Chapter VIII

Summary and conclusion
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8.1 Globalisation and free market
The rules of the market place are changing faster. In the globalised market, time has ceased to be a barrier. Corporations compete each other to innovate and bring in new products and services that customer will demand tomorrow. The knowledge era has rewritten equations of the past. Some of the largest corporations are dealing in product, which never existed few decades back. Science and technology has changed the way people used to live. Constant change has become a reality. World has access to technology, product, process or information. Change is the only change. Our ability to change is a major ingredient of our success – today and tomorrow. This ability will determine whether shall succeed or fail in the market place, whether we shall survive or perish.

Competition is a major concern for most organisations. Major challenges facing the organisation are productivity, quality, cost effectiveness, and management of relationships. Organisations are changing their strategies, systems and practices in line with the changing demands of the customers. Those who are not changing are losing the battle. Pressures from the immediate and remote environment of our business are causing continuous change in the outlook of not only the business enterprises but also the employees and states as well.
Competition determines the price of most goods and services in a market economy, in the long run. Price of goods and services is determined by an organisation's cost competitiveness, which ultimately is determined by the productive utilisation of resources, and control of waste and wasteful activities. Price, cost, quality improvement through sustained waste elimination, service to the customers and other stakeholders are elements of business strategies. Systems are support mechanisms that help the organisation (and its people) to achieve the above strategies.

8.2 Systems for Human Resource Development

HRD is about empowerment of people. It about how an organisation, its managers (or supervisors) empower people. It is about how they enable employees, especially subordinates, to learn, perform, produce and relate both within and without the organisation.

As there are problems so there are excuses. Yesterday's problems have caused today's crisis. We have reached a stage where leaders need to think ahead of time. Time is never late to foresee and anticipate tomorrow's threats and today's opportunities and act upon them. Creativity, innovation and technological changes have to be the agenda of every manager.
Human resource system can integrate the business objectives with the human and social organisation, and ensure better results. While designing systems, organisations should ensure that the system is suitable to their type of business, operations, the culture and leadership of the organisation, practices of the organisation and of the industry, and the level of competence of people. It should not forget the fact that people satisfaction is the ultimate objective of all enterprises. It should not forget that profit is not a set of figures. It should not forget the social and psychological cost of change and progress.

As discussed in Chapter - I, it was found necessary to study the four systems manpower planning, recruitment and selection, performance appraisal and training and development as systems that can contribute to success of organisations. Five hypotheses were developed to objectively test this understanding. To verify whether the systems helped in turning around data relating to people perceptions, feelings, and opinions as well as organisational performance is required. Three methods survey, interview and case study was used. Observation and content analysis were used to further support the cases and interview. The conclusions as a result of analysis of hypothesis in the light of objective data are briefly discussed.
8.3 Human Resource planning and review

Organisations need competent manpower to realise its objectives. While human being are considered resources that can be employed, engaged, utilised, or exploited to realise business objectives it can also be a burden for business organisations that fails to utilise the productive potential of people. The changing demands of the job market, where we sell or buy performance, can make one obsolete in a very short span of time. Not updating on the competence required to serve customers can lead to obsolescence and redundancy. Enhancement of competences helps employees to remain employable and employers to build its core competences. This would be mutually beneficial to both parties. Cooperation, not conflict, is the central theme of human resource development.

I would like to emphasise that while the purpose of business is to make profit, HRD should ensure that profit and growth is not at the cost of employees. If growth of organisation is at a cost for the human kind, then it is of no value as it defeats the very purpose of organisation and civilised life. It is found that a humanistic approach to organisational problems has rewarded organisations financially and otherwise.
Human resource planning and review system takes into consideration the needs of the organisation for performance. Availability of required knowledge, skills and attitudes as well as opportunity for its utilisation on the job is of utmost importance. Availability of competent people is a prerequisite for corporate success. Having the right values make it easy for individuals and group in the organisation to move towards the goals empowered from within. Periodic reviews ensure that superiors give required attention to improving work methods. All these add to building futuristic organisation that can withstand the pressure of competition.

