CHAPTER 5

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Human Resources (HR) function today has grown from a training function to a strategic function. Since HR bears strong linkages with other factors of organizational performance, the success of HR initiative depend on the degree of initiative/ownership taken by the line functions as well.

The HR initiatives adopted by NTPC are detailed below.

5.1 VISION

In reference to scenario planning SWOT Analysis, and long term corporate plan, the vision of the company is renewed and modified by involving employees of all levels.

NTPC adopted its vision in 1995 as "To be one of the world’s largest and best power utilities powering India’s Growth.

But after adopting and revising Corporate plane 2002-2017, and completing transformational study DISHA modified its Vision to "A World Class Integrated Power Major, Powering India’s Growth with increasing global presence".

With this new vision, NTPC is aiming/targeting on following aspects-

a) All activities to be of world class level (Qualitative Approach)

b) Adopting the path of horizontal as well as vertical diversification to integrate all activities related to power Sector (Expansion of
activities, adopting new ventures and skills and providing maximum satisfaction to the customers.

c) Power Major- To always remain front runner and Big Brother in the Indian Power Sector (Growth oriented).

d) Powering Indias Growth – ultimate aim of economic and infrastructural development of India. It is always true that to have x % growth of GDP of a country, it is required that power sector should from at the rate of x+3 %.

e) Increasing Global Presence- In order to expand and compete globally, NTPC is aiming to increase its presence all over the world i.e.capabilities acquired by the company in

1. Before time erection of units.
2. Efficient O&M of plants
3. Consultancy Services
4. Training and Development Areas are being harnessed by the company to increase global presence.

5.2 CORE VALUES

Values are the guiding principles which are followed by the company and its employees in day to day functioning and while taking strategic decisions and forming policies/procedures. Motto of organization should be that each employee and activity of the organization should be perceived by both internal and external stake holders in such a way that the values of the organization are actualized in strict sense. This increases the
credibility of the organization and account to transparent functioning, it brings pride, respect and regard in the eyes of stakeholders. Not only this, in reference to long term requirement of the hour, organization should access and review core values at stipulated intervals and modify the values accordingly.

Around the year 2000, NTPC adopted following 5 core values:

Customer focus
Organizational Pride
Mutual Respect and Trust
Initiative and Speed
Total Quality

With the passage of time, upto 2005, after becoming signatory of GLOBAL COMPACT and becoming more quality conscious and acquiring professionalism in various areas, NTPC revisited its values in 2005 and presently it has adopted following 6 core values-

Business Ethics
Customer Focus
Organizational and Professional Pride
Mutual Respect and Trust
Innovation and Speed
Total Quality for Excellence
Value "Business Ethics" has been inculcated on account of creating focus on ill effects of corruption prevailing in society and for creating and maintaining clear image of the organization.

The professionalism which the employees have acquired in various areas while working in NTPC has brought professional pride among them in addition to organizational pride.

Initiative word has been replaced by Innovation, because of following reasons-

(i) Initiative is part of the Innovation.

(ii) In today's scenario to maintain superiority and world class image, organization has to continuously go for innovation in all activities.

Total quality has been replaced by "Total Quality for Excellence" to emphasize superior level of quality in all aspects.

5.3 HR VISION

Importance of HR department in an organization is now well known to all, but still many state owned electricity boards are running without structured HR department. In many of SEB's function of HR department is only limited to handling welfare function, pay fixation, keeping records of service books and handling IR situation and Court cases. This is leading to their less developed and de-motivated manpower.

Business aligned HR department with clear cut "HR VISION" & HR strategy is now must for taking care of Human Resources of the organization. HR strength & HR VISION should not only take care of
business and core VISION of the organization, but it should also take care of expectations of stake holders of HR function.

NTPC has adopted following HR vision "To enable our people to be a family of committed world class professionals making NTPC a learning organization".

5.4 CREATIVE TEAM SPIRITS/ COMPETITIONS

5.4.1 NOCET

To create team spirit and address the burning issues, NTPC has started NOCET (NTPC open competition for executive talents)

The objective of this scheme is

- To develop general management skills among executives
- To encourage creativity and innovative thinking
- To enhance presentation skills To encourage team work and build team spirit

The competition is organised on annual basis and the theme of the competition is decided by CMD/committee of directors keeping in view the current issues faced by the organization.

5.4.2 POWER HR FORUM

NTPC, NHPC, PGCIL are members of Power HR forum, which is consortium of all Power sector related PSU's.
Power HR forum organizes an yearly event "Quest for Excellence" on the same pattern of NOCET organized by NTPC.

