

# INDIRA GANDHI NATIONAL OPEN UNIVERSITY

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# UNIT 1 HUMAN RESOURCE DEVELOPMENT: AN OVERVIEW

## Objectives

After going through this unit, you should be able to :

- define HRD;
- distinguish HRD instruments;
- processes and outcomes of HRD mechanisms; and
- highlight the trends in HRD practices.

## Structure

- 1.1 Introduction
- 1.2 What is HRD?
- 1.3 Why HRD?
- 1.4 HRD Mechanisms, Processes and Outcomes
- 1.5 HRD Instruments : Trends
- 1.6 HRD in Other Sectors
- 1.7 HRD Issues
- 1.8 An Overview of HRD Practices : Trends
- 1.9 Summary
- 1.10 Further Readings

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## 1.1 INTRODUCTION

In the field of Management Sciences, 1980s can be called as a decade of computers and HRD. 1990s are likely to continue to be a decade of new technologies in every field including human resources. It is well recognised everywhere that human competency development is an essential prerequisite for any growth or development effort. Research, experimentation and experience in the field of HRD has grown enormously in the last decade. Many organizations have set up new departments known as "HRD Departments" which symbolise the recognition of importance of people's competency development. These departments have done remarkable work in attempting to find out new ways of developing employee competencies. In addition to the well known mechanism of training, experiments are being undertaken to use performance appraisals, potential appraisals, feedback and counselling, mentoring,

In addition to using a variety of mechanisms to develop Human Competencies, organizations have started enthusing supervisors, line managers, top management, union leaders and other categories of employees to recognise their respective roles in developing their own and their subordinates competencies. While there is a lot of progress in the field of human resource development in the last one decade, there is a lot more that needs to be achieved. Last ten years efforts have largely been limited to large size industry and profit sector. Even here executive development was focussed much more on executive development rather than worker/labour development. Service sector industry and government systems still treat HRD as synonymous with training. A lot more work (and a lot more) and experimentation is needed.

This course on HRD attempts to create a conceptual background required to undertake any activities to facilitate and manage the HRD function in any organization. This unit in particular aims at presenting an overview of HRD.

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## 1.2 WHAT IS HRD?

HRD is the process of helping people to acquire competencies. In an organizational context HRD "..... is a process by which the employees of an organization are helped in a continuous and planned way to:

- acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles
- develop their general capabilities as individuals and discover and exploit their inner potential for their own and/or organizational development purposes
- develop an organizational culture in which supervisor-subordinate relationships, team work, and collaboration among sub-units are strong and contribute to the professional well-being, motivation, and pride of employees."
- HRD process is facilitated by mechanisms (instruments or sub-systems) like performance appraisal, training, organizational development (OD), feedback and counselling, career development, potential development, job rotation, and rewards.
- Employees are continuously helped to acquire new competencies through a process of performance planning, feedback, training, periodic review of performance, assessment of the developmental needs, and creation of development opportunities through training, job rotation, responsibility definition and such other mechanisms.

## 1.3 WHY HRD?

People need competencies (knowledge, attitudes, values and skills) to perform tasks. Higher degree and quality of performance of tasks requires higher level or degree of skills. Without continuous development of competencies in people an organization is not likely to achieve its goals. Competent and motivated employees are essential for organizational survival, growth and excellence.

Over a period of time, an organization may achieve a saturation point in terms of its growth. Even to maintain such a saturation level of growth employee competencies need to be sharpened or developed as organizations operate in environments that keep changing requiring the employees to have new competencies.

Any organization that is interested in improving its services and its effectiveness in other ways (e.g. cost reduction, reduction in delays, increased customer satisfaction, improved quality and promptness of services, market image etc..) needs to develop its employee competencies to perform the tasks required to bring about such improvements.

programme. If it decides to improve its administration, HRD activities may need to be undertaken to equip the administration with better competencies. When a hospital wants to improve its services the hospital may need to undertake an Organization Development exercise to create a new culture, new orientation and attitudes in its staff. If the government offices have to work better, a good deal of attitude change and value education may become necessary along with a few other policy changes. A profit-making company wanting to diversify may need to develop new competencies in some of its staff to be able to handle the new tasks required by diversification.

Thus HRD is needed by every organization that is interested in:

- Stabilising itself
- Growing
- Diversifying
- Renewing itself to become more effective
- Improving its systems and services
- Change and becoming more dynamic
- Playing leadership roles.

## **1.4 HRD MECHANISMS, PROCESSES AND OUTCOMES**

Human Resource Development, therefore, should be a continuous process in 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.

The instruments of HRD are many. The HRD instruments should lead to the generation of HRD processes like role clarity, performance planning, development climate, risk-taking, dynamism, etc. in employees. Such HRD process should result in more competent, satisfied and committed people that would make the organization grow by contributing their best to it. Such HRD outcomes influence the organizational effectiveness. A model explaining the linkages between HRD instruments, processes, outcomes and organizational effectiveness is presented below (Rao, 1986)

The interrelationships between HRD instruments, processes, outcomes and organizational effectiveness is presented schematically in Figure I.

Figure I presents illustrative lists of HRD Mechanisms, Process Variables, Process Outcomes and Organizational Effectiveness dimensions. As shown in the figure the organizational effectiveness depends on a number of variables like environment, technology, competitors etc. However, other things being the same an organization that has competent, satisfied, committed and dynamic people is likely to do better than an organization that scores low on these HRD outcome variables. Similarly, an organization that has better HRD climate and processes is likely to be more effective than an organization that does not have them. This is because a number of HRD processes simultaneously operating in an organization should normally result in the HRD outcomes mentioned in box 3 of Figure I.

The HRD processes and outcomes are separated in the Figure to bring out sharply the following:

- 1) HRD outcomes are a few whereas processes are many (what is provided in box 2 of Figure I is only an illustrative list)
- 2) HRD processes operating simultaneously affect the outcomes.
- 3) HRD outcomes variables are a step closer to organizational effectiveness than the process variables.

planning, trust, collaboration, openness can be considered as more remotely related to organization effectiveness than variables like having competent, dynamic, satisfied and committed employees.

- 4) If the HRD outcomes are not present in an organization at a satisfactory level, than one needs to question the adequacy (qualitative and quantitative) of the HRD processes in that organization.
- 5) HRD outcomes mentioned in the figure provide the *raison d'être* for HRD processes.

The linkages between HRD outcomes and organizational effectiveness are not easily demonstrable due to the influence of several other variables in determining productivity. For example, researches conducted in the past studying the relationships between job-satisfaction and productivity, organizational health and productivity have not shown any consistent results. This has an implication for the Chief Executives, unit heads, line managers and HRD managers interested in HRD. They have to make efforts to promote HRD processes and culture in their organizations as a matter of "faith" or "philosophy" and not look for demonstrable outcomes in terms of organizational effectiveness. They should at least be able to believe that their organizations are not likely to be effective for sustained periods without the HRD processes and outcomes howsoever facilitating the other factors (environment, technology, market monopoly, etc.) maybe.

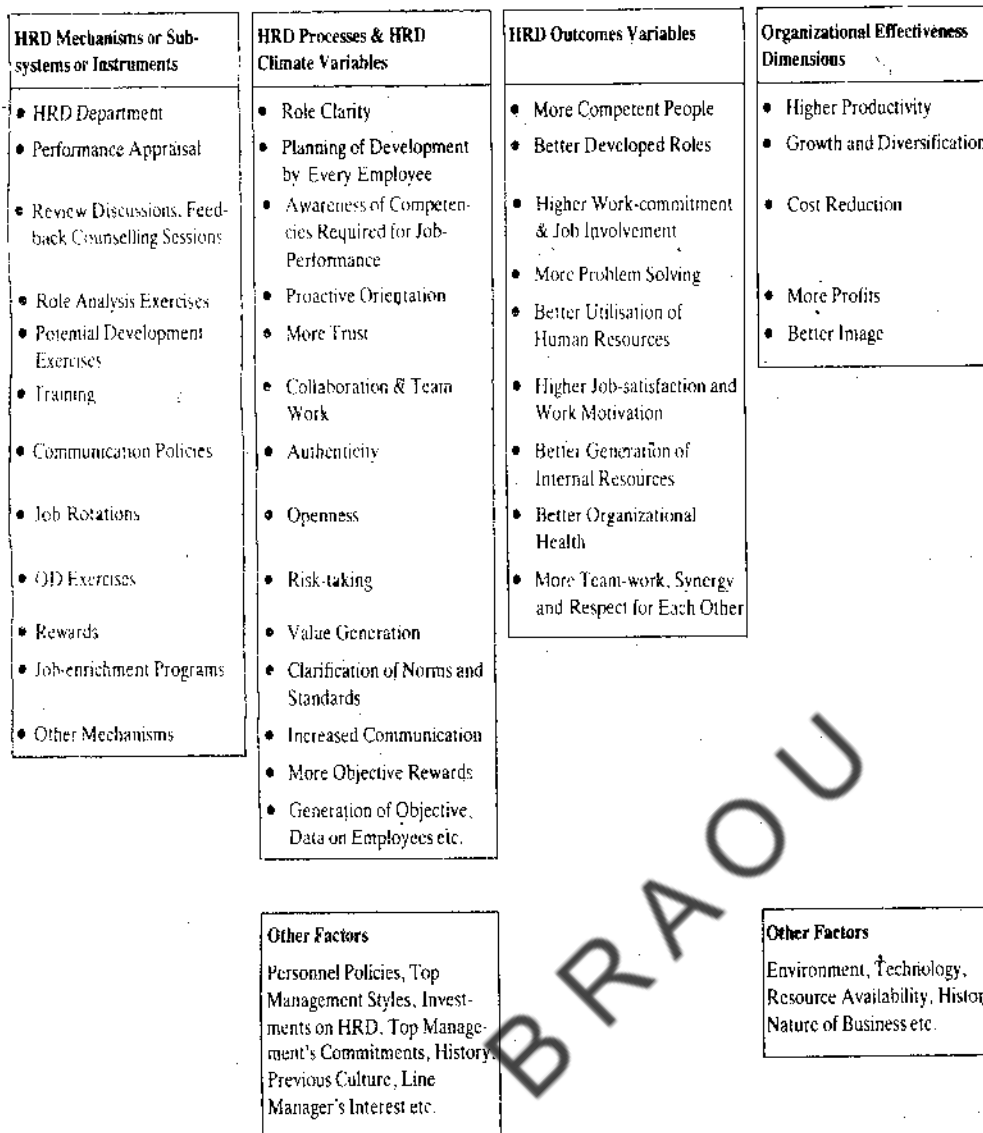
Another set of relationships shown in Figure 1 deserves attention. This is the relationship between boxes 1 and 2 i.e., HRD Mechanisms and HRD Processes. HRD mechanisms like performance appraisal, training, OD interventions, counselling etc. are "systemic" interventions an organization can make to set into motion or to develop the desired HRD processes and outcomes. However, mere introduction of HRD mechanisms and HRD departments do not automatically result in the development of HRD climate or HRD processes. There are organizations in our country today that claim that they have been able to generate a good HRD climate and outcomes without having any formalised HRD mechanisms. It is possible to have a HRD culture without having a HRD department or without using any HRD systems. That requires good leadership at the top, vision and building of HRD values from the inception of an organization. Such HRD values may have been promoted in the past by visionaries and institution builders.

In this era of Professional Management where Managers as well as Chief Executives are being professionally developed, systemic interventions is the only way to develop and institutionalise processes and a new culture. HRD processes and climate cannot be developed in any simple way in organizations that are already in existence and have already evolved a way of life. Process changes can be brought in through systemic interventions faster if the interventions are designed properly, taken seriously and are monitored constantly. Design of the systems should be based on clarity of processes. In sum, the following can be postulated about the linkages between HRD mechanisms and processes:

- 1) HRD departments, and HRD mechanisms are useful instruments for initiating and strengthening development processes and culture and achieving HRD outcomes.
- 2) HRD mechanisms and sub-systems should be designed keeping in view the HRD process and culture to be achieved.
- 3) These mechanisms should be periodically reviewed to examine whether they are facilitating the institution of HRD processes and culture or not and whether the mechanisms should suitably be changed.
- 4) Irrespective of how well the mechanisms are designed and implemented, if the top management does not have commitment of HRD and communicates such commitment of all employees, the HRD mechanisms may become mere rituals resulting in wastage of managerial time rather than leading to the development of HRD processes.
- 5) Even when the HRD mechanisms are well designed, the top management is committed and the implementation process is well monitored, generation and

Figure 1

A Schematic Presentation of Linkages Between HRD Instruments, Processes, Outcomes and Organisational Effectiveness



## 1.5 HRD INSTRUMENTS : TRENDS

The objective of any HRD effort is to build human competencies, to build a climate and to improve employee satisfaction with work, i.e., "competency development", "climate building" and "innovation development". In competency development again the objectives are many. These include : development of competencies of individuals (both in relation to work and as individuals and their potential for future), developing competencies of dyads (boss-subordinate dyads from top to bottom), of teams and for inter-team collaboration for organizational health.