Analysis of data collected through survey, interview as well as case study establishes that Human Resource Planning and Review system contributed positively to the turnaround process in the organisation. Better communication, feedback and involvement of people could have further improved performance. It would reduce resistance to change on the one and utilization of potentials and exploration of new avenues for contribution on the other hand. Humanistic adaptation of technology and emotional and intellectual involvement of people will lead to all round improvement.
8.4 Recruitment and selection

Organisational performance depends on individual competence. The risk and folly in recruiting incompetent people is not unknown. On the one hand, it is an uneconomic proposition; on the other hand this demotivates others and adversely affect the work culture of the organisation. Care should be taken while selecting and inducting people. By giving adequate attention to the recruitment process, many of the future problems could be avoided. People who have the potential to perform according to demands of the ever-changing market are assets of the organisation. Organisations should therefore be able to attract and retain the right set of talents.

Merit and merit alone should be the criterion for selecting or rejecting a candidate. A data bank of suitable candidates for present and future demands needs to be maintained by organisations. Organisations need to emphasise on the skills and capacity of the people to perform rather than on formal qualifications, age or experience. Though, knowledge, skills along with experience enhances competence, it calls for positive attitude on the part of employees. It calls for value and belief systems that support achievement of organisational objectives.
In the knowledge era, only scare thing is talent. A sound system of inducting employees into job is proved to be useful for retention. Coaching and mentoring to facilitate the acquisition of new techniques, adaptation to new settings, and, developing new relationships is found essential. Without this it may not be possible to retain good number of talents. It is not the money or any other motivation that make people stick to an organisation. The software that holds people attached to the organisation is relationships. An induction system that ensures the social organisation to take care of the social, emotional needs of the employee. This social organisation can offer avenues for satisfaction of social needs, enable the individual to harmonise with the work climate and work culture. When an organisation harmonises its work climate and work culture with the work and life values of individuals, it is able to create energy. This energy can be channelled to organisation building. The emotionally detached ones will be self-seeking and will not contribute much to the development of the organisation.

An analysis of the data collected through interview as well as case study found that recruitment and selection system contributed positively to the better performance of the organisation. It is not practical for organisations to offer lifetime job with defined career paths in view of the changing market environment and technological
development. Employment would in future depend on the availability of jobs and employee's competence to perform in the available jobs. Employability, in the long run, would depend upon how individuals would prevent job obsolescence.

Organisations should involve employees while formulating their people policies and strategies. Open and transparent communication on the merit and demerits of recruiting less skilled people can reduce undue insistence by employees and other interested parties.

8.5 Performance Planning and Review
Performance management by way of goal setting, review and performance based reward system boost the motivation and productivity of employees. Challenging but achievable goals have been motivating factors for employees. Employees need to know what their superiors / customer expect from them. Those who do not know the roles and goals of a given function cannot assume responsibility for the results. Periodic review of results is as important as Setting goals. Supervisors / superiors should take into considerations psychological needs of people for achievement, recognition, etc. Those who are not motivated by achievements may not contribute to meet the demands of market or satisfaction of stakeholders.

Recognition of acceptable performance is a major reinforcement for improvements in behaviour as well as results. Appraisals systems take into consideration, the contributions of members and design suitable
after motivation by the Indian workforce, organisations with fewer resources in its command will have difficulty in its use. Those who are supported and encouraged by their superiors achieve superior results. Giving feedback to employees on performance is important for achieving goals. Learning / training needs should be identified on the basis of objective analysis of performance. Purposeful training and implementation of learning can also enhance performance at the workplace.

An organisation's performance shall be at its productive best when potential of its human resources are fully realised. This becomes a reality, when people feel they are independent, they feel that the organisations systems are flexible enough and allow them to innovate, and become efficient. They need to have a feeling that they are contributing. This liberation of potential shall surely help organisation's management to compete globally.