Power HR forum allows participation of maximum two teams from each Power Sector PSUs, and topics are announced by Power Forum in reference to burning issues of Power sector for e.g. the topic of Q4E-2005 was "Road Map for Radical Performance Improvement in Power Sector".

NTPC, NHPC and PGCIL are regularly nominating their best two teams for Q4E competition, and in turn organizations are getting benefited from the compilation of suggested ideas given by the teams.

5.5 DEVELOPMENT CENTRE

Development Centre is basically a tool for measuring and mapping competencies of participants by exposing them to multiple exercise conducted by trained accessors, this gives an accurate picture of strengths, weaknesses and potential evaluation, career and successions planning and development of managerial skills.

Now a days competencies have acquired primary focus in managing the organizational systems. Such an environment necessitates viewing the skills of individual employees as critical in developing and maintaining performance capabilities of an organization.

The need, therefore, is to create system so as to positively support the development of particular competencies necessary for strategic direction.

In NTPC executives of the Manager level are subjected to "Development Centre" for two days duration. During the development
centre, measurement of their nine managerial skills such as communication skills, decision making skills, interpersonal skills, leadership skills, administrative abilities etc. is done by the team of trained Assessors, through subjecting the executives to various exercises such as Role play, leaderless group discussion, in-basket exercise, behavioural interview etc.

Each competency is measured by multiple assessors and by applying multiple tools and finally average score with respect to each competency on 10 points scale for the individual is given along with the average group score.

At the end of "Development Centre", the individual report is given to each executive with respect to his/her strengths, weaknesses along with the development plan.

This exercise is helping in building competencies in the organization and keeping their records, so that the same can be retrieved and utilized at the time of need.

5.6 HR AUDIT

Simply doing and implementing the initiatives become transactional activities only, and no transformation takes place. Therefore, in order to properly implement the initiatives regular Assessment and Review is necessary. HR audit is done with a view to comprehensively evaluate the current HRD efforts, strategies, structures, systems and implementation and to align the function with the business goals of the company.
NTPC has developed "HR Audit System with the following objectives:

- To assess and evaluate the implementation of HR policies, strategies etc.
- To identify current strengths and weaknesses of HR function and in terms of HR systems and processes, its competencies, image and roles and HR Organization structure.
- To evaluate and assess the role, ownership and involvement of Line Managers in developing the employees as resources.
- To prepare action plans to align HR strategies policies with business goals.

HR Audit was first time implemented by NTPC in 1998 and since then two times thorough review of the Audit system itself has been done.

As per present system HR Audit for each unit of NTPC carried out by the team comprising of

(a) Sr HR Executive from Corporate HR
(b) Corporate Nodel HR Officer for the Unit
(c) Regional Head of HR
(d) Head of Unit’s Planning and System department
(e) Head of Unit’s HR

For each unit, HR Audit is carried out after interval of 2 years.

During the Audit,
(i) Questionnaire is introduced to certain percentage of employees.

(ii) Focused group, interaction is carried out for obtaining feedback.

(iii) Records are checked and reviewed

5.7 **JOB ROTATION**

The objectives of this scheme is to provide exposure to employees in various areas and functions to enable them to gain rich experience before assuming higher responsibilities.

To ensure an effective match between the employees competencies and strengths and the role assigned.

To provide job enrichment.

In NTPC all regular executives on the roll of the company are covered

- The job rotation is done in a planned and phased manner so that it does not suffer the normal work of organization.

- All executives of E2 & E2A are rotated in a minimum of three sections areas in their discipline before they reaches the level of E3. Each executive should remain in one section for a minimum of two years.

- At the level of E4 & E5, executive is made a team leader of one section as far as possible.

- At E6 level, the executive is made Head of at least 2-3 sections or a Head of an areas as far as possible ie. group Head.
An executive should preferably have had exposure to at least 3 Areas in a sections before he reaches the level of E5.

NTPC has prepared detailed departmental and inter-departmental wise career growth paths, and growth path of each individual executive is charted out.

Job rotation also takes care of development of generalist as well as specialists in the organization.

In order to provide exposure of other functions and to brake monotony of the same type of work, scheme of Tenure posting for a period of 3 years is also available in NTPC.

In all cases of Job rotation, pre training of new function is compulsory before the actual placement in a new role.