In every organization a group of people are needed to think constantly in terms of the above objectives, assess the extent to which the above objectives are being achieved, generate mechanisms to achieve the above objectives and keep reviewing the processes and rejuvenating the instruments. This group is the HRD group or the HRD Department. Those organizations that recognise this, have started HRD departments and recruited HRD staff.

A good number of industrial and commercial organizations have HRD staff or HRD departments. In other organizations this role is performed either by the Personnel Chief who is at a senior level or by the Chief Executive himself. In the non-profit sector this realisation is just coming. Only a small number of organizations like the universities and hospitals have HRD staff or HRD departments.

The most frequently used development instruments are "Performance Appraisals" and "Training Programmes". Development-oriented performance appraisals have gained momentum in the last one decade. However, many organizations are still mixing up development goals with control and administration goals reducing the effectiveness of appraisals. Those organizations that emphasize "performance review discussions", "counselling sessions" etc. rather than "appraisal ratings", "promotions" and "rewards" seem to achieve HRD goals far more and far better. However, accomplishing HRD goals through performance appraisals is less visible and much slower than achieving HRD goals through training, although the nature of HRD goals achieved through these two types of instruments are different. These issues will be discussed in subsequent units.

Role analysis exercises have helped a great deal in some organizations to bring about role clarity and setting the climate for development. Some organizations have used role analysis exercises to generate basic information about the key functions associated with each role and the key competencies required to perform these functions. Such basic data is being used for recruitment, promotion decisions and potential appraisal, performance planning and performance development through training. Training needs are also being identified using these data.

Very few organizations are using job-rotation as a HRD mechanism, although a number of them carry out rotation exercises. In a HRD-oriented job-rotation there is a philosophy behind job-rotation and it is a development philosophy like perspective development or development of empathy, understanding of other departments and development of general management skills.

OD exercises are being used by a few organizations largely for developing team spirit, team work and interdepartmental collaboration. Potential development exercises have not yet begun to take shape.

Some of these instruments are discussed in detail in this course. The next few units in this Block present in detail the HRD strategies and case studies. The case studies illustrate the effective use of some of the HRD instruments.

In this course, emphasis has been laid on supervision, counselling and mentoring and training. Line managers play an important role in HRD. They facilitate their own development and that of their subordinates through feedback and counselling, mentoring, climate building and their own leadership styles.

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## 1.6 HRD IN OTHER SECTORS

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Human competencies are very critical for those working in services. Those in banking sector, voluntary agencies, rural development, health and family planning, education and other service sectors have to deal constantly with people. For example, a family welfare worker deals directly with other people and most often those who had less of education. He needs to influence their thinking and bring attitude change. Because of this, competency development is very critical for these sectors. Unfortunately HRD has not got the attention it deserves in these sectors. Banking system is an exception in some ways as that is one system where HRD has been given due importance. There are some successful experiences available in our country from these sectors. These are also discussed in this course.

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## 1.7 HRD ISSUES

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HRD is a growing field. It is also a complex area. As the knowledge base in HRD is developing, many issues are also emerging. These issues deal with structuring of the HRD function, creating HRD climate, the HRD instruments and processes for workers, HRD-OD-IR linkages, development of HRD professionals etc. These issues are dealt with in the last part of this course.

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## 1.8 AN OVERVIEW OF HRD PRACTICES : TRENDS

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The Centre for HRD at XLRI, Jamshedpur surveyed the practices of 53 public and



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# UNIT 1 HUMAN RESOURCE DEVELOPMENT: AN OVERVIEW

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## 1.1 INTRODUCTION

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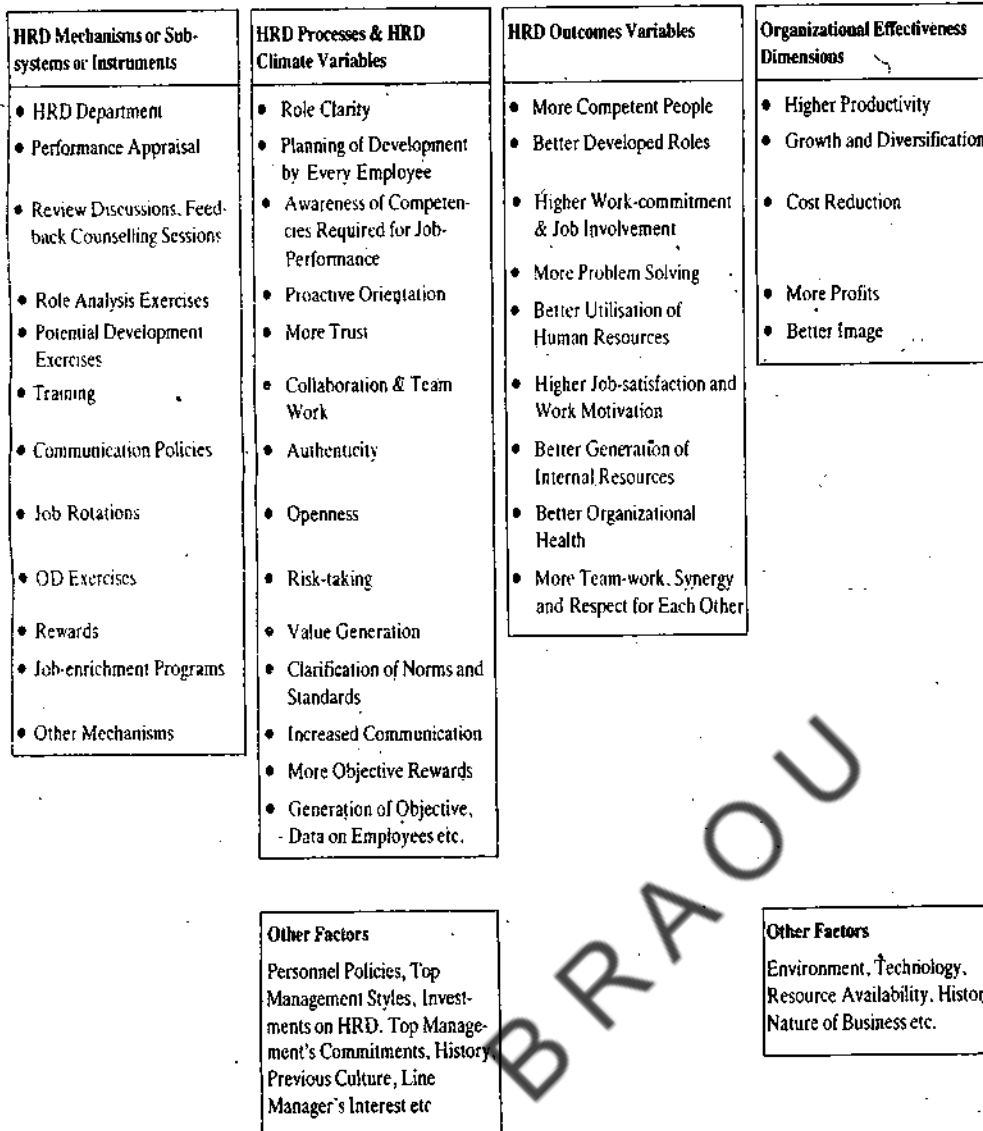
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A good number of industrial and commercial organizations have HRD staff or HRD departments. In other organizations this role is performed either by the Personnel Chief who is at a senior level or by the Chief Executive himself. In the non-profit sector this realisation is just coming. Only a small number of organizations like the

following trends were observed:

- 1) About 32% of them had a formally stated policy focussing on HRD. Another 59% did not have a formally stated HRD policy but claimed to emphasize it. It is only in 9% of organizations that there was no formally or informally known HRD policy.
- 2) About 89% of the organizations surveyed had personnel policies that emphasize continuous development of their employees.
- 3) In 30% of these organizations there is a separate HRD department and in another 38% of them the HRD function is a part of the personnel function with specially designated persons to look after it.
- 4) About 26% of the organizations reported to have fully development oriented performance appraisal systems and another 62% reported to have appraisals that have development as one of the main objectives.
- 5) Some form of identification of tasks and targets jointly by the appraiser and appraisee, performance review discussions to help appraisee recognise his strengths and weaknesses, appraisal feedback to appraisee for improvement, self-appraisal, identification of development needs, potential appraisal, and identification of factors affecting performance seem to characterise about 70% of the appraisal systems.
- 6) About 55% of them had a definite training policy. For example, one of the organizations surveyed had a policy that all the executives should be trained in all areas of general management. In 64% of them there is a separate training department.
- 7) Fifty per cent of the organizations reported that they have someone to look after OD activities although 44% of them only had undertaken some OD activity or the other by the time of the survey. In most of these organizations the OD activity was focussed on team building and role clarity exercises. About 36% of them reported using OD for developing a work organization, 26% for interpersonal sensitivity and personal growth and 15% on stress management.
- 8) About 80% of the organizations required their executives to counsel their subordinates at least once-a-year although a large number of them encourage more frequent counselling sessions.
- 9) In some of these organizations the top managements commitment, supportive personnel policies, a positive organizational culture, training, and HRE systems and staff are considered as facilitating HRD.

This is a very positive trend. In the last few years there are more improvements in HRD and today most organizations have much stronger HRD function and innovative HRD practices in the industrial sector.

In the last decade the Bombay sector has shown a great degree of involvement in HRD due to their fast growth. Most of the banks have HRD departments or HRD managers. Several of them have revised their appraisal systems to make them more development oriented, started undertaking organizational health surveys and OD interventions, strengthened their training functions, started improving their human resource information system by establishing skill inventories and have undertaken many other innovative HRD activities (Khandelwal, 1988). However, in the recent past their HRD activity has slowed down as their growth pattern changed and the HRD staff are attempting to come up with new methodologies to cope up with the changed situation.

HRD is most needed in a country like India for the development of service sectors. For example, schools and colleges, universities, national level research institutions, agriculture development agents and agencies, district development agencies, health centres etc. need continuous competence development of their staff who have to act as agents of development. Development agents require a high degree of motivation and complex skills to deal with people (particularly in rural India) and influence their attitudes, habits and behaviour. Unfortunately very little is being done so far apart from increasing the number of training programme, for these agents. Training courses by themselves may have a limited impact on developing complex

# UNIT 2 HUMAN RESOURCE DEVELOPMENT STRATEGIES

## Objectives

After going through this unit, you should be able to do comparative study of :

- various HRD instruments and sub-systems used in different organizations;
- role of change agents in organizations discussed in this unit;
- involvement of line managers and top management in these organizations.

## Structure

- 2.1 Introduction
- 2.2 Larsen and Toubro Ltd. (L&T)
- 2.3 Crompton Greaves Ltd. (CGL)
- 2.4 L & T Construction Group (ECC)
- 2.5 Jyoti Ltd.
- 2.6 TVS Iyenger & Sons
- 2.7 Voltas Ltd.
- 2.8 Sundaram Fasteners Ltd. (SFL)
- 2.9 Bharat Earth Movers Ltd. (BEML)
- 2.10 OD in BHEL, Bhopal
- 2.11 Bank of Baroda (BOB)
- 2.12 State Bank of India (SBI)
- 2.13 State Bank of Patiala (SBP)
- 2.14 Indian Oil Corporation (IOC)
- 2.15 Steel Authority of India Ltd. (SAIL)
- 2.16 HRD Instruments and Sub-systems

## 2.1 INTRODUCTION

A strategy is a course of action planned to be undertaken to achieve desired goals. HRD strategy indicates the desired course of action planned by an organization to achieve HRD goals or HRD outcomes. The course of action may deal with the choice of various means to achieve the desired goal and a plan for implementing the chosen activity or action. Thus HRD strategy adopted by an organization may deal with the following dimensions:

- 1) What are the HRD goals? What major purposes is the HRD strategy supposed to serve?
- 2) What instruments are expected to be used? In what order are they expected to be used? What are the assumptions made in choosing these instruments?
- 3) What are the ways in which the HRD methods/instruments are envisaged to be implemented?

In this unit these issues are explained in detail. The strategy used to explain these issues is by means of some case studies of a few organizations.

