CHAPTER 1

INTRODUCTION OF THE STUDY

1.1 BACKGROUND OF THE STUDY

Tamil Nadu has made rapid advancements in the pursuit of economic development. In the recent decades, the State has become a hub for the Information Technology and knowledge industry with a wide-spread manufacturing sector and a catapulting service sector. Tamil Nadu state was the second largest economy in India with a GSDP of Rs.9767 billion (US$150 billion) in 2014–15. The per capita GDP of Tamil Nadu was $3,000 in the year 2014–15, the third highest in India. As the most industrialized state of India, Tamil Nadu is also the most urbanized, accounting for 9.6% of the urban population while comprising only 6% of India's total population according to the 2011 census. Services contribute to 45% of the economic activity in the state, followed by manufacturing at 34% and agriculture at 21%. Tamil Nadu has a network of about 113 industrial parks and estates offering developed plots with supporting infrastructure. Hence, to satisfy the energy needs of the State, Tamil Nadu Generation and Distribution Corporation Limited has an installed capacity of 11884.44 MW which includes State projects, Central share and Self-governing Power. Apart from this, the State also has installations in renewable energy sources like wind mill, solar, biomass and cogeneration up to 8219.67 MW. For the industrial, commercial and socio economic growth of any State the availability of affordable, reliable and quality power is necessary. Therefore, adequate provision has to be made for augmenting
power supply to bridge the gap between demand and supply as well as to meet the increasing future demand.

The Tamil Nadu Electricity Board (TNEB) in the State of Tamil Nadu is a vertically integrated utility responsible for power generation, transmission and distribution. The electricity network has spread to all villages and towns throughout the State. TNEB was reorganized into TNEB Limited; Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO); and Tamil Nadu Transmission Corporation Limited (TANTRANSCO) in the year 2009.

The productivity and performance of this utility is vital in ensuring the growth of the state economy, because this energy industry energizes all other manufacturing and services sectors. Productivity and performance of each and every industry lies in the hands of their employees and obviously the Tamil Nadu Electricity Board is no exception. If all the individuals in the organization perform well, collectively the organization productivity and performance goes high. Hence Tamil Nadu Electricity Board spends crores of rupees every year for employee training and development programmes.

All types of training like regular programmes, management programmes, need based programme, on-site programme, national franchisee training programme, energy auditing and accounting, national level drum (Distributed Reform, Upgrades and Management) training programme incur a heavy cost.

With the huge investment involved in developing training strategies and programmes for the executive and non-executive staff of TANGEDCO and TANTRANSCO, other state utility officers, faculties and students of engineering colleges, state government officials and electricity consumers, TNEB is very curious to know if return on investment is possible and also if
there can be a change in commitment towards the organisation in the employees.

Training is a set of action plans to increase an individual’s skills, knowledge and experience. It brings attitudinal change among the employees, which increases organizational commitment. The success of any training programme largely depends on the employees who have undergone training.

As earlier researches have outlined that there is a robust association between the commitment of the employees to their productivity and performance (Balfour and Wechsler, 1996; Igbaekemen Goddy Osa & Idowu Oluwafemi Amos 2014; Aysen Berberoglu 2015; Peace Irefin & Mohammed Ali Mechanic 2014), the researchers also proved that the commitment of the employees can be enhanced through appropriate training and development programmes (Akbar Jan & Muthuvelayutham, 2015; Al Emadi & Marquardt 2007; Cagri Bulut & Osman Culha 2010; Ehrhardt et al. 2011; Jie Cao & Monika Hamori 2016). Hence through this study the researcher also aimed to verify the association between the impact of training and development programmes and organizational commitment in TNEB context.

1.2 NEED FOR THIS STUDY

Every public and private organization is striving for excellence in organizational productivity and performance in order to grow and retain their position in a hyper competitive business world. As discussed in many researches the organizational productivity and performances are the outcomes of job satisfaction, motivation, job involvement, employee engagement, organizational commitment, etc (Ahmad and Bakar (2003); Aysen Berberoglu & Hikmet Secim 2015; Bartlett 2001; Chen et al. 2002).
Tamil Nadu Electricity Board being a public sector corporation and a monopoly electricity service provider in the state of Tamil Nadu is also no exception. In order to improve the consumer satisfaction and to be in pace with the rapid changes in business and social environment they have made a lot of changes in recent decades such as online consumer information, online bill payment with acknowledgement etc. Bharat Sanchar Nigam Limited (BSNL), which was a monopoly in 1990s’ is now critically facing the stiff competition from private players. TNEB may have to face the same scenario also in the near future. Hence it is the need of the hour to enhance the organizational productivity and performance through highly committed, motivated workforce which can be achieved through appropriate training and development programmes. These programmes should be tailor made to ensure job satisfaction, motivation, organizational commitment and better employee performance (Ehrhardt et al. 2011; Ling et al. 2014; Nouruddeen Bashir 2015; Peace Irefin & Mohammed Ali Mechanic 2014; Rajib Lochan Dhar, 2015).

The Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) being a part of TNEB Ltd have ten training and development centres across Tamil Nadu state. They have been established to enhance and maintain the skills and abilities of the human resource associated with this organization. Thus this research is a platform to evaluate the impact of training and development programmes offered by TANGEDCO in establishing the organizational commitment among its employees.

1.3 STATEMENT OF THE PROBLEM

After careful investigation of literature survey and the profile of the Tamil Nadu Electricity Board, it was found that very few researches were done related to the effectiveness of training and development programmes. In the training wing of Tamilnadu Generation and Distribution Corporation (TANGEDCO) a training feedback system exists to receive the feedback of
the employees about the training and its usefulness, but it focusses more on
the training related attributes rather than its impact or effectiveness. This
research is designed in such a way to strike a balance in assessing the quality
of training and its effectiveness and also its impact on organizational
commitment among the employees of TANGEDCO, because it is known that,
“Better Commitment, Better Productivity, hence Better Performance”.

The following are the questions that the researcher wants to probe
and find answers:

1. To what extent the demographic variables have an impact
towards the training and development programme undergone
by the employees at Tamil Nadu Generation and Distribution
Corporation Limited (TANGEDCO)?

2. Does the organizational commitment level of employees
undergo any change after attending the training and
development programme in TANGEDCO?

3. To what extent the training and development programmes
have an impact on affective commitment, continuous
commitment and normative commitment among the electricity
board employees?

4. What are the key factors that envisage organizational
commitment and its attributes among the employees working
in TANGEDCO?

5. How to sketch a model which integrates impact of training and
development programme and portrays its relationship with the
factors of employees’ organizational commitment?
1.4 OBJECTIVES OF THE STUDY

The present research study is brought out with the following objectives:

i. To scrutinize the influence of demographic variables on the impact of training and development programmes among the employees in Tamil Nadu Generation and Distribution Corporation.

ii. To examine the association between demographic variables and organizational commitment of employees towards training and development programme in TANGEDCO.

iii. To measure the impact of training and development programme on affective commitment, continuous commitment and normative commitment among the employees of TANGEDCO in Tamil Nadu.

iv. To ascertain the key factors that envisage organizational commitment and its attributes among the employees working in TANGEDCO

v. To develop a model that integrates impact of training and development programme and portrays its relationship with the factors of employees’ organizational commitment.

1.5 SCOPE OF THE STUDY

The study was conducted among the employees working in Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO). The researcher has taken up this study to assess the impact of training and development programme attended by the employees of Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) at the
Transmission and Distribution Training Institute, Madurai and its associated Centres.

Further the researcher has studied employees’ organizational commitment and its attributes such as affective commitment, continuous commitment and normative commitment with respect to the job / task assigned in Electricity Board. The study also suggests ways to improve the multi-tasking skills and capabilities of the TANGEDCO employees through proper training involvement.

1.6 CHAPTER SCHEME

The present study “A study on the impact of training on the employees of Tamil Nadu Generation and Distribution Corporation Limited” is divided into seven chapters.

i. First chapter deals with the introduction and design of the study which includes the introduction, the need for the study, statement of the problem, its objectives, the scope and limitations of the study and the scheme of work.

ii. Second chapter deals with the review of literature of the earlier studies appropriate to the existing research. The review of various studies conducted in the field towards training and development and its relationship with employees’ organizational commitment are presented in chronological order.

iii. Third chapter presents the theory connected to the evaluation of training program model designed by Kirkpatrick. More over theories associated to employees’ organizational
commitment and various theoretical frameworks for the current study has been chapterized.

iv. Fourth chapter represents the profile, overview, growth, structure and on-going reforms in India and future projects of Tamil Nadu Electricity Board (TNEB).

v. Fifth chapter deals with research methodology which comprises of research design, data collection, sample design, research instrument, scale measurement and statistical tools for data analysis.

vi. Sixth chapter emphasizes on data collection procedures, analysis and interpretation of the results which are linked to the research questions and hypotheses development.

vii. Seventh chapter presents the discussions about the findings from data analysis and interpretations of the research study. It also contains suggestions and theoretical contributions of the research, limitations of the study and the conclusion.