5.8 MULTI SKILLING

In the today's age of rapid change and advancement of technologies, skill sets required by the employees are also changing rapidly. Further pressure of outsourcing, downsizing etc also requires that new skill sets to be acquired by organization at the right time and each employee should become polyvalent professional.

Multi skilling is demonstrated capabilities in performing additional tasks in the same function or/and additional tasks in other function. Multi skilling involves cooperation across hierarchical and functional divisions and developed responsibility for monitoring and improving quality. The
advantages of multi skilling are – it reduces monotony of the job, helps in career growth, increased employees satisfaction and job enrichment.

NTPC has got detailed multi skilling function wise policy and system for all level of non-executives belonging to different functions.

The complete system of multi skilling has been developed by carrying out pilot exercise at its "Mother Plant" ie. NTPC Singrauli.

5.9 360 DEGREE FEEDBACK

360 degree feedback is a multi Rater system. In this system an executive is assessed by a number of individuals who interact with the person concerned. These individuals, referred to as' assessors' include the concerned executive's boss, colleagues, subordinates, internal customers and some times even external customers. The assessment is made via a questionnaire specially designed to measure Leadership styles, Managerial Role and other qualities considered critical for performance.

NTPC has engaged M/s TV RaO learning systems Pvt Ltd. Ahmedabad earlier and now, M/s Egnst and Young to administer the questionnaire, receive the feedback and make complete analysis, the assessment data are compiled and presented to the individual concerned. Strict confidentiality is maintained with regards to the analysis.

Executives in the level of DGMs and above are taking part in this feedback system. Main aim of NTPC to introduce such system is to develop, leadership system and managerial roles, as the executives of DGM and
above levels are taken up for leadership roles for various projects and assignments taken up by the company.

5.10 MENTORING

Mentoring is a process whereby senior employees of an organization, acting as mentors, take under their wings new recruits or other junior organizational members and impart them their valuable experience, knowledge, wisdom, values etc.

The objective is to enable the new recruits to leverage the experience and wisdom of their senior colleagues in the organization.

The relationship between the mentor and mentee is purely informal and does not involve payment of compensation on either side.

In NTPC the Mentoring system is named as "ANKUR".

Senior executives of Manager and above level can voluntarily opt for becoming Mentor. HR department arranges a structured workshop for them to develop certain skills and competencies w.r.t. mentoring. The biodata of trained Mentor is placed on the Intranet website.

Mentoring is done for following categories of employees-

(i) New executive trainees entering in the organization.

(ii) New entrants of E1 to E4 level.

(iii) Supervisors promoted to Executive level.
HR department helps in the initial stage w.r.t. formal bonding of Mentor and Mentee on mutual agreement/acceptance basis. Further during the first year of relationship HR department facilitates at least six meetings with Mentors and Mentees.

5.11 HR BALANCED SCORE CARD

This concept was developed by Dr. Robert Kaplan & Dr. David Norton of Harvard Business School.

Objectives of the Balanced Score Card

- Setting of targets by the Organization.
- Measuring the performance related to strategic and operational objectives.
- To develop a balanced picture of the Organization focusing on financial as well as non-financial, internal as well as external, and performance as well as outcome measures.

NTPC has developed HR balance score based on following four perspectives:

- Financial perspective
- Internal business perspective
- Customer perspective
- Innovation and learning perspective
Under each perspective, there are certain quantifiable ratios or measuring parameters, which are continuously measured on quarterly basis, and comparison is done w.r.t previously measured ratios, in order to evaluate, value addition by the various initiatives, processes and systems adopted by HR department.

5.12 CORPORATE SOCIAL RESPONSIBILITY

One cannot build Island of prosperity surrounded by the ocean of poverty. For every organization which is performing well and earning profits, it is must that it should help the society to up lift the needed elements.

NTPC as a responsible corporate citizen work for the upliftment of neighbouring communities around its power stations for establishing a friendly neighbourhood and addressing the development needs of rural areas where projects are located.

This is something more than R&R with special thrust on Community Development Environment Protection Afforestation etc.

NTPC has covered following segments in its CSR policy-

- Segment on Human Resource Development
- Segment on Handicap
- Segment on Child Labour
- Segment on Health
• Segment on Right to Bargaining and the Recognition of the Freedom of Association
• Segment on Gender
• Segment on SC/ST
• Segment on Community Development

Every year NTPC is allocating fix percentage of profit earned in the various schemes of corporate social responsibility.

NTPC has also established foundation for physically challenged people in the society through which NTPC is funding and providing basic infrastructural facilities to groups of physically challenged persons to undertake projects of income generation.