A few organizations that have attempted to develop HRD are chosen and brief descriptions about these organizations and their decisions to implement HRD are presented below. Inferences about the strategies they have used are made subsequently.\*

\*The case studies and inferences reported here are taken from an earlier published article on Strategies of Developing Human Resources by T.V. Rao published in the HRD Newsletter of the Centre for HRD.

## How to Use these Cases

- 1) These cases may be read and discussed in small groups. The following questions may be used for discussion:
  - i) What are the various HRD practices/sub-systems/mechanisms used by the organization?
  - ii) Which of the practices seem to be more critical or effective in that organization?
  - iii) How did these practices influence the HRD climate of the organization?
  - iv) How do you characterise the HRD climate or culture of each organization?
  - v) What role did HRD play in organizational effectiveness?
  - vi) What seems to be the HRD outcomes?
  - vii) What lessons can one draw about implementing HRD?
  - viii) What is the role played by top management?
  - ix) What are the roles played by line managers?
  - x) What are the roles played by the HRD/Personnel staff?
- 2) These case studies should be read once again after completing all the four blocks and the same questions may be again attempted to be answered.
- 3) Visit any organization in your city and try to prepare a similar case study of HRD in that organization.

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## 2.2 LARSEN AND TOUBRO LTD. (L&T)

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L&T probably the first organization in India to introduce an integrated HRD system. The HRD system was suggested by consultants while they were looking at the performance appraisal system for officers. The consultants felt that a development oriented performance appraisal system may not achieve developmental objectives unless accompanied by other sub-systems like potential appraisal, employee counselling, career planning and development, training and OD. HRD System was introduced by L&T in the year 1975 with the introduction of Performance Appraisal and Feedback and Counselling sub-systems. A high level task force was constituted to implement the HRD system. The task force functioned upto the year 1979. L&T had a strong training department which was conducting a large number of training programmes and occasional OD exercises prior to this. These were further strengthened with the introduction of HRDS by linking training with performance appraisals and by stepping up OD activities. The starting of the HRDS was also marked by the bifurcation of the Personnel Department into Personnel and HRD departments. The critical attributes required for various jobs were also identified but a potential appraisal system is yet to be finalised.

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## 2.3 CROMPTON GREAVES LTD. (CGL)

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CGL started thinking about introducing HRD systems in 1979-80 when an ambitious expansion and diversification programme was launched. Through a series of seminars using external consultants and internal Human Resource Department, a climate was created where managers started looking forward for HRD interventions. Decision to introduce HRD systems in a systematic way was taken by the top management after a presentation to the top management to and details of such a system. A high level HRD task force was constituted to implement the HRD system. The task force identified Role Analysis, Performance Appraisal and Counselling as priority areas. By 1986 a number of role analysis exercises were completed bringing about increased clarity of roles through the use of role-set groups. The role analysis exercises were extensive and involved several top management teams. A new performance appraisal system with considerable emphasis on team work was evolved. Performance counselling was also introduced independent of appraisal. Potential development

performance appraisal, counselling, management development, communication policy, potential appraisal, training etc. Voltas did not have a department separately for HRD apart from their training and manpower development unit which was a part of the Personnel Department. However, HRD culture was attempted to be brought in the company in a variety of ways. In 1977 itself while reviewing the reasons for its poor performance, the Managing Director identified the inadequate attention paid to the development of human resources as one of them. In order to ensure development of human resources and generate a healthy organisational climate, a communication policy was evolved. This policy aimed at wider participation in a decision-making, openness and regular flow of information. Voltas have revised their performance appraisal systems from time to time. In 1982-83 they redesigned the managerial appraisal system focussing it sharply on management development. It had the multiple objectives of strengthening managers as individual, developing them for higher level positions, strengthening working relationships, providing a basis for OD exercise and increasing accountability. Voltas also have a strong base in training and OD.

## 2.8 SUNDARAM FASTENERS LTD. (SFL)

SFL is a member of the TVS group of companies. Starting its manufacturing operations in 1966, they diversified into Cold Extrusion in 1976. They opened a second fastener plant in 1981. In 1983 they further diversified into manufacturing Powder Metal Products with German collaboration. Their sales turn-over rose from Rs. 4 crores in 1977-78 to Rs. 27 crores in 1984-85. This steep growth in a short period from a single product in a single location to a multi-product, multi-location company necessitate a need for HRD in the company. The multi-location produced a depletion in trained manpower and consequent problems and gaps at various levels. The HRD department is placed in the Corporate Planning & Development Wing. The HRD unit started working on organisational structure (focussing on clarifying-reporting relationships, outlining key responsibility areas), manpower planning, recruitment, placement, development-oriented performance appraisal system, training and development, rewards, and career planning. For introducing the new appraisal system, extensive research was done, a new system was evolved, experimented and finally adopted after conducting orientation programmes. The Chairman & Managing Director also participated in these workshops to communicate the top managements interest. Training needs were identified through PAS and the training function was strengthened. SFL is working on the other mechanisms simultaneously.

## 2.9 BHARAT EARTH MOVERS LIMITED (BEML)

BEML is one of the few public sector companies that have shown consistently steady and fast growth in the last 15 years. During 1976-77 the top management decided to reorganise BEML to make it grow at a much faster pace. External consultants were engaged to assist the company on long-term planning and reorganisation. The consultants with the help of a high level internal task force suggested a new organisational structure. Along with the new structure, they recommended the introduction of HRD system to develop the competencies of the BEML staff. In 1978, the Personnel Department was upgraded with a General Manager in-charge of it and renamed as Human Resources Department. A Director level position was also created. An Advisor at the General Manager level was also hired to implement the HRD system in the company. A development-oriented performance appraisal, performance counselling, training, career development and potential appraisal exercises were initiated in 1978 and 1979. The appraisal system was modified subsequently over a period of time and the training function was strengthened

## 2.10 OD IN BHEL, BHOPAL

BHEL, Bhopal, maintained a production from 1972-73 till

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branches, and a new performance appraisal system is being evolved. The bank also worked out a human resources information system which was used for career planning and manpower planning. Periodic surveys of HRD climate are being conducted.

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## **2.14 INDIAN OIL CORPORATION (IOC)**

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IOC has about 31,000 employees and a fifth of them are officers. Beginning from 1964 the company had grown big in size and started experiencing problems like communications and logistics with indications of some degree of alienation among its employees. With the ever-changing environment, the company felt the need for an examination of its organisational health for self-renewal. To meet this need, the Corporation started new functions. Corporate planning function was started for carrying out environment scanning, a resource audit was initiated to decide strategic options. HRD function was initiated to prepare the organisation to implement the strategic options. The HRD department was established in June, 1983 with the task of designing a comprehensive HRD system and implementing it. The HRD department's work began by the Chief HRD Manager conducting a role analysis exercise in the context of the HRD needs of the divisions. The department also conducted a series of workshops with the top management and senior executives to evolve and clarify the role of the HRD department. Assistance of an external consultant was also taken to facilitate the implementation of HRD. In 1984 HRD departments were set up in Refineries and Pipelines division and Marketing Headquarters and a seminar was conducted to develop HRD personnel to take up HRD tasks. A series of workshops were conducted to create a positive climate in the company for implementing HRD. Along with these, surveys were conducted to measure the organisational climate. Role analysis exercises were conducted to bring about role clarity. The role-set based approach was used for this purpose. Key Performance Areas and critical attributes created with each focal role were also worked out. The progress of implementation of HRD was being fed to the Board periodically and the Board kept taking decisions. For example, in 1985, on the basis of the progress report, the Board decided to set up HRD departments in each unit of Refineries and Pipelines division and in each region of Marketing division. A three week intensive programme was offered for all HRD staff. About 40 workshops were conducted upto mid 1986 to enhance the HRD competencies of HRD and line managers.

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## **2.15 STEEL AUTHORITY OF INDIA LIMITED (SAIL)**

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SAIL is the biggest industrial company with assets worth Rs. 6,000 crores and employees numbering 2,50,000. The new Chairman who took over in 1985, found in his diagnostic efforts that SAIL's manpower is its biggest strength but it has not been put to full use. He got a feeling that SAIL has become a bureaucratic organization and its image could be far better and its employees can do a lot more, the result of which will have an impact on the country's economy. He initiated a series of internal discussions involving a large number of executives to reflect and work out priorities for action. This internal mobilization of human resources led to the identification of priorities which included the improvements in work culture, capacity utilisation, productivity, control of cost and customer services. Work culture was sought to be improved through team work, information sharing, human touch, job-enrichment, discipline, operational consistency and development of employees. The 'Priorities for Action' became a kind of an OD intervention to bring about a new culture in the organisation. A new performance appraisal system was designed with development and differentiation of performance as objectives. The new appraisal system is very much of a HRD oriented system requiring officers to identify tasks and targets every year, anticipate constraints, plan actions to overcome them, review performance, identify developmental needs and counsel poor performers to help them develop. Thus without bringing in any structural changes like adding new departments SAIL

designing and monitoring the implementation. The task-force consisted mostly of senior level line managers.

**From the experiences of these organizations it may be concluded that setting up a new HRD department or recruiting a HRD manager and using task-forces consisting of line managers for implementation appear to be the more commonly used strategies.** It may be noted here that using internal task-forces has been found to be useful strategy for bringing about organizational change using performance appraisals (See Butler and Yorks, 1984).

### **Integrating Role**

The creation of a new HRD department or new function of HRD can be called as a step in the direction of "differentiation" using the model of Lawrence and Lorch (1967). When such differentiation of task and functions is made there is also a need to have integrating mechanisms. An analysis of the experience of those organizations that have set up new HRD departments indicates that a senior-corporate level executive dealing with personnel function of the entire company seems to have been assigned the integrating role to play.

In Voltas, SAIL and CGL, where there is no separate HRD department or functionary, the need for integration is much less as HRD is an integral part of the personnel function. In other organizations, normally a Corporate Director or General Manager seems to play that role. In IOC, it is the Director Personnel who plays the role, as both HRD and personnel departments report to him. In SBI, it is the Chief General Manager, Personnel and HRD as well as the Deputy Managing Director, Personnel, who integrate. In SBP, it is the General Manager Planning and the MD himself. In BEML, it is the GM Human Resource and Director Personnel. In L&T, it is the Vice President, Personnel and OD. In Jyoti, the Managing Director himself performs this role. In Bank of Baroda, it is the DGM Personnel. In L&T, ECC, the DGM, Personnel and OD report to the MD. Thus the integrating function seems to lie with a top level manager. This could be an advantage as well as a disadvantage for HRD. The advantage is that the HRD functionaries have access to the top. The disadvantage is that if the top manager does not understand or believe in HRD, he may not pay any attention to it and discourage the function.

### **Facilitation of Change by External Agents**

By and large commercial organisations tend to initiate change processes only if they find the change as needed or useful for achieving their goals. However, external consultants seem to play an important role in identifying the nature of change required and for providing directions. Out of the 14 organisations, more than 50% had external consultants. They suggested that HRD function may be initiated. For example, in BEML it was recommended as a part of reorganization for expansion. In State Bank of India and its associates it was session on HRD led by an external consultant that stimulated thinking and subsequently made a part of a reorganization recommended by consultants. L&T used consultants to review the performance appraisal system but the consultants felt the need to have an integrated HRD. In ECC, the personnel function was strengthened as suggested by consultants.

**Another interesting point to note is that most of the organisations have used or are using external consultants to facilitate the process of implementation. The only exceptions seem to be Bank of Baroda, Voltas and Sundaram Fasteners.**

The following appears to be the nature of involvement of external consultants in implementing HRD.

- 1) Designing and/or detailing HRD systems or sub-systems (IOC, SBI, BEML, L&T, ECC, BOB).
- 2) Experimental try out of a system or sub-system in the organisation or a part of it (IOC, BEML, SBI and ECC. In IOC, role analysis was attempted in action research at project areas. In BEML, the new appraisal system was tried out in 1978 experimentally in two departments and then in the entire company. SBI's performance appraisal was experimented in Ahmedabad circle before it was implemented).
- 3) Training of internal change agents or resource persons (IOC, SBI, SBP, BEML,

OD strategy to bring about change was used by BHEL and ECC, SAIL and Jyoti also used OD type interventions without change in appraisals. The OD strategy also seem to have paid some dividends as ECC was able to move on and strengthen several other sub-systems. BHEL brought about change in the problem-solving abilities of their people through their OD interventions but have not been able to move on to use other mechanisms of developing their people.