Organisations need to have strategies for peace making and for enhancing satisfaction of people. It means healthy and balanced growth of all stakeholders. Organisations, which think of achieving or increasing satisfaction of one stakeholder at the cost of another, will not withstand the pressure of an equally potent and capable antithesis in the long run. Organisation's value system (shared values)
should be built around this. While working with an intelligent workforce, these shared values work as glue that holds or binds the organisation together. The ‘carrot and stick’ approach that traditional organisations offered could not bind people together.

Participation and involvement shall be central themes that can help organisation build a work culture, achieve superior performance in product and service quality, and, improve workplace relationship. The leadership of the organisation is responsible for creating a climate and culture that removes blocks and allows people to perform, use their creative potential to achieve success for themselves and for the organisation. HRD interventions enable creation of this climate. By involving people in goal setting and decision-making it is possible to achieve the commitment of employees. Organisations could make substantial improvements in the area of quality only with the involvement of people. Involvement also helps in identification and resolution of several organisational problems and it improves the communication and ownership.

Pythagoras once said: “physicians, treat thyself”, managers and supervisors should improve on their communication before they can expect good behaviour from their subordinate. A leader in the corporate context is responsible for giving the strategic direction, while being a member in its identification process. He has to create the environment where his team can produce the best possible results.
In the initial stages of transformation, there will be difficulty for resources. Reviews and effective communication enable organisation to overcome this, slowly but surely. There is no substitute for systematic Performance Planning and Review System in turning around an organisation.

8.6 Training and development
Training activities need to dovetail from corporate objectives and business plans. Identification of training needs should be an outcome of the performance analysis. This makes the training function need based and customer focused. This also leads to elimination of wasteful training activities.

Human is the source of all resources. In fact the end of our civilisation is his / her satisfaction. Employee is the hero at the work place. It is not possible to build on corporate / organisational competence without developing individual competence. Training should focus on individual development as well as achievement of corporate objectives. There should be a balance between the both. This balance will bring in commitment. With commitment, dedication and integrity, people adapt themselves to new practices, gain awareness about new developments in the changing environment, and implement what is appropriate and feasible. Innovation on an ongoing basis helps the organisation to improve on timely deliveries, cost effective methods and products, superior quality, and productive work place relationships. Commitment towards waste elimination can be built through structured training and can be reinforced by reward and recognition systems. Individual effectiveness and organisational excellence is possible by focusing our attention to planned and purposeful training.
If organisations are to survive, grow and flourish in times to come it need to invest in its people and build human assets. It is this asset, which creates wealth in a knowledge economy. When we talk about assets, we mean wealth can be preserved and used in future. Elements that contribute to building these assets are knowledge, skills and attitudes. Here knowledge will be an asset if it can be preserved and utilized in future. That knowledge definitely exceeds the boundaries of the present product, its interrelations with other products and services, but which can be applied in varying context as need arises. Skill is the ability to apply the knowledge and deliver products that meet requirements. Organisations should focus its attention to acquiring / creating knowledge and its application. Ongoing training helps an organisation to bridge its knowledge gap and prepare for future. Learning involves the acquisition of competencies.

Development of a learning climate is important for the growth and development of employees as well as the organisation. This is to be made through having a right training philosophy, budget allocation as well as participation and involvement of the senior employees in the training – learning efforts. An equally important element of building a
learning organisation is dissemination of learning across the organisation and its use by other employees where possible. The knowledge dissemination and recognition events is an important element in an organisation’s practices, its culture and is found to be a motivator for people who seek achievement motivation.