5.13 ORGANIZATIONAL CLIMATE SURVEY

Mearly implementing the initiatives and policies is not good enough. Organizations should obtain feedback from the employees on regular basis by conducting organizational climate survey.

NTPC is carrying out organizational climate survey with the name of BODH and it is done with the aim of self introspection.

BODH- 1 study was carried out by Shri Ram Center At NTPC in 2001, covering 22 dimensions to identify the strengths and weaknesses of the initiatives undertaken and also for getting feedback for improvement in the systems and procedures.
Funding were segregated in respect of Executives and funding in respect of Non-executives. In case of Executives the low ranking were Performance Appraisal System, Organization culture, communication, scope for advancement and in case of Non-executives, the low ranking were Recognition and Appreciation, participative management, welfare facilities and communication.

Following initiatives were introduced based on BODH I study-

- Revised PMS
- Ed CIL recommendations w.r.t. school facilities.
- NTPC Rewards and Recognition system
- Communication Matrix
- Revised Training policy

In the year 2004-05, NTPC has again conducted organizational climate survey under the name of BODH II. This time the survey has been conducted on 27 parameters.

5.14 MEDHA PRATIYOGITA (Business Quiz Competitions for NTPC employees)

NTPC organises annual event named as Medha Pratiyogita at 3 levels i.e. unit level, regional level and finally at corporate level.

It is conducted during September-October months. Host for Regional and National Finals is Renowned Quiz Master Mr. Derek O.Brien of
Bournvita Quiz Contest. Final Quiz is organized on 7th November i.e. the raising day of the Company.

**Objectives**-

Behind conducting such competition is to develop business acumen, latest updates of business works and for developing entrepreneurship among employees so that they can handle future leadership roles.

**5.15 TIMELESS TREASURES**

This is a collection of stories, parables and anecdotes and this collection is an attempt to put together the great wealth of wisdom available in the oral and written tradition of the various communities. The wisdom given by these stories is practical wisdom which helps in living better, working better and achieving more. It helps one in becoming more competent.

Most of the stories stress emphasis on Value based living and the messages contained in this collection relates to Core Values adopted by NTPC.

This is being published in Hindi and English. In order to take the fullest advantage of this "Treasure" by all sections of NTPC employers and their family members, these collections have been translated in Telugu medium as well.

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5.16 **CHANAKYA COMPETITION**

This competition is being organized by All India Management Association – AIMA every year.

The competition comprising of Management Quiz and computer simulated business games.

This is the team event comprising of 3-4 young managers.

The team members have to understand cross-functional relationships amongst various management functions such as Finance, Marketing, Operations, HR, R&D etc.

The competition involves planning of strategies with the change in business scenario as per the simulation provided in the game.

From 2005 NTPC has institutionalized this competition with the name of 'Business Minds'.

On 2nd April 2005, 166 teams all over the NTPC appeared in Preliminary written test of 1 hour duration.

On the basis of written test 22 teams were selected (minimum 2 teams from each region). These 22 teams were divided into 2 groups of 11 teams each. And from each group of 11 teams, 4 teams were selected for their nomination in AIMA CHANAKYA NATIONAL LEVEL BUSINESS MANAGEMENT GAME.

Objective of starting such initiative is to develop all round managerial skills in the executives and develop business acumen among them so that they can assume future leadership role with efficiency.
5.17 TRAINING AND DEVELOPMENT

NTPC has framed a well planned training policy according to it, it is mandatory for each employee to get minimum seven days training every year.

At each location of NTPC plants, there is employee Development centre and in addition to it, NTPC has get centralized premier "Power Management Institute" at NOIDA. This Institute caters to the training needs of other power sector players also such as SEB's, private players.

Training needs are identified on yearly basis with respect to every individual, and proper mix of job related trainings, behavioral trainings, awareness trainings etc are provided to each employee. Trainings provided are need based only.

Apart from normal training programmes, employees are also allowed to upgrade their qualification by joining part time or correspondence courses. Incentive scheme for such skill up gradation is also in place.

NTPC itself has also made certain tie ups with reputed Institutes such as ITI Delhi, BITS pilani for running long term courses.

Redeployment trainings are also given to selected employees before placing them in other areas.

NTIC also deputes its employees for training at other reputed training Institutes.

For developing expertise even participants are deputed for training to "Original Equipment Manufactures" work place.
For introduction of new technologies even foreign training at suppliers works and Institute is also provided.

It is mandatory to invest minimum 1.6% of salary bill of each unit for training of its employees.