**From this analysis three strategies of initiating HRD sub-systems emerge: Performance Appraisal-based strategy. Role Analysis-based strategy and OD approach.**

**Performance appraisal based strategy seem to take time for its impact to be felt. Role Analysis and OD interventions may get somewhat more perceptible results in the short run.** Irrespective of the initiating mechanism, the organisation should be able to use other instruments simultaneously to have an impact. This may also have some synergistic effects on the development of employees capabilities.

### **Innovations in HRD Sub-systems**

The experiences of these 14 organisations also indicate some evidence of learning from one or other, making modifications and evolving own systems to suit one's culture.

L&T is the first to start an integrated HRDS and L&T's HRD system has inspired several other organisations. After studying L&T's and other systems some of the organisations have evolved their own. For example, in the appraisal systems used by these 14 organisations, some of the development objectives and components are common: Most of them have self-appraisal, performance planning through task identification and target setting, managerial qualities, performance review discussion or counselling and identification of training needs (e.g. L&T, SAIL, SBI, BEML, Voltas, ECC, SFL etc.). ECC which became a part of L&T a few years ago developed a system somewhat different from L&T. While developing the new system they have learnt from the experiences of the parent company. The system is titled as 'Performance Analysis and Development System' and not an appraisal system. Some of the organizations have preferred to use the term performance review discussions rather than calling them "Performance Counselling" sessions. This is because they found that the terms "Counselling" itself had negative connotations in the mind of managers (e.g. ECC, SFL, SAIL etc.). SFL has even introduced a third persons (a representative of HRD department) presence in the review discussions.

Similarly, SBI and SBP introduced many innovations in their OD efforts, for example, their manager-to-messenger programme. In this programme a higher officer visits a branch and meets all the staff and spends a full day understanding their problems, and helping them to design action plans to solve their branch's problems. This develop team spirit, branch-level problem solving, upward communication and a feeling of being cared-for by the organization. Another innovation made by SBI was to train a group of branch managers in some of the circles as OD facilitators. The assumption was that after a group of branch managers are trained, they can become internal OD consultants and any branch manager could invite them to help him improve the branch effectiveness. This process becomes a mutual learning experience. It worked better in one place than in another. It did not work in those places where it was not pursued well by the circle management. Similarly, introduction of branch level training by a mobile team of trainer and helping in budget preparation are two other interesting innovations introduced by SBI.

"Priorities for Action" is in itself a new model set up by SAIL. CGL did a thorough analysis of the factors that contribute to team spirit and are in the process of incorporating the same in their appraisal system. Using simulation techniques like in-basket for potential developed is another contribution by CGL. "Instrumented Feedback" to develop managerial competencies has been attempted by L&T and BEML. New forms of reward management is also being thought of by some of these companies.

### **Orientation and Involvement of Line Managers**

HRD system and HRD culture is new to many organizations. Even if some organizations have already been having informal HRD mechanisms, strengthening the HRD processes requires an understanding and acceptance of HRD philosophy by the line managers. One of the ways of developing such an understanding is by

predecessor has done by dismantling previous systems and adding his own. For example, BEML started off in a big way but the system suffered a setback as its Chief Executives changed in quick succession and some of them did not give themselves enough time to understand what their predecessors have done. The quickly changed from more development-oriented appraisal system to less development-oriented system. In this process sometimes opportunistic line managers may transmit their prejudices to the new Chief Executive. Continued top management involvement is most essential for HRD systems to stabilise. For example, for stabilising the new culture associated with Performance Appraisal, 3-5 years of time may be required in an organisation with 500-1000 officers.

In this context, training of the top management in the new systems and culture becomes very important. Only a few of the organisations have been able to recognise and implement this. For want of this, the top management support may weaken over a period of time as top level managers have many other things to attend to that can give tangible results.

### Overview of HRD Instruments and Sub-systems

The HRD function itself has been initiated in most organizations in the last few years only. Some of them are yet to make their presence felt. It also reveals that no organisation has yet introduced, all the HRD mechanisms presented. Several organisations have just few of these and even these are being evolved or experimented with. Therefore, it is difficult to conclude whether any organization has comprehensive and complete system of HRD at all. Probably L&T comes closer to having a comprehensive system but its synergistic effects are yet to be experienced by the company. Among the others, SBI, SAIL, SFL, ECC, IOC, CGL, TVS, Voltas, SBP are on their way to having such comprehensive systems. There is a danger of these organisation taking a long enough time to dilute the spirit of HRD existing today, if they do not act fast. More vision, leadership, and dynamism are required for implementing various sub-systems and creating a HRD culture.

### HRD Processes and Outcomes

In the context of the HRD effects model presented earlier it is appropriate to look for an assessment of the extent to which HRD processes and outcomes have resulted from the HRD practices. As mentioned earlier, mere institution of HRD mechanism may not result in HRD processes. A number of other variables may be affecting the HRD processes. Our analysis also has shown that some variables like top management's commitment appear to be fairly good and efforts were made in many cases to involve line managers. Given these conditions a fairly high degree of HRD culture and outcomes should be seen. One would look for evidence in terms of improved HRD climate or improved competencies, satisfaction and dynamism in employees.

A search for any evidence on these variables indicates that there is very little evidence of any attention having been paid even to the measurement of these variables. Organizations introducing HRD practices should have designed some way to measure the HRD processes at the time of introducing HRD mechanisms and keep obtaining data periodically to monitor progress. The only instrument developed so far is the HRD climate Questionnaire by Rao and Abraham (1986). This Questionnaire measures the extents to which a developmental climate (openness, trust, collaboration, autonomy, authenticity, productivity, fairness in appraisal, need based training, risk-taking guidance, development orientation in managing mistakes, general, helpful nature of people, investments in employee development, creation of development opportunities etc.) exists in an organization. The first version of this Questionnaire had 43 items measuring 43 HRD climate dimensions and the present version has 38.

Administering this Questionnaire in 1983 December first and 1985 February later in State Bank of Patiala it was found that in 40 out of 43 dimensions HRD climate improved (Agarwal, 1986). SBP is probably the only organization that has collected data on HRD climate at two different points of time.

However, HRD Climate data are available for 6 of the 14 organizations (Voltas, Jyoti, SBI, L&T, CGL and SBP, IOC) from a survey of the HRD climate conducted

The second neglected group in HRD is the unionised categories of employees. HRD for them also need to be attended fast as they are in large numbers and form the foundation of the organisation. The nature of HRD instruments may have to be different. Organisations have neglected this so far. Part of the reason may be unions. But in the area like HRD the union leaders also have a role to play. For their members they should probably play the role HRD managers are playing today for supervisory staff and managers.

The HRD managers should assist the unions and promote the spirit of collaboration.

Thirdly there should be more research in this field to answer several of the questions raised earlier in this unit.

#### Appendix - 1

##### Introducing HRD Systems in 14 Organisations (Summary)

Sr. No.	Organisation	Operating Mode of HRD Function	Year of starting HRD	Integrating Role/ Mechanism	Reasons for starting HRD
(1)	(2)	(3)	(4)	(5)	(6)
1.	BEML	Separate HRD Department	1978	G.M./Dir., Human and Resources	Reorganisation and Planning for Future
2.	BHEL	Separate OD Department	1981	Executive Director	Problem Solving and Competency Development
3.	BOB	Separate HRD Department	1978	DOM Personnel	Strengthening Head Office
4.	COL	Personnel & HRD Combined	1979	GM Personnel & MD as Chairman of HRD Taskforce	Preparation to Meet Challenges and for Future
5.	Jyoti Ltd.	Separate HRD Department	1980	Executive Director	Preparation for Better Future
6.	IOC	Separate HRD Dept. in Chairman's Office & Units	1983	Director Personnel	Problem Solving & Meeting Challenges
7.	L&T	Separate HRD Department	1975	Vice-President Personnel & OD	Change of Appraisal Systems and Recognition of Importance
8.	L&T, ECC	Personnel & OD Combined	1982	Managing Director	Meeting Challenges of Environment and new opportunities
9.	SAIL	Use of Existing Personnel Function	2 activities focussed in 1985	Director Personnel	Renewal and Movement to Excellence
10.	SBI	Separate HRD Dept. in All Circles & Central Offices	1979	Chief G.M., Personnel & HRD, Dy. M.D., Personnel	Recognition of Importance & Meeting New Challenges
11.	SBP	Separate HRD Dept	1976	General Manager Planning & MD	Recognition of Importance
12.	SFL	HRD Department	1984-85	Head, Corp. Plng. & Devlpmt. & MD	Growth, New Opportunities & Inadequate Manpower
13.	TVS	Separate HRD Dept.	1983	Executive Director	Prepn. for New Challenges, Competition from Market
14.	Voltas	Recognising Performance Appraisal, Communication Policies, etc.	Latest 1982	Vice-President Personnel	Preparation for Profit, Growth and Excellence

giving feedbacks which is one of the most important aspects of the system. The progress of implementation was constantly monitored through feedbacks and studies and the difficulties faced were removed. As a result of this the form and the system has been considerably simplified. Around 80 to 85 per cent of the forms are received within six weeks after the target date which is an acceptable level considering the time required for counselling.

The forms are analysed and data submitted to the Vice-Presidents and General Managers. The data give the rating of 'high performers' and persons rated low. Another set of data give the facilitating and hindering factors groupwise. These are used for finalising development and other action plans.

### Difficulties Faced or Expressed

Some of the difficulties faced or expressed by people at various stages while implementing the system were:

- 1) Complicated rating system
- 2) Time consuming.
- 3) Too many routings
- 4) Delays due to number of persons reporting being too many
- 5) Becoming a number game
- 6) Becoming ritualistic
- 7) Low leadership commitments.

To counter the above, the rating system and the forms were simplified and the routings were restricted to the immediate and Next Superior. The numerical ratings were replaced by qualitative ratings like 'Excellent', 'Very Good', 'Good', etc. An open ended self appraisal was introduced and it was made mandatory to send the appraisal forms before sending the recommendations for rewards.

### Mileage We Derive from the Performance Appraisal System

The guts of our appraisal are :

- 1) Clarifications of job expectations
- 2) Review of accomplishments
- 3) Planning for future performance and development efforts.

All of which are central to effective management.  
Some other benefits we derive are:

- i) It documents and provides a base for discussion which is expected to lead to a recognition of subordinate's performance or lack of performance.
- ii) It allows subordinate to express his feelings about supervision, definition of work, problems encountered, support required, etc.
- iii) It provides the subordinate with developmental information and support for it
- iv) It helps both—the superior and the subordinate in planning of future work goals.
- v) It gives an input for salary administration and explains and communicates some rationale for recommendations.

### Training

One of the most important HRD activities in L&T is its Training Programmes. Even the top executives attend the programmes, especially designed for them. The main purpose of Training is to provide learning opportunities and resources for :

- 1) Improving performance on the present job
- 2) Developing Behavioural and Managerial skills
- 3) Functioning effectively as an individual.

These are provided through :

- a) Suitably designed In Company Training Programmes, and
- b) Deputations to External Programmes.

We decide the In Company Training Programmes based on the following :

The employees too had their own views. A survey conducted on the appraisal system brought out the following major concerns.

- 1) Jr. Officers felt that there was no focus on what was expected from them. They did not know the areas in which they were expected to contribute so that their assessment could improve.
- 2) They felt that the system was not participative enough. They did not have a sufficient opportunity to be heard.
- 3) There were three assessment levels—Reporting Officer, Reviewing Officer and Higher Authority. Since each level could countermand the previous one, the Reporting Officer as the immediate supervisor felt that they had little role to play.

In response to these opinions, an exercise was initiated to revise the system. An initial draft was prepared and thrown open for discussions. Discussions were held at various levels with the Heads of Personnel, the Steel Executive Federation of India, the Chief Executives and in groups of executives. At each level there were suggestions and modifications made. They wanted very frequent performance review. In addition to the structured responses, indepth interviews were held with a cross-section of officers.

On the basis of all their feedback and the discussions, the system was finally implemented for the year 1986-87. The salient features of the systems are discussed below :

### Objective

- 1) To integrate company and individual goals through a process of performance assessment linked to achievements or organisation objectives.
- 2) To increase awareness of targets/tasks and the responsibility of officers at all levels to ensure fulfilment of company objectives.
- 3) To ensure a more objective assessment of performance and potential.
- 4) To distinguish between differing levels of performance on relative basis and to identify officers with potential to grow in the Organisation.
- 5) To identify the developmental actions to be taken to enhance the performance of the officers.

It will be seen that the focus of the Appraisal System is sought to be changed. An appraisal would invariably have two aspects.

