often launched, monitored and assessed by completely different parts of the organization. One way to begin merging them is to use the language of quality in career development efforts—in particular, the notion of continuous improvement, which is the cornerstone of quality.

4. **Competencies.** These can become the "currency" of career development—tangible, desired traits that individuals can work to acquire. Competencies can also frame and structure managers' discussions; rather than groping for language to talk about improvements, managers can draw on efforts that have already been made (often with considerable effort and expense!) to define the key skills and knowledge people need now and in the future.

5. **Orientation programs.** The orientation of new employees is an ideal program to link with career development. Many questions that employees ask during the job interview or the orientation process are essentially career development questions: How does my job fit into the bigger picture? How, when and why should I talk with my supervisor? How can I learn about the rest of the group and about the business as a whole?

6. **Sustainability:** Sustaining career development efforts is a bit like sustaining a personal physical fitness program. Organizations have to start off by stepping on the scale-taking measurements and deciding what are the have to set some clear goals and figure out a plan for continuous improvement. As we've seen, there are many strategies are helps to keep the momentum going. The trick is to find the right combination for employees and their organization.

The HRD philosophy is that people perform better when they feel trusted and see meaning in what they are doing. In the corporate growth, plans are not kept secret. Long-range plans for the organization are made known to the employees. Employees are helped
to prepare for change whenever such change is planned. The employees help to facilitate the change. 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 opportunities. Because managers and supervisors have their responsibilities to transmit information to their subordinates and to assist them in planning their careers within the organization.

1.2.6 Training and Development

Training is an important HRD mechanism for employee’s development. For overall development and growth of employees, the direction of training effort needs to be focused on not only job skills, but inter-personnel skills, collaborative skills and team building skills. Besides this the problem solving and self-management are also required. Routine training programmes for upgrading only technical competence of employees have limited value for overall growth and personality development of the worker. The effort in training is basically upon the actual training needs of employees in the technological context of a particular industry. Behavioral training is equally important to develop inter-personal skills and also skills to help them in improving quality of their life in general.

The main purpose of the training is to provide learning operations and resources for:

i) Improving performance and present job

ii) Developing behavioral and managerial skills and

iii) Functioning effectively as an individually

It is widely accepted problem solving device. It is an important a continuous activity in the organization. Training is linked with performance appraisal and career development. Employees generally are trained on the job, for some off the job to enhance, update, or develop specific skills. This is especially valuable if the outside training provide expertise, or sharing the experiences that are not available within the organization. The effects of all training programmes are monitored and added to the data concerning training needs. Managers and employees who attend in-house or outside training events are expected to submit proposals concerning any changes they would like to suggest
based on their new knowledge. The training received by employees is thus utilized by the organization.

1. Traditional and modern approach of training and development

- Traditional Approach of the organizations was never used to believe in training. They were holding the traditional view that managers are born and not made. There were also some views that training is a very costly affair and not worth. Organizations used to believe more in executive pinching. Now the scenario seems to be changing.

- The modern approach of training and development is that Indian Organizations have realized the importance of corporate training. Training is now considered as more of retention tool than cost. The training system in Indian Industry has been changed to create a smarter workforce and yield the best results.

Training and development encompasses three main activities: training, education, and development. (Garavan, Costine, and Heraty, of the Irish Institute of Training and Development, note that these ideas are often considered to be synonymous.

a) **Training:** This activity is both focused upon, and evaluated against, the job that an employee currently holds. For positions that are measurable and clearly identifiable, it is fairly easy to specify the job and the performance outputs.

b) **Education:** This activity focuses upon the jobs that an employee to perform on a specific job or group of jobs in the organization in the future. It is still job related but in order to differentiate it from training, the manager should recognize that the emphasis of education is on the individual preparing for a different job. The most common use of education is to prepare an individual for promotion. Education is an investment though generally a short-term investment and it is a medium risk activity. It is expected to pay off, and a manager provides education with a high expectation of a return. Still it is an investment with the entire risks attendant to an investment.

c) **Development:** This activity focuses upon the activities that the organization employing the individual, or that the individual is part of, may partake in the future, and
is almost impossible to evaluate. The focus of development is on the organization it is based on experiences, which has shown us that organizations must grow and change in order to stay viable. They must be able to move with the time.