5.18 PERFORMANCE MANAGEMENT SYSTEM

In order to achieve peak performance not only from the operations and functioning of the company but also from its employees, NTPC has recently in 2003 introduced new performance management system.

Earlier system of performance was not transparent, which has caused lot of dissatisfaction among employees.

New system is transparent one and it is in line with the targets of the organization and particular unit. Each individual in consultation with HOD and assigned work sets its own target at the beginning of the year and records the same in PMS form.

Provision of mid year review of target and performance is also stipulated in the system.

After the passage of one year each activity is evaluated and marks are given in front of appraise.

Training needs of the employees are also identified during the final appraisal meeting.

On the basis of marks obtained by the employees, they are categorized in three broad categories
(a) Excellent performance – top 20% employees
(b) Good performance – next 70% employees
(c) Under performance – last 10% employees

Special interventions such as training, redeployment training, job rotation, behavioral training, counseling etc. are undertaken w.r.t. under performers.

5.19 EMPLOYER BRANDING

Keeping in view the massive expansion of the company, it is must for NTPC to create its image in the market w.r.t. best employer, because time has come when there will be about 1000 recruitment of new executives (young MBA, BE passed outs) every year for at least period of 5-6 years form now.

Already image of the NTPC is very good on account of organizational culture, values and employee friendly HR initiatives.

To further build up systems in the organization and for creating, brand of NTPC Ltd in the National and International sphere, every year NTPC is participating in at least 4 employer surveys for example-

(a) Best employer survey.
(b) Great place to work in India etc.
(c)
5.20 REWARD & RECOGNITION SYSTEMS

Earlier i.e. before 2003, each plant of NTPC used to award its meritorious outstanding contributors among employees during the Independence Day, Republic Day celebrations by awarding them certificate and cash awards.

But in 2003, after the receipt of recommendations of SMILE (strategic management Initiatives for Leadership Excellence) committee, NTPC introduced new rewards & recognition system which contains 13 types of rewards/recognitions and almost all levels of employees are included in its sphere.

Out of 13 rewards certain awards are to be given immediately on the completion of appreciable work, certain awards are given on monthly basis and certain awards are given on early basis.

5.21 COMMUNICATION MATRIX

During the BODH I survey one of the issue which emerged from employees side was "Improper communication channel" in the organization.

An action plan was developed, tested and implemented and presently a uniform communication matrix is being adopted by each unit of the organization.

Following communication channels are available for two way communications-

(a) Open door policy by each business unit head and all HODs.
(b) Executive Management Committee chaired by CMD, twice in a year where all GM's and ED's are invited for review and framing of future activities.

(c) Regional Management Committee: Chaired by ED of the region, which meets with GM's of projects falling in the region.

(d) Weekly site management committee: In which GM reviews and plans future activity with HOD's of the project.

(e) Monthly departmental meetings in which HOD meets with all executives and Non executives of the department.

(f) Biannually GM interacts in open forum with all employees.

(g) Bimonthly GM and Head of the HR conducts meeting with union and association representatives.

(h) Quarterly regional ED conducts meeting with leaders of all unions and associations of the region.

(i) Quarterly meeting of all participative foras.

(j) Print Media:
   a. CMD Communicates with employees through special news letter called parismavad.
   b. Monthly new letter from corporate centre.
   c. Quarterly house journal by each unit.
   d. Bimonthly power vision video magazine.
   e. Dedicated TV channels at each project.
5.22 **PEOPLE SOFT HRMS PACKAGE**

In order to bring speed in processing employees related benefits and keep track record of the same in transparent method, NTPC has implemented people soft HRMS package.

This is an on line package and it keeps all records pertaining to all employees of the organization and processes various employees related benefit on the line such as leaves, LTC, loan etc.

Organizational wide training to all employees have been provided so that all employees can use it without any inconvenience.

5.23 **WELFARE ACTIVITIES**

All kinds of welfare activities are available for employees and their family members. This is an important aspect to keep morale of the employee very high and this helps employees to concentrate more on the performance and development of the organization.

Facilities which are readily available at all locations are-

(a) Neat and well maintained township

(b) School facilities upto 12th class from reputed schools e.g. DPS, DAV, Bal Bharati.

(c) Recreational facilities such as play grounds, clubs, swimming pools.

(d) Hospitals with all facilities.

(e) Coaching facilities for Engineering and Medical college aspirants.

(f) Bal Bhawan/BalVatikas

(g) Adult learning centres.