- 1) It provides data for administrative decision-making, promotions increments etc. This is the aspect which creates most problems. Employees don't accept the decisions as "Objective" and reject the system as a whole.
- 2) It provides support for the development aspects such as identification of strengths and weaknesses, training and development, job rotation and enrichment and performance planning and review. These aspects invariably get overshadowed by the promotion etc. and receive little attention.

In SAIL, the Appraisal System is an instrument for improving the work culture. The focus is on the development aspects and the Company is utilising the appraisal system as an instrument for :

- 1) Performance planning and review.
- 2) Starting a healthy and problem solving dialogue between the Reporting Officer and the Appraisee about work related problems.
- 3) For improving communication.
- 4) For improving levels of motivation through goal clarity.

To do all this the system was divided into four parts.

In performance planning and review, the Reporting Officer is expected to set targets/tasks for the appraisee in the beginning of the year. In the middle of the year, the appraisee fills in the self-appraisal form, indicating the extent to which the targets/tasks have been completed, the difficulties faced and the suggestions for improvement. At the end of the year there is the annual review and targets/tasks set for the next year. Both in the mid year review and the annual review, the self appraisal is supplemented by a performance review discussion. During the performance review discussion the problems are discussed and the appraisee given

## 10) Discipline

1	1
10	15
30	30

## Total (A+B)

The finalisation of the assessment factors was a time consuming affair. In a large multi-functional organisation to short list factors applicable to a large body of 18,000 officers and at the same time relevant for the company was a difficult job. There is of course no scientific method for doing this. The 14 factors and their respective weightages represent a consensus across the organisation about what is considered important.

For example, in an industry with 2,50,000 direct employees, "Management of Human Resources" was given importance particularly since this was a problem area and the management wished to define to the officer that contribution in this area would be welcome and would improve his assessment. Similarly, in a large continuous process industry, "Communication" and "Coordination" were considered important characteristics and were included.

The third part consists of the development plan. Here an opinion is taken about the development needs of the appraisee, the training necessary and the job rotation required.

The fourth part of the system consists of the final evaluation. On the basis of Part II, the appraisee is awarded a certain score. The final evaluation is done by a Committee. Officers are divided into a number of groups. Officers in each group are evaluated relative to each other by the Performance Review Committee and distributed into various performance levels as per the following normal distribution :

Outstanding	5%
Above Average	20%
Average	25%
Below Average	20%
Unsatisfactory	5%

The Appraisal System was unique in the steel industry and so was the implementation strategy. The system was totally indigenously designed through a process of extensive discussions. For implementation we took the help of IIM, Ahmedabad.

As a first step, the new system was presented to groups of officers in each Unit and the details explained. In the second step, 70 Internal Resource Persons were identified. These Internal Resource Persons were put through two "Training for Trainers" programmes conducted by IIM, Ahmedabad. Subsequently, the Resource Persons trained 7000 officers in the essential aspects of the system. In each Unit an Implementation Task Force was appointed to review the implementation of the system and provide guidance. At the Corporate level, an Inter-Plant Steering Committee was set up to oversee the process. The implementation strategy was designed keeping in view the following:

- 1) The large number of officers to be covered in various Units.
- 2) The need to explain the various aspects of the system particularly target setting and performance review discussions, and convince officers of the need and rationale.

The new appraisal system has now been in operation for two years. Last year, some minor modifications were made on the basis of the feedback received. These two years of operation has thrown up a number of issues :

- 1) The system has been successful in correcting imbalances in the assessments which existed earlier.
- 2) Officers are actively participating in the system since they are now aware of its importance in the overall context.
- 3) Development aspects of the system such as performance planning and review discussion have not been fully implemented and needs much greater training

## 3.4 HRD AT C DOT

### Introduction

C-DOT was conceived at a time when India was planning for 21st Century. Management at C-DOT was aimed towards setting a trend in India for R&D management with focus on Human Resources for achievement of time bound missions. With an orientation towards mission oriented projects and creation of a unique work environment, C-DOT has been more of a Human Resource Management challenge than a technical challenge. HRD at C-DOT, therefore, had to act as catalytic agents towards greater synergetic effect so that staff members (we prefer to call ourselves "staff members" of C-DOT family) with individual brilliance and limitations could be brought together to complement each other to yield the best result.

The focus of Human Resource Management at C-DOT is to create a work environment and culture conducive to achievement of excellence. The main emphasis of the Human Resource Management philosophy is on developing the organisation, its people and their competencies. Hence the policies focus on:

- Commitment to society—application of research and development to national/ social priorities.
- Commitment to the mission—sense of purpose and direction; setting of targets and objectives, monitoring and evaluation of project schedules.
- Commitment to the staff members—liberal, positive and people sensitive personnel policies, training and management development with special reference to advance technology and equipments, career development in its true sense.
- Commitment to excellence and professional competence—encouragement of creativity and innovation, initiative and self development.

### An Environment for Excellence

Besides a good technical team, the time bound project at C-DOT, to deliver a family of Digital Switching System in 36 months, at an estimated expenditure of Rs. 35 crores, required administrative procedures and programmes to mobilise and motivate young talent.

It requires considerable planning to induct a large group of young Engineers (around 300—average age 26 years) in a very short span of time (less than 1 year). To begin with, new personnel policies were formulated, jobs were advertised for and interviews conducted. Based on an objective selection criteria, key candidates were selected for challenging assignments. Once they were taken at C-DOT, the HRD group was responsible for their orientation, training, facilities, work environment and well being.

Simultaneously, new policies were to be formulated and introduced in almost all areas. Needless to say that the work load during this time bound programme was such that staff productivity got ultimate priority. Rules had to be framed to encourage efficiency, creativity, innovation and initiative. Some of these areas—people sensitivity, time and target sensitivity, flexibility and procedures, effective communication, office automation, delegation and monitoring are outlined in the following sections. It is hoped that an overview of these guidelines will provide further understanding of C-DOT work culture and environment that it has created to develop indigenous high technology base.

### People Sensitivity

- Egalitarian work culture
- Designations by functions and not by level or grade
- Open door policy
- Papers marked by name and individuals addressed to by first name
- Warm welcome and systematic induction of new members of staff
- Personalised services round-the-clock
- Emphasis on welfare of members of staff and members of their families both at

- Informal Communication
  - Discussions during various get togethers, on lunch table in conference rooms, in review meetings. Individual efforts provide consistent flow of information

### Office Automation

- Extensive office automation in personnel, administration, finance, purchase and other vital functions
- Personal computers, electronic typewriters, electronic telex, photocopiers, auto diallers, dictaphones in use
- Electronic mail for inter or intra office communication
- Computerised Library Functions—issue, return, cataloguing, location, status and information retrieval.
- Microfiche reader printer for documentation and record keeping
- Networking for information retrieval and Management Information System
- Paging system with access through C-DOT EPABX
- Individual computer terminal for all Engineers
- Personal Computers for all Secretaries and those in Support

### Delegation and Monitoring

- Delegation of financial and administration authority with added accountability at appropriate functional levels
- Decentralisation of budget — function/groupwise
- Review of delegation — management information systems
- Sup-contracting technical activities wherever in-house resources cannot be utilised in view of time constraint

### A Passion for Excellence

It is an easier task to create a new work environment for a new organisation like C-DOT. But the most difficult challenge is to sustain the culture and motivation level when the organisation grows beyond its informal span of control. The role of HRD is perceived as most critical in such circumstances. Introspection and review form the major instrument to formulate future plan and course of action where the existing work environment and culture still remains as the main driving force. This is done with all staff members contributing towards the planning and decision-making process.

To study, review and suggest modification of existing policy/new policy formulation the working groups were set up.

### Working Groups

Working groups consisting of representatives from Managers, Group Leaders, Engineers, Secretarial & Support staff were formed to deliberate on the effectiveness of the different systems at C-DOT.

- Project Monitoring
- HRD
- Performance Appraisal & Promotions
- Staff Compensation
- Facilities
- Communication

The representatives discussed the above issues at length with the staff members and submitted their report with recommendations. The recommendations of the Working Group were debated upon by the top management and accordingly the policies were renewed.

While the working group on HRD defines the major concept, philosophies and activities of HRD at C-DOT, the most important role for HRD effectiveness is played by the Group Leaders who are the main implementors

- Influence job rotation
- Extension or termination of contract
- Granting rewards — Appreciation/Foreign deputation
- Determining organisation structure

The scheme is part of the overall Project Review System that periodically reviews group/productwise performance and achievement of targets against what is outlined in the Annual Business Plan.

Before finalisation of C-DOT Annual Business Plan, all Group Leaders have discussions with various group members about the role of the group, assignments to be completed during the next year and major milestones with completion dates. Each staff member is given assignments which form the basis of the Annual Business Plan. Before the start of the appraisal period the responsibilities are clearly assigned along with the time frame. On a weekly basis, the assignments are reviewed and recorded in the weekly review sheets. Periodic reviews and timely feedback are the key issues in the appraisal scheme.

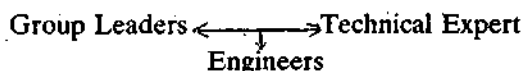
At the end of the six months the staff member completes the self appraisal form highlighting his/her achievements/contributions during the period and external factors affecting performance. Parallely, the immediate appraiser completes the appraisal form filling in the strengths and weaknesses and tentative rating on the ten attributes defined. Next the immediate appraiser calls the staff member for mutual discussion. This discussion has to be guided towards a feedback and counselling session. After this the form is sent to the second level appraiser for his rating. The second level appraiser can add any broader dimension to the overall appraisal through comparison across the smaller groups or by eliminating any perceived bias. If this rating differs from first level rating then the reason for the difference of opinion should be documented and the changed rating communicated to the staff member. Then it is sent to HRD for the processing. At each level the staff members are consulted and kept informed to try and ensure fairness and elimination of bias.

Appraisals at C-DOT are not only means of evaluation but the process has a very important role to contribute towards organisational effectiveness. Instead of using the appraisal process merely as a control or monitoring measure the focus is more on its developmental dimensions.

## Career Development

Ultimately it is management's responsibility to develop and implement a cost effective career planning programme. It is essential to create a basic structure and process for integrating individual needs with organisational requirements. The basic philosophy of the career development plan is that growth opportunities are to be given to all staff members whether they be engineers, secretaries or admn.support. To formulate a policy on Career Development, firstly a Career Plan survey covering all levels was conducted. The survey covered issues like avenues for growth and career path at C-DOT in specific functions, comprehensive career development plan, new activities/opportunities for career development etc.

The promotion policy outlines the growth prospects of staff members of various categories and the minimum period to be spent in the scale and eligibility points required. Career paths and growth opportunities are totally linked with the performance appraisal. High potential employees are identified early in their careers and placed in an accelerated development programme. Since the organisation has a flat structure, options in terms of levels are not many and hence other alternative avenues for growth are given importance e.g., Engineers could grow to Group Leaders (managerial potential) or alternatively to Technical Experts (professional excellence).



Besides vertical movement in the organisation, the option of horizontal movement inter/intra-group is also available. Job rotation to other groups to gain new exposure and insight in areas of interest is also encouraged. However, the perceived ability of the individual to handle new assignments forms an input in the decision-making

## Background to HRD for Workmen at Eicher

Our philosophy has always been to continuously and openly examine issues related to our Human Resources. This has resulted in generally harmonious Industrial Relations which draw strength from the following principles:

- 1) Fair and firm approach to all human related issues without compromising on basic principles or the long term interests of the company. This means being fair to the management, the union and the employees.
- 2) Recognising and Rewarding merit/contribution.
- 3) Payment of fair wages to all employees and arriving at compensation packages for workers by the process of collective bargaining.
- 4) Participative approach to resolution of all worker related issues.
- 5) An open door policy where workers are allowed to air grievances/views/concerns on all matters relating to them or the Company.
- 6) Non-interference in the internal functioning of the workers' union.
- 7) To resolve all worker related issues bilaterally without interference of outsiders. Workers are encouraged to have a strong and internal union.

Given these basic principles, let us now take a look at some of the lessons learnt by us in the decade immediately preceding the setting up of the LCV Plant.

### Learnings from Tractor Operations

Our tractor operations witnessed phenomenal growth during the period 1974-81. From an annual turnover of Rs.3 crores, volumes increased to Rs.80 crores and we became a leader in the Industry. Two new plants were set up and employee strength increased from 400 to 3000. There was a feeling of well being and morale was at its peak.