Training can contribute to corporate results by imparting knowledge, developing skills and by modifying behaviour of employees in such a way that the participant can serve the stakeholder better in the post training situation. The training design should involve the trainer – trainee – and the customer (line function) to set its objectives, identify contents and learning objectives. On the job implementation of the learning is equally important. A method to evaluate the effectiveness of the program with respect to implementation of training is another requirement. On implementation of the learning all the members in the training – learning partnership should be rewarded / recognised. Such training can contribute to achievement of corporate objectives as well as ensure individual development. Employees will not be interested to take part in the training if they have some application in the work place and utilization in their personal life.
An important element in training and in managerial communication needs to be selling hope to the people and creating in them enthusiasm to perform better. The big social responsibility for every manager, in disturbing situations is to educate their people to face the challenges posed by the environment. Life always gives solutions not only problems. The leader’s job is to discover problems and convert them into opportunities. Leaders need to change the frame from which they used to think about the organisation and its people, stop living in the past glory, and, overcome the past blocks. One needs to look beyond his weaknesses and build on available opportunities. This is possible if we change the control orientation and assume the role of enablers and facilitators.

Organisations need to have systems that discover and utilise knowledge as well as disseminate knowledge across the whole organisation. Attitudes include a person’s values, belief systems and action tendencies. The right values and belief system and action tendencies help employees to serve its stakeholders better. Identification attitudes and reinforcing the positive ones and modifying the negative ones need to be done through appropriate interventions. Technology for production of goods and services are changing faster
with innovations. People who are innovative will be in great demand. Training interventions shall have to keep the workforce tuned to the latest technological changes to avoid job obsolescence and redundancy.

Training efforts to achieve development of employee should include the ability to adjust to ones situation, capacity to handle his affairs, better understanding and awareness of the environment, skills and enhanced personal capabilities. Integration of individual and organisational values motivates the employee to work hard. This integration is possible by better coordination, teamwork, participation and involvement, recognition and growth opportunities. Such a growth can be termed as balanced growth. An unbalanced growth will always lead to unhappiness and disharmony.

Link the reward and growth opportunities with learning efforts and work place improvements will also help building a learning climate. In the context of organisations, it is possible to create opportunities for use of creative potentials of employees and use those opportunities for growth and development as motivation. The learning climate provides people a good attraction to join and work. Here both the organisation
and the individual employee stand to gain. The problem of retaining the better talents would not be assume a serious proportion if adequate opportunities can be provided.

The mindset that the managers have the divine right to rule people need to be changed and they need to assume the role of a leader, a facilitator, a coach, guide, and mentor. The culture of the organisation depends on the assumptions of the management and the way in which employees are controlled.

Analysis of data and case studies provides objective and subjective information as to how training can be used as a value adding process. It proves that training and development system contributed positively to the success of the organisation.

The systems attempted to achieve its goals in four major areas of time, quality, cost, and work culture. It could make a mark by turning around from a penalty paying company to a bonus winning company in the delivery front. In the quality front, it managed to turn around by reducing defects. This reduction in defects substantially contributes to the bottom lines. This is a promise for many Indian organisations, whose cost of poor quality (CoPQ) is far higher than their competitors.
8.7 Turnaround
To make the turnaround a successful one, managers should accept responsibility for performance for their whole department as well as each one in his team. They also need to leave aside the 'learned helplessness' and develop and believe themselves that they can develop their subordinates to do better, and tap the unlimited potential. For this purpose, they need to have high expectations from themselves and from their subordinates. To realise this, each manager need to accept roles of coaching and mentoring their subordinates. It is of paramount importance that the managers also need to have a genuine desire for success of their subordinates. If this desire is not there they cannot expect more from them, they will not engage in coaching or mentoring and accept responsibility for the subordinate's performance. Therefore, success of the manager should be seen on the basis of achievements made by his subordinates and not on the basis of manager's individual accomplishments.

The analysis of data obtained through interview and the figures quoted in the case study are adequate evidence of the ability of the systems to ensure turnaround process. It is therefore apt to state that corporate turnaround is possible by introduction of Human resources systems.