In case of service and supply companies, who can neither afford to have an established HRD department nor employ an external training consultant whose just conduct the training programmes and often do not have official arrangements for the post training improvements at the work place. Therefore, these companies could come together and have independent HRD activities.

2. Importance Of Training and Development

- **Optimum Utilization of Human Resources** - Training and Development helps in optimizing the utilization of human resource that further helps the employee to achieve the organizational goals as well as their individual goals.

- **Development of Human Resources** - Training and Development helps to provide an opportunity and broad structure for the development of human resources' technical and behavioral skills in an organization. It also helps the employees in attaining personal growth.

- **Development of skills of employees** - Training and Development helps in increasing the job knowledge and skills of employees at each level. It helps to expand the horizons of human intellect and an overall personality of the employees.

- **Productivity** - Training and Development helps in increasing the productivity of the employees that helps the organization further to achieve its long-term goal.

- **Team spirit** - Training and Development helps in inculcating the sense of teamwork, team spirit, and inter-team collaborations. It helps in inculcating the zeal to learn within the employees.

- **Organization Culture** - Training and Development helps to develop and improve the organizational health culture and effectiveness. It helps in creating the learning culture within the organization.

- **Organization Climate** - Training and Development helps building the positive perception and feeling about the organization. The employees get these feelings from leaders, subordinates, and peers.
- Quality - Training and Development helps in improving upon the quality of work and work-life.
- Healthy work-environment - Training and Development helps in creating the healthy working environment. It helps to build good employee, relationship so that individual goals aligns with organizational goal.
- Health and Safety - Training and Development helps in improving the health and safety of the organization thus preventing obsolescence.
- Morale - Training and Development helps in improving the morale of the work force.
- Image - Training and Development helps in creating a better corporate image.
- Profitability - Training and Development leads to improved profitability and more positive attitudes towards profit orientation.
- Training and Development aids in organizational development i.e. Organization gets more effective decision making and problem solving. It helps in understanding and carrying out organizational policies.
- Training and Development helps in developing leadership skills, motivation, loyalty, better attitudes, and other aspects that successful workers and managers usually display.
- Training and Development demonstrates a commitment to keeping employees on the cutting edge of knowledge and practice. (wiki.answers.com)

1.2.7 Performance Rewards

By the reward, we mean recompense in turn to a specific service rendered by a person to the organization. It is a reward or a return in addition to wages, allowances, remuneration, bonus etc, which are considered to be a part of compensation. Any valuable contribution, suggestion behavior, skills, achievements etc, deserve recognition appreciation and reward. It may be medals, prizes, and monetary or non-monetary awards used as rewards to motivate employees for their extra ordinary contribution to organization.

For any organization to be highly successful, it should have talented employees who are motivated to achieve results and are highly engaged with a clear vision of short and long-term goals. Best practice research indicates that organizations that reward and recognize
their high performing employees have significantly higher employee engagement and achieve their organizational objectives. Employee reward systems refer to programs set up by a company to reward performance and motivate employees on individual and/or group levels.

Reward systems and their role in organizations have a wide-ranging impact on organizations, and their impact is greatly affected by their design and by the organizational context in which they operate. Reward systems influence attraction and retention of employees. Overall, those organizations that give the most rewards tend to attract and retain the most people (Lawler, 1971). Reward systems contribute to the overall culture and climate and are often a significant cost factor of an organization.

One of the important attributes of work organization is its ability to give rewards to their members. Pay, promotions, fringe benefits, and status symbols are perhaps the most important rewards, because the ways they are distributed have a profound effect on the quality of work life as well as on the effectiveness of organizations. When certain specifiable conditions exist, reward systems have been demonstrated to motivate performance. However, performance motivation depends on the situation how it is perceived, and the needs of the people. The connection between performance and rewards must be visible, and a climate of trust and credibility must exist in the organization.

1.2.8 Employee Welfare and Quality of Work Life

Employee Welfare means the measures to promote the physical, social, psychological and general well being of working population. Welfare work in any industry aims at improving the working conditions of workers. Employee welfare should include all extramural and intramural welfare facilities.

Qualitative work life is positive concept of HRD. It attempts to design work environment so as to maximize concern for human welfare. It is built around the concepts of equitable pay, job security, alternative work schedules, occupation stress, workers participation and social integration.

The issues related to welfare are very much used to the overall development of employees, both their physical and psychological being. Employee welfare programmes
create a sense of belongingness and adequacy that benefits the organization in the long run. Welfare includes anything that is done for the comfort and improvement of employees and is provided over and above the wages. Welfare helps in keeping the morale and motivation of the employees high so as to retain the employees for longer duration. The welfare measures need not be in monetary terms only but in any kind/forms.

Employee welfare includes monitoring working conditions, creation of industrial harmony through infrastructure for health, industrial relations and insurance against disease, accident and unemployment for the workers and their families. Labor welfare entails all those activities of employer which are directed towards providing the employees with certain facilities and services in addition to wages or salaries.

Today's organization experiences of the worker that describes his work-life, while labor and management can use their ultimate powers of strike and lockout to pressurize each other to more agreeable terms; there are other means of exercising power, influence, and authority. Management may insist on rationalization, higher work norms and productivity levels before discussing increase in worker wages and benefits.

Organizations provide welfare facilities to their employees to keep their motivation levels high. The employee welfare schemes can be classified into two categories viz. statutory and non-statutory welfare schemes. The statutory schemes are those schemes that are compulsory to provide by an organization as compliance to the laws governing employee health and safety. These include provisions provided in industrial acts like Factories Act 1948, Dock Workers Act (safety, health and welfare) 1986, Mines Act 1962. The non-statutory schemes differ from organization to organization and from industry to industry.

1.2.9 Job Rotation

In cases where the employees have been found to possess certain qualities, but do not have the opportunity to develop them, they may be put into jobs that would help the development. Job rotation can be planned on the basis of potential appraisal. The job rotation can aim at giving opportunities to an individual both to test out his potential and to develop his potential. Job rotation, sometimes called cross training, is one of the many
forms of on-the-job training and a formal effort at executive development (Zebra, 1974; Beatty, Schneider and McIvor, 1987).

Job rotation can be defined as lateral transfer of employees among a number of different positions and tasks within jobs where each requires different skills and responsibilities. Individuals learn several different skills and perform each task for a specified time period. Rotating job tasks helps workers understand the different steps that go into creating a product and/or service delivery, how their own effort affects the quality and efficiency of production and customer service, and how each member of the team contributes to the process. Hence, job rotation permits individuals to gain experience in various phases of the business and, thus, broaden their perspective.

Job rotation is a developmental technique that has been widely used but, surprisingly, received little attention in human-resources studies. Empirical research in this regard is solely needed (Beatty, Schneider & McIvor, 1987).

Traditionally, job rotation is usually addressed at an organizational level from the employers' point of view, organizational theorists have advocated frequent rotation as a means of reducing fatigue and boredom on production jobs to maintain productivity (Miller, Dahlia, & Mages, 1973) and fairly frequent rotation after the initial hiring as a means of orientation and placement (Wesley & Latham, 1981).

Job rotation enables the training of workers to be backups for other workers so that managers have a more flexible work force and a ready supply of trained workers (Rothwell & Kazanas, 1994). When rotation occurs at longer intervals, it has been thought as a practice of progressive human resource development or a means of enhancing the value of work experience for career development (Campion, Cheraskin, & Stevens, 1994).

Also from the employers' standpoint, however, the practice of job rotation may be very costly. As pointed out by Yoder, Heneman, Turnbull, and Stone (1958), while job rotation may encourage generalization, it prevents job specialization so that the optimal level of performance can not be reached. Although this problem may be negligible for
many jobs, it can be very serious for those jobs where high specialization is needed so that the costs in terms of training and supervision are prohibitive.

One should not be surprised by the fact that only 42.5% of the companies in Taiwan are practicing job rotation and that they carry out their job-rotation policy selectively and cautiously (Huang, 1997). Thus, for a job-rotation study at individual level, the focused question is whether the individuals perceive there is a job-rotation practice that they actually participate with, rather than whether the companies have allegedly adopted a policy of job rotation.

Human Resource Development, as the organizations work in a technological society, companies have to learn to adapt to rapid changes, to produce high quality goods and also to develop new products to remain competitive in the global market place. Strategic planning, forecasting of economic and demographic trends, job planning, training and care of their staff lie at the heart of it.

Most organizations view human resource management as an investment in that it presents a way to integrate business plans and human skills so as to achieve its goals in terms of economic growth, products or services. In turn, the staff also gains in terms of remuneration, opportunities for learning and career development. In addition, human resources can be viewed as the sum of knowledge, skills, attitudes, commitment, values and the like of the people of an organization. Development is acquisition of capabilities that are needed to do the present job, or the future expected job.

1.2.10 Organizational Development

OD is a planned, organization-wide effort to increase an organization's effectiveness and viability. Warren Bennie, has referred to OD as a response to change, a complex educational strategy intended to change the beliefs, attitudes, values, and structure of organization so that they can better adapt new technologies, marketing and challenges, and the dizzying rate of change itself. OD is neither "anything done to better an organization" nor is it "the training function of the organization"; it is a particular kind of change process designed to bring about a particular kind of end result.
OD can involve interventions in the organization's "processes," using behavioral science knowledge as well as organizational reflection system improvement; planning and self-analysis. OD is long term efforts led and supported by the top management, to improve an organization's vision, empowerment, learning and problem solving process through an ongoing collaborative management of an organization's culture with special emphasis on the culture of intact work team and other team configuration utilizing the consultant facilitator role and the theory and technology of applied behavioral science, including action research.

There are many definitions, which have been given to describe the process none of which is likely to be understood in the context of this paper. Organizational development simple mat be described as a methodology or technique use to effect change in organization or section of this organization with a view of improving the organization effectiveness it has following attributed.

As we can say that value of any organization is very important for its success, this is we can say as if a success engine Stephen robin (1986. p.461) expressed these human value more concisely as follows:

- The individual should be treated with respect and dignity
- The organization climate should be characterized by trust and support
- Problem and conflict should be conformed not be avoided
- People affected by change should be involved in the implementation

In the mid-1970s, O.D. was first introduced in India in Larsen and Toubro as a formal and structured part of the HRD department. It was expected that the change process would be institutionalized and more O.D. specialists would be developed. Unfortunately, this did not happen as the corporate sector in the country has a very protected and secure environment and there were very few compulsions to change.

Hence, O.D. remained mostly in academic institutions - the forte of a few specialists and largely limited to T-group training and other training based interventions. That it has a slow growth and is indicated by the fact that even after 25 years of existence, the Indian Society for Applied Behavioral Science (ISABS), an associate of NTL, produced less than 100 process specialists in the vast country.
1.2.11 HRD Instruments, Processes and Outcomes

HR Development is a continuous process in the organizations. The nature of efforts and investments put into develop human resources may vary from organization to organization depending on its need, nature, size etc. this may also vary from time to time in the same organization depending on the nature of change the organization is going through or the nature of capabilities the organization wants to build within it.

There are many methods or instruments available for organizations to develop employee competencies. There are several HRD instruments that should lead to the generation of HRD processes like; - Role clarity - Performance planning - Development climate - Risk taking - Dynamism etc in employees. Such HRD processes should result in more competent satisfied and committed people that should make the organization grow by contributing their best to it. In addition, such HARD outcomes influence the organizational effectiveness.

HRD outcomes are a few where as processes are many. - HRD processes operating simultaneously affect the outcomes. - HRD outcome variables are a step closer to organizational effectiveness than process variables for ex: better communication, role clarity, performance planning, trust, collaboration, openness can be considered as more remotely related to organization effectiveness than variables like having competent, dynamic, satisfied and committed employees, - HRD outcomes are not present in an organization at a satisfactory level, than one needs to question the adequacy of the HRD processes in that organization the linkages between HRD outcomes and organization effectiveness are not easily demonstrable due to the influence of several other variables in determining productivity.

The main objective of the HRD department is to create a learning environment and development climate in the organization. Learning environment is meant a culture where employees continuously learn from their experience and the various learning opportunities the organization provides. The HRD department should create an "enabling" culture where the employees are able to make things happen, in the process discover, and utilize their potential. The HRD department should develop a HR
philosophy for the entire organization and get the top management committed to it openly and consistently.

Keep inspiring the line managers to have a constant desire to learn and develop. Constantly plan and design new methods and systems of developing and strengthening the HRD climate. Be aware of the business/social/other goals of the organization and direct all their HRD effort to achieve these goals. Monitor effectively the implementation of various HRD sub-systems/mechanisms. - Work with unions and associations and inspire them. - Conduct human process research, organizational health surveys and renewal exercises periodically. - Influence personnel policies by providing necessary inputs to the personnel department/top management.
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