All of a sudden, in 1982, we got a rude shock. Due to credit squeeze announced by RBI, tractor financing was abruptly reduced. The market crashed from 81000 tractors in 1981 to 63000 tractors! At a time when we were gearing up for providing 2500 tractors per month (from 1250 per month), we were forced to cut production. For the first time in a decade, we experienced negative growth and a marginal loss in 1982-83. The market continued to remain sluggish for the next few years and in spite of RBI relaxing its norms, the recessionary trends could not be reversed.

The events of 1982-84 naturally had negative impact on employees. The high morale of 1981 was replaced by a feeling of anxiety. In order to take stock of the situation, a detailed diagnostic exercise was conducted (using an attitude "survey and workshop" involving all line managers) which helped us in learning a number of important lessons. Some of these are given below:

- a) Due to the increasing demand of tractors in the market-place during the period 1974-1981, the management focus had been more on "growth" rather than "development".
- b) In order to support this growth the tractor operations had various incentive schemes in operation to provide for more numbers demanded by the market boom. During this period the workers had upgraded their skills and learnt their jobs well enough to complete their daily targets in 5 to 5½ hours. This level of productivity provided them a reasonably good earning level leaving not enough motivation for them to put in more efforts.
- c) The diagnosis also revealed that there was over-emphasis on behaviour correction through counselling and during this hardly any charge sheet/caution letter was issued for acts of misconduct. As a result of this, a few negative elements had started taking advantage of this approach since they misunderstood the management to be 'soft'.
- d) On the quality control front, the emphasis was on reducing rejections, rework etc. and therefore the inspection function had become critical with not enough emphasis on self-directed efforts towards producing better quality.
- e) The oldest and the biggest of the tractor units was located in a small 8-acre plot at Faridabad and with the increased numbers demanded by the market there was mushroom growth of facilities in the plant resulting into sub-optimum utilisation of land, building and equipment. The environment was not all that

## Training

**"GIVE A MAN FISH, HE WILL EAT IT.  
TRAIN A MAN TO FISH, HE WILL FEED HIS FAMILY"**

The technique of training has been a key factor and a major tool used to achieve the objectives of HRD. Right from the day of project planning, our collaborators had emphasized on formal training for all personnel involved in the operations of the plant. Thus training was top most on the agenda.

Therefore even before commencing the manufacturing operations a training school was set with comprehensive facilities to train all categories of personnel including dealers, staff and technicians.

Given below are some of the efforts made towards training of personnel:

### a) Japanese Exposure

As already stated EML is a company set up in technical and financial collaboration with Mitsubishi Motors Corporation of Japan. The agreement between the two companies envisaged training of EML personnel at MMC.

The Company decided to send a team of shopfloor executives to be trained in production and training systems and communication system at MMC.

The purpose of sending only executive level personnel was to provide an indepth exposure to Japanese methods so that they could design their own training and production systems suiting Indian conditions.

Based on the feedback from our trainees (which included the head of manufacturing and Q.C. functions) we took stock of the lessons learnt and the direction that we needed to take in building a new work culture. We clearly understood that there was nothing unique about Japanese Management. Basically, good management anywhere (whether in U.S., Europe or our own country) adopts certain sound principles and values which give it strength. We found fair amount of similarity in Japanese practices and our own symbols of the 28 year-old employee relations culture in tractor operations e.g. common canteen, annual day (all employees participate in sports and dine together), open door policy etc. and yet there were quite a few differences e.g. cabinless offices and group exercises in Japan. We therefore realised that we could adopt only those practices that suited our conditions and refrain from blindly copying our collaborators. At the same time, effective techniques such as "Kaizen", "Kanban" etc. (mentioned elsewhere in this paper) could easily be adopted and used in our conditions and hence we decided to implement these.

### b) Induction Training

Every employee who joined EMP shopfloor had to undergo an induction programme for a duration of 3 weeks.

This training was extremely necessary because at EML line production concept is practiced wherein various lines are interconnected with each other. One line feeds another line which in turn feeds a subsequent line. Moreover, since there is no plant inventory maintained between various lines, therefore, the feeding line has to feed the materials to the subsequent line in the required quantity and quality and on time.

This is nothing but a 'customer concept' between the lines and each line takes pride in doing its job to the best of its ability. The feeding lines ensure that the customer is fully satisfied in terms of delivery schedule, quantity and quality. This provides motivation to the employees and problems of any nature in the chain get highlighted immediately — thus leading to their quick resolution.

The 'customer concept' is practiced successfully in association with another concept. **"DO IT RIGHT FIRST TIME"**. The underlying meaning is that each job should be completed with perfection at the first attempt itself thus eliminating wastages like rework, rejections, inspection cost, etc. To do things "right first time", it is essential that proper training is given to every person before he is put on to a job. In line with this thinking EML has given top priority to training right from inception of the plant.

In the initial stages in 1986 before the commencement of operations, our executives designed a detailed induction training package and trained their supervisors who in turn trained their workers/operators. This process was intended to improve teamwork

involvement of workers. Sequence of operations called 'operation standards' are drawn up and improved by workers in consultation with supervisors. The work study time standards are laid down by total participation of workers through a unique system called "Fundoshi Analysis". In this process workers write down exactly what they do on production lines (called Fundoshi). Time is clocked by supervisor for each activity. Subsequently, the Fundoshi is analysed to cut down the unnecessary activities in group of line workers and supervisors. This is an ongoing process on all production lines resulting in improved productivity and high workforce morale as the task is completed voluntarily without imposition from a third party.

#### b) Quality Improvement

The Quality of the product is ensured by total involvement of workers. Periodically meetings are organised where line supervisors, workers & QC inspectors all sit down together to discuss quality related problems and their possible solutions. The solutions are found and action plans are worked out for implementation by workers themselves. This collective approach to quality gives excellent help in reviewing the problems from all angles and enhances team spirit.

On similar lines meetings are held to discuss matters relating to safety, house keeping etc.

#### c) Kaizen

This concept has been borrowed from the Japanese, and implemented at EML because it believes in the theory that all workers have creative potential which can be tapped and also this would satisfy the creative instinct of the workers. In other words it means that the workers' job should give them scope to use all their knowledge, imagination and intelligence in transforming their ideas into realities.)

A guideline to this is provided by the following:

Muri, Mura and Muda are the biggest enemies on any production shopfloor and they keep appearing in the day to day routine in various forms and disguises.

Muri means overstrain which can come from physical or mental strain.

Mura means inconsistency or fluctuations of any nature. It can be fluctuations in work content, time, type, production volume or quality, in behaviour or discipline etc. Though extremely difficult to notice, 'Mura' perhaps affects a company's performance the most adversely.

Muda means waste of any kind in terms of material, time money, effort etc.

The above three bugs, if present, contribute to inefficiency and increased costs of operations and wherever these are present there is scope for Kaizen.

Members of a Kaizen group, while working on any line, are on a constant look out for MURI, MURA, & MUDA. Once any problem is identified, a Kaizen meeting of the concerned line is organised at the end of the day's work. In this forum, the problem is analysed, opinions of all group members are sought and discussed, a solution for the problem is evolved through consensus and action plan for implementation is drawn up. Thereafter the Kaizen group takes necessary action to implement the solution.

#### Appraisal & Reward System

The Company believes that its employees, irrespective of staff or workmen must be rewarded only on the basis of merit. To ensure this, the Company follows an annual appraisal system for all its employees. The appraisal system is designed to encourage staff and workers to achieve outstanding results and higher targets. The basic objectives of the appraisal system are as follows:

- a) Performance review — in order to reward work done and also to focus on areas requiring improvement so that appropriate feedback could be given to the individuals.
- b) Potential review — in order to discuss with the individual the ways and means through which he could realise his full potential and continue to grow in the organisation. This also provides data for manpower planning.

apprehensions regarding them. It also helps in clarifying the worker's role in achieving such objectives.

- 2) To provide forum for ventilation of grievances and also to explain resultant actions.
- 3) To discuss/involve in setting of and achieving departmental targets/issues and if necessary to involve them in problem solving.
- 4) To inculcate a sense of participation and bring about commitment.
- 5) To provide forum to the workers union to discuss all worker related issues.

### **Daily Meeting**

Before the start of the day's work and during tea breaks, the members in sections get together for a 'morning meeting'. The duration of the meeting is generally between five to ten minutes. The supervisor first addresses the group. He then discusses the day's tasks and job distribution and makes notings, if any, of the resources required for the completion of the above task. Also within the purview of the supervisor's address are design changes and any company policy related matter that need to be shared with workmen. After the supervisor's address, a senior workmen addresses the group. He informs the group of any quality related problems of the previous day's output and counter measures for avoiding the same. The workers in the group (during these meetings) are encouraged to give suggestions/opinions.

During these meetings the workers are also allowed to raise any group grievances, or do mutual leave planning with the help of the supervisor.

These meetings ensure total involvement and commitment to the day's tasks whether they be related to quality, productivity or improvement. Once the plans are finalised by the group the supervisor ensures their implementation.

### **"Kanban"**

At EML we extensively practice "Kanban" as a means of effective communication and visual control. Many improvements in day to day working on the line can be done by this simple technique called 'Kanban' which in plain terms means 'display' Display of information etc., in the line is done through sign boards, charts, graphs etc.

### **Role of Union**

The organisation firmly believes in the concept of 'Collective Bargaining' and has welcomed the formation of Union amongst the workers.

All group grievances of workers, introduction of rules, regulations, systems, welfare measures are discussed with the workers union before they are implemented.

The organisation believes that the union is able to represent the feelings, aspirations of the workforce which is helping the management in arriving at suitable decisions and hence the above issues are discussed with the union representatives in regular Monthly Meetings and decisions taken.

These meetings are also extensively used to share information on company performance competitor performance etc.

The role of the union has been discussed with the workers representatives and defined as under:

- 1) To gather data regarding the feelings, aspirations, problems of the workers and to make representation to the management in the right perspective and arrive at solutions jointly with the management.
- 2) To provide direction to the workmen in terms of collective bargaining.
- 3) To educate, create awareness among workers regarding productivity, safety, quality, discipline.

### **Collective Bargaining**

We have already had one compensation review in consultation with the union. This was done in August 1988.

handling IR) and Personnel Managers. The second tier consisted of Production Managers, Personnel Managers and all Management Committee members including Managing Director and the Chief Executive.

This survey data along with the IR history (since the last workshop in January 1987), SWOT analysis of units, formed the database for discussions at the workshop.

The 1st tier reviewed the data and made recommendations for consideration in the 2nd tier where all decisions were taken.

Detailing out the IR workshop findings and recommendations is not in the purview of this presentation and it would suffice to say that in comparison to the satisfaction level in the tractor operations the satisfaction level in EML is higher.

At the time of writing this paper detailed action plans based on the findings of the workshop had been completed and the directions worked out.

### **The Future Challenges**

Though a lot of effort has been made and some targets achieved there is no room for complacency in the field of HRD. This realization is strong amongst the management team of EML and we feel that we need to work even harder. To our mind the future challenges lie in the following areas:

- 1) The workers have apparently accepted the appraisal and reward system based on merit but our attitude survey has revealed that there is still scope for improvement in its implementation by making it more data-based.

The perception gaps between workers and executives on this matter need to be bridged.

- 2) The promotion policy, though tentatively formulated has not been tested out thoroughly yet (the plant being only 2½ years old). Therefore, it needs to be discussed with various levels in depth and improved.
- 3) To develop mature trade union leadership, we need to organise special training programmes for this purpose as is done by other Eicher units.
- 4) Absorb and integrate the transferred employees into the new work culture. This to our mind is an ongoing exercise as newer and newer workers get transferred to Pithampur. Our experience at Pithampur with transferred employees has been highly successful and most of them have performed extremely well under the new working conditions. In fact the same workers who for years were working less than 6 hours a day are willingly (without any incentive scheme) working 7½ hours a day in the new location!

(Here one could cite the example of Calcutta Metro where the citizens of Calcutta have proved that given the right environment, people would respond with responsibility).

- 5) To continuously provide avenues of growth to our workers by developing them to take on higher responsibilities.
- 6) To further strengthen first line supervisors in areas of appraising subordinates, counselling OJT etc.
- 7) To sustain the work culture and the high standards that we have set for ourselves in the area of HRD.

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### **3.6 POTENTIAL DEVELOPMENT THROUGH IN-BASKET EXERCISES : CROMPTON GREAVES EXPERIENCE—BY SUSAN VARUGHESE**

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Identifying its mission as Electrical Energy, Crompton Greaves has been in the business of transmission and distribution of power for the last 5 decades. Since 1984 this mission has been redefined to include Electronics. The Company has decentralised set up with 5 major groups of profit centres, with 14 profit centres and several new projects in Telecommunication and Electronics, in the process of

Rao. In-Basket, is a simulation exercise which enables assessment of capabilities of potential candidates to discharge the responsibility of concerned position as shown on a set of pending mail related to that position. We decided to experiment with one such exercise. The level we identified was General Manager, Division and General Manager, Region.

## Methodology

We used the critical incidental technique to elicit the basic data. Five of our General Managers and three Vice-Presidents were included in the exercise. The data we asked for were 5 situations where the criticality of their decision resulted in a favourable outcome and 5 situations of unfavourable outcome. It was easier to collect favourable situations rather than unfavourable situations. Additionally, I spent 2 days in observing General Managers in action. We also collected some of their typical memos to capture the tone and spirit of the Office of a GM in our organisation. I found this process exciting and a journey into the world of General Manager/Chief Executive. It afforded a very big learning opportunity to come to terms with what this position entails. Happily, my sample enjoyed the recapitulation of their decisions as much.

The situations which I collected referred to instances where a GM intervention was called for either because implications of a decision went beyond one functional ramification, varying peer perception on an issue or where a DH sought an additional insight. Each represented a dilemma where a GM intervention was vital. The task now was to convert these decisions into problems. While the decisions I collected conveyed a GM perspective, I had to present a DH anxiety, a peer level enquiry or a boss enquiry. The Scenario had to be constructed. I decided that this exercise had to retain the character and culture of our Company largely, though named Hindustan Engineering. Therefore, I decided to centre the action in one profit centre, representing both our consumer and industry business. The book, 'Dynamic Management Education' by Allen Zoll proved extremely useful in the construction of the exercise.

After a preliminary draft of the exercise I began to seriously evaluate the content of the memos vis-a-vis the total responsibilities of a General Manager. The analysed role of General Manager, Critical Attributes identified for the role proved helpful in identifying issues of concern that I wished to include in the exercise. Another dimension I considered important in measurement of potential was areas of strategic importance in an organisation. I identified certain unresolved issues at Corporate and Divisional levels and presented them in the exercise. There had to be a fair mix of day to day operating issues with issues of strategic concern, so mundane problems also needed to be focused. Finally, the issues that were considered by top management as issues of concern at this stage of our organisational life were issues on quality, customer service, new product introduction, industrial relations, market share, profitability and cost-effectiveness. One of our concerns was if the decisions were known would it work to the advantage of those who knew vis-a-vis others. This we resolved at the design stage by saying there could be more than one right decision. Contexts and perspectives would have also changed. At the validation we were proved right. It was exciting to just let one's imagination run wild even for my colleagues, to create a position, consider new applications of our products, kill some products, promote others and extend the Company. The excitement was in creating a Company that had vitality and credibility. Hindustan Engineering came to stay in our minds as a real entity though a surrogate of Crompton Greaves Limited. To give you an idea of a situation here is an example. The instructions to the exercise read as follows :

## Your Situation

Assume you are Natwar Singh, General Manager of Machine Division of a large multi-national, Hindustan Engineering Limited, manufacturing a range of electrical equipment in the transmission and distribution of power. Your company has now made an entry into Electronics. Your division manufactures products which have domestic and industrial applications. Your products are marketed through a common regional sales set-up for the whole company segmented on a customer basis, Industry, EB and Dealer. An organisation chart is attached for details of people who interact with you in this exercise. You have been with a delegation from abroad, who are

tones in discussion was gratifying. It was clear that these exercises were eliciting typical behaviours of individuals.

Of course, we could not take up all the issues on account of constraint of time but at the end of 4 hours of the exercise the group was asked for their comments. The group found the exercise interesting. However, on account of strong learning that emerged in the course of discussions they tended to see the exercise more as a tool for development than as potential assessment tool. They did not feel that it would be fair to assess people through this exercise. There was no doubt at all that the exercise had withstood reality testing. The General Managers felt that the other issues also needed to be discussed and that the forthcoming meetings of Vice-Presidents and General Managers should be used for discussions of at least 2 issues each time.

Based on General Managers' responses we decided to use it for developmental purpose. It was decided that we would administer this exercise to a group of our Managers. We administered it to a group of 15 Managers. Dr. T V Rao administered this exercise. A panel of Vice-Presidents was formed to evaluate the responses, based on their collective view of right decision. MD participated in the discussion as in the Validation process. This time we combined Regional and Divisional situations — ten in all to be completed in the space of an hour and a half with the same constraints.

Before the issues were taken up for discussions, the Group was asked to comment on how they felt they had performed. Most of these stated the assumptions on which they had based their responses. This tended to vary depending on each participant's idea of a General Manager's role in a unit. Facilitator, problem solver, decision maker, visionary, guide, etc. Responses also varied depending on each Manager's characteristic way of handling mail. Prioritisation in terms of urgency selective allocation of time vis-a-vis attention to all issues as quickly as possible. Participants got an opportunity to reconsider their norms of prioritisation.

The discussion began with the Vice-Presidents regarding out the best responses of the Group, issue by issue, followed by their collective view of the situations. Participants were invited to offer additional comments. Finally MD responded. He, as in the General Managers' meeting demonstrated the value and strength in problem diagnosis and repercussions of decision options. As a designer it was gratifying to see the manner in which he always focused on the heart of the issues. The fact that he always had many additional views made the learning experience a very rich one. Here was a role model they could identify with.

Participants did not receive individual feedback, however, in addition to the group feedback. The group sharing of responses would have enabled them to analyse where their responses stood vis-a-vis Vice-President's responses, best responses of the group and MD's responses.

Possible learnings for the participants through this exercise were as follows :

- 1) Transcending their functional bias in response and in assuming a General Manager perspective.
- 2) Management of time both in terms of productivity as well as allocation on the basis of exigencies of managerial situations. For instance, one of the decisions on IR issue was not to proceed to IIM, Ahmedabad, for the programme but stay on as the situation called for it.
- 3) Buck stops here. It was possible to assess how many would view this part of the General Manager responsibility. Some would not confront the issues but allow the memos to travel up and down.
- 4) Problem Diagnosis for decisions making—correct responses depended on correct identification. For instance a case on quality was read as an issue on pricing keeping aside the long-term impact on Company image and customer service. Similarly repercussions of decision on other elements in the organisation.
- 5) Bias for action—Decisiveness for action vis-a-vis a tendency to postpone or ask for more data.
- 6) Data based decisions vs intuitive decision-making.
- 7) Decision-making by precedent vis-a-vis creative responses.

the rapid expansion, Regional Managers were appointed to look after specific areas and Regions, concept of business/market segmentation was introduced and finally—probably the most important one, was regarding the introduction of a system for Business and Performance Planning. It can, therefore, be seen that the “second wave” in its wake ushered in significant changes in structure and approaches.

The “third wave” came in 1979-80 when the Bank introduced further structural changes. The concept of a “Modular” structure emerged and the controlling points were shifted to the business centres and there was geographic dispersal of administrative units. There were quite a few systemic changes as well.

At that point of time, the SBI had a network of over 5,500 branches and 11 Local Head Offices, and the manpower strength was around 1,50,000.

A few questions were raised (within the organisation) in the context of the structure that emerged. They were:

- i) While the Bank could find structural and systemic solutions to its growth problems, what had it done to take care of the People's problems ?
- ii) As an organisation, we had done well in business and other areas—but had we done as well as we could ? Is people's Performance Optimal-Sub-optimal?.
- iii) Are there mechanisms to promote People's competencies in a systematic manner?
- iv) Do we need effective individuals or effective teams? Are there mechanisms which promote collaboration?
- v) Do People feel wanted and valued in the organisation ? Is the organisation heading for dehumanisation?
- vi) Do the existing man-management systems help in integrating the individual and organisational goals?
- vii) Do we have the necessary “enabling mechanisms” for People to activate and realise their full potential?
- viii) Finally what are the values in respect of the People's area?

There was serious introspection and answers had to be found. In attempting to find answers for these questions certain factors had to be borne in mind. They were:

- a) Whatever man-management model we might come out with, there is need, in view of the fast changing scenario, to be absolutely futuristic in our approaches to man-management issues.
- b) We should not be falling into the trap of finding structural solutions to behavioural problems.
- c) People's expectations and legitimate aspirations must find expression within the organisational sphere.

Time was ripe for a “fourth wave” and there was one. The entire Personnel function was studied and diagnosed and a formal HRD structure emerged.

### **Enter HRD**

The man-management structure was re-defined and a special HRD structure was created. Before a system could be designed, there was a need felt to (a) state our value in respect of the People's area, (b) describe the aims and objectives of a having a HRD system. The stated values are (i) that Bank has respect for all individuals — all individuals should feel wanted and valued in this organisation, (ii) that the Bank believes in the creation of an “Enabling” culture whereby individuals have opportunities to grow to their full potential.

The HRD Philosophy for the Bank is—

“HRD in State Bank is a continuous process, movement and direction to enable every individual, as a member of an effective team and the State Bank Community to realise and activate his potential so as to contribute to the achievement of the Bank's goals and derive satisfaction therefrom.”

The main HRD aims and objectives are:

- i) To create a climate of openness, trust,

## The First Step

As in the case of beginners the "first step" is always unstable—there is need for guidance and support—steps to be cautiously taken and also measured. But we had, inevitably, to take the first step forward and we did. We identified a group of persons who would be the first group of HRD Managers and whose task would be to understand and implement the HRD policies.

We designed a very intensive orientation programme for the team with a view to build the following perspectives:

- to understand the human dynamics in the organisation.
- to be futuristic in their approach.
- accepting People as human beings—as resources.
- being alive to changes in society and changes in value system.
- developing People in an organisation.
- have a thorough understanding of the organisational culture.
- enhancing organisational image through its People.
- to learn to appreciate that it is a service wing—an enabling function rather than a poor function.

Outside experts were involved to help us in this effort and thus the first group of HRD professionals was formed.

After initiating these people and also exposing them to the various behavioural interventions, the HRD Managers were given the task of (a) spreading the HRD message, (b) expand People's awareness about HRD in the Bank, (c) organising and implementing the HRD plans that were initially drawn up, (d) informing Central Office of the progress and provide feedback from time to time.

Charged, as they were, with the initial zeal and enthusiasm, they ventured forth in right earnest. They organised meetings, seminars at various points to educate People and they also brought out booklets and news letters. Every training programme at the Training Centres had necessarily an input on HRD. They went round meeting several groups explaining the rationale and the mechanisms associated with the different HRD systems like Manpower Planning, Performance Appraisal, Job Rotation etc. Thus began a process of sharing, of exploring, and a percolation to the grassroot levels.

After a gap of time, it was felt that a review was required to be made. HRD Managers, Central Office representatives and the consultants were all present at a review meeting. The data that was generated in this meeting was as follows:

- All these are nice "theories"—can they happen in practice?
- It is impossible to change the culture of this organisation given our history and colonial background.
- the cultural and social context is not conducive to change.
- People at the "Top" should change first.
- I am OK—the rest of the persons in the organisation are not OK.

There was thus a feeling of helplessness and a feeling of doubt but at the same time feelings were also expressed indicating that:

- it is high time we have HRD in the Bank.
- HRD is good—its aims are laudable.
- in the long run the organisational culture will change.
- there are no doubts about the Management's intentions and also about the efficiency of HRD interventions.
- if what is intended happens—our organisation will be the best in the country

The blowings were at once hot and cold.

The HRD Managers had some further feelings—

- they felt uncomfortable to deal in an area where things were not structured.

their minds these kinds of inhibitions. In these sorts of exercises there were a few things explained. The next task was to thoroughly brief the HRD Managers about the

- 1) **Trust:** Effective work cannot be done in an organisation unless trusting relationship is established between an employee and his supervisor. Trust does not develop easily: efforts should be made to develop such relationship.
- 2) **Mutuality:** Effective dyads will require free exchange of help between the employee and the supervisor. Helping relationship is not a one-way relationship. The supervisor should take help from his employees, as much as he would give them the needed help. Mutuality in relationships will also involve support to each other.
- 3) **Communication:** Developing effective dyads will also involve improving communication between the members (the employee and the supervisor). Both should be able to give feedback to each other. The employee should improve his ability to receive feedback, as the supervisor should improve his competence to coach the employee.

#### The Team

Effective teams are quite important for the strength of the organisation. Primarily two aspects should be the focus of HRD, as far as team development is concerned.

- 1) **Cohesion:** The teams should be cohesive. Well-knit teams produce synergy, and are able to utilise individual competencies.
- 2) **Resource Utilisation:** Effective teams maximise the use of resource available amongst members of the team. This would both satisfy the members, because each will contribute whatever resources one has, and help the team to produce effective results. Poor teams rely on and use resources only of a few members, resulting in limited opportunities for other members.

#### The Interteam

The main emphasis of interteams is to develop cooperation amongst various groups in the organisation (e.g. departments, divisions, functions) so that they are able to work effectively towards common objectives. The main focus of such cooperation is to develop corporate identity. When the teams are strong and work on their own goals only, there is a possibility of the organisation to become weak. While teams should work on their own goals, their linkages with the organisation and their identity with it should be achieved through various measures.

#### The Organisation

As far as the organisation is concerned the following three aspects should deserve the attention of the HRD effort.

- 1) **Growth:** Obviously the development of the organisation would involve increase in its size, activities and operations. Every organisation looks forward to its growth. Even if growth is not in terms of its size the organisation may be concerned with providing qualitative services or maintaining leadership position in its field of operations.
- 2) **Impact:** Each organisation would like to have some impact on the outside organisations or customers etc. Impact may be in terms of developing new markets, developing services or products, introducing new technology which others can follow etc.
- 3) **Self-renewal:** The organisation must examine its working from time to time and take steps to update its technology. It should also analyse the present and potential problems imminent on its growth, and take steps to prepare itself to meet these challenges. Self-renewal competency is necessary for organisational effectiveness.

To sum up, HRD is concerned with development of the following six human units of an organisation on the aspects shown against them.

**The individual employee:** Self-management, competence building, advancement.

**The role:** optimum stress, linkage, autonomy

**The dyad:** trust, mutuality, communication

**The team:** cohesion, resource utilisation

**The interteam:** identity, collaboration

**The organisation:** growth, impact, self-renewal

through, effectiveness of individuals and teams in the organisation. HRD attention to these aspects cannot be over emphasised.

More emphasis is being increasingly given in many Indian organisations stress management. With increase in the complexity of organisational life attention to work stress and role stress is increasing. Some organisations have started programmes to deal with stress. Stress audit and stress management programmes help both the individuals and the organisation.

### **Cultural Systems**

Cultural systems are most neglected part of HRD. Three aspects deserve attention in this regard. HRD should pay attention to development of organisational culture which will sustain the kind of effort HRD has developed. Attention to development of appropriate organisational climate is equally important. Some work has already started in some organisations on HRD climate. More work needs to be taken up in this regard.

The second aspect deserving attention is communication. In most organisations, problems may arise because of lack of attention to various aspects of communication (top down, bottom up, horizontal, circular, external).

The third aspect is reward system. Whatever is rewarded in an organisation gets reinforced. Reward system, including incentive schemes, both for individuals and for teams, deserves careful attention. Rewards work both ways. They can facilitate and promote good work, but if they are not properly designed, they can also do a great harm to the organisation.

### **Self-renewal Systems**

As organisation should be concerned not only with its growth, but also with its health. It needs to diagnose its problems from time to time and take steps to develop new competency to cope with the various problems and challenges it would be facing. This can be done through effective Organisation Development (OD) effort. Organisation Development or Action Research is concerned with development of competency through effective teams to diagnose the problems and initiate process of collaborative work to deal with such problems. In OD the focus is on developing process competency to increase organisational effectiveness. Organisation Development aims at maintaining profiles of organisational health, monitoring organisational health, assisting "sick" departments, helping interested units and departments in self-renewal, conflict management, creation of strong teams etc. and establishing processes that build a climate to promote enabling capabilities in the organisation.

In addition to OD, attention should also be given to organisational learning, which is concerned with learning from the experiences, and utilisation of such learning for future effectiveness.

The third aspect of this system will be research orientation in HRD, which means consciously collecting data in order to understand the various issues, and designing interventions based on such data. For example, data should be collected on the working of appraisal system, benefit to and difficulties experienced by different groups. Such data will help to improve implementation of the appraisal system. HRD related research is important for HRD effectiveness: it helps in analysing data and information generated by the HRD subsystems.

## 4.3 THE ROLE OF LINE MANAGERS IN HRD

Line managers have an important role to play in ensuring the realisation of HRD objectives. While the top management should make available the resources required for investment on human resources, and the HRD department should provide instruments and systems that can be used by the organisation to develop its human resources, it is ultimately the line managers who translate these into action. This involves first of all realisation on the part of the line managers that they have the responsibility to develop and utilize their employees.

To understand the role to be played by the line managers in developing human resources, it is necessary to understand the concept of development and the conditions under which development takes place.

Development can be defined as the acquiring of new competencies. Such competencies may help in performing the existing tasks better or faster, or in performing new tasks. These competencies include cognitive abilities (acquisition of new information, new concepts, ideas etc.) attitudes and orientations, values and skills. These may deal with managerial functions (co-ordination, planning, projecting etc.) or technical areas (designing a machine, servicing a product etc.) or behavioural aspects (leading a group, building a team, motivating someone etc.).

Development of employees would require certain conditions. These have been discussed in MS-2 Unit 1 and are summarised below:

- 1) The employee should perceive that his acquiring new competencies helps him in fulfilling his psychological needs.
- 2) The employee should perceive opportunities for acquiring such capabilities.
- 3) The employees should be aware of the capabilities he needs to develop.
- 4) The employees should have mechanisms of assessing his own rate of growth in relation to such capabilities.
- 5) The employees should enjoy the process of growth itself.

A line manager plays an important role in creating these conditions for his employees. Quite often managers are under the impression that HRD department should ensure that these conditions are met. HRD departments can only provide instruments or mechanisms for use by the line managers to create these conditions, but cannot create these conditions.

HRD department and line managers play complimentary roles. Each supplements (and supports) what the other does in relation to development of employees. The responsibilities of line management for HRD system are summarised below.

## 4.4 LINE MANAGERS AND APPRAISAL SYSTEMS

The responsibilities of line managers in relation to performance appraisal can be viewed under two roles: as appraisers and as appraisees.

As appraisers the line managers have the following responsibilities:

- 1) Identify and clarify key performance areas of each employee.
- 2) Help the employees set challenging goals.
- 3) Identify support needed by employees and make the same available.
- 4) Help the employees experience success.
- 5) Help the employees recognise their strengths and weaknesses through periodic feedback.

- 2) Identify training needs of each employee working with him against these functions and communicate these to HRD department.
- 3) Encourage employees (and provide opportunities) to take responsibility and initiative, and try new things and learn on the job.
- 4) Provide continuous on-the-job coaching, and help each employee to develop problem-solving skills.
- 5) Sponsor the employees for training with the help of the HRD department.
- 6) Get feedback from subordinates returning from training about the competencies developed during training, and have discussions with them about opportunities for trying out what they have learnt, and provide opportunities for their application.
- 7) Institute mechanisms like group discussions, meetings etc. to help the employees learn to work as a team.

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## 4.7 LINE MANAGERS AND WORK SYSTEMS

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Regarding quality of work life, the main responsibility of line managers includes the following:

- 1) Invite HRD experts to design and introduce participatory systems like autonomous work groups in one's unit.
- 2) Provide necessary support by critically reviewing the importance and progress of experiments being conducted.
- 3) Redesign supervisory roles to become more supportive and facilitative.
- 4) Work on productivity and quality will be undertaken mainly by line managers; HRD personnel can only provide the process help by helping line managers to design quality circles, groups etc. and make them more effective. The main responsibility of the line managers will be to invite HRD help both in the designing of such groups and reviewing their programmes from time to time. The line managers should critically review and evaluate the functioning of such groups after about a year of learning from the past experience. HRD help can be sought at that stage also.

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## 4.8 LINE MANAGERS AND CULTURAL SYSTEMS

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Regarding culture and climate the following responsibilities can be taken by line managers:

- 1) Analyse with the help of HRD managers, implication for various practices in the department for culture and climate.
- 2) Request HRD department and respond to their efforts if they initiate.
- 3) Pay attention to transitional periods in an employee's career, e.g. induction in the organisation, change of job, promotion, retirement or leaving the organisation. Develop appropriate rituals for such transitional occasions.
- 4) Use results of surveys of culture and climate to work with employees on alternative ways of improving them.

Regarding communication, attention needs to be given to formal communication system (Management Information System), written communication, communication technology (like telex, telegram, fax), on communication process in various groups. The responsibilities of line managers are to be sensitive and pay attention to effectiveness of communication in various groups like committees, task forces, project groups etc.

Line managers may request HRD personnel whenever they think their help is needed for improving the working of small groups and organisational communication in

3) Prepare action plans for improvement.

Lined writing area for preparing action plans.

BRAOUI

- 2) The job should be broken down into specific activities performed and expected to be performed by the job holder or incumbent. An "activity" is an observable action often bound by time.
- 3) The activities should be grouped into tasks. A "task" is a set of related activities—a function—that makes a distinct contribution to organisational goals.
- 4) Performance criteria and their indicators should be established.
- 5) The competencies required for effective performance of each task should be identified.
- 6) The discrepancies between perceived and actual performance and between importance attributed and importance reflected in time spent should be identified.

On the basis of the guidelines stated above, we can say that task analysis involves the following steps:

- 1) Contextual analysis;
- 2) Activity analysis;
- 3) Task delineation;
- 4) Competency analysis;
- 5) Performance analysis; and
- 6) Discrepancy analysis.

The type of Task Analysis suggested here may be useful to the organisation and the individual employees in several ways.

- 1) Selection and placement. Better recruitment and selection devices can be prepared on the basis of a task analysis (especially competency analysis). Competency analysis can also help an organisation to place people in jobs in which they can be more effective (matching the role/job with people).
- 2) Work planning, including the following:
  - a) Setting individual tasks for a specific period
  - b) Helping a job incumbent to decide priorities of task
  - c) Minimising overlap between jobs
  - d) Identifying neglected tasks in a work unit
  - e) Planning delegation
  - f) Job enrichment
- 3) Performance appraisal, including
  - a) Negotiated tasks and activities to be performed
  - b) Evaluation (by self and the supervisor) of the quality/quantity standards of task performance (both process and outcome effectiveness)
  - c) Analysis of factors helping and hindering task performances
- 4) Potential appraisal, including preparation of a system on the basis of the competency analysis, and actual potential appraisal work.
- 5) Employee development, including
  - a) Feedback on strengths and weaknesses
  - b) Performance counselling
  - c) Training
- 6) Team building, especially
  - a) Better understanding of each other
  - b) Locating areas of task conflicts and dealing with them
  - c) Building linkages and mutuality between jobs

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## 5.2 CONTEXTUAL ANALYSIS

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It is essential to know the mission, orientation, and goals of the organisation of which the job is a part. An understanding of the organisational context also helps in clarifying the general orientation of the job. For example, the mission of a hospital

supervisor, subordinates, colleagues, and in some cases others who interact with the incumbent (for example, patients and their relatives in the case of a nurse as job incumbent). The outside experts may be task analysts, educators, specialists in the field, or the organisation's top management.

These three sets of contributors can produce a great deal of usable information based on their observations, their reports of the activities that the job incumbent actually completes, and their assessments of activities that the job incumbent is or should be expected to complete. The role-set members or experts, for example, may be asked to observe the job incumbent and write their observations in some systematic way (every five or ten minutes for example). In addition, they may be asked to write their expectations regarding activities that the job incumbent probably performs or should perform, even though they may not have observed any of these activities. A doctor, for instance, might write that he or she expects or would expect a nurse to monitor patients and notify the doctor when any patient needs immediate attention. The job incumbent can also write a report of activities actually performed and any additional ones that he or she expects to perform in the job in the future.

### Collecting information on activities

Several methods can be used to prepare a comprehensive list of activities. The most commonly used methods are interviews, diaries, log books, and questionnaires.

- 1) **Interviews:** The interview is the most widely used and useful method of collecting information for activity analysis. Generally the respondent is simply asked to report observations and expectations. Sometimes, however, it may be useful to ask specifically what the job incumbent did on a particular day. Because respondents tend to give general answers, it is necessary to probe in an interview so that actual activities are revealed. For example, when interviewed about what a nurse does, a role-set member might say, "Well, she takes care of patients." It then becomes necessary to ask how the nurse takes care of patients—what she actually does. For this reason interviews require patience on the part of the interviewer. After thorough questioning the respondent becomes "educated" about the concept of an activity, and his or her answers become more pertinent and require less intervention from the interviewer.
- 2) **Diaries:** A diary is a set of detailed notes that a job incumbent keeps about the work-related activities that he or she performs during the work day. Before assigning the task of keeping such a diary, it is a good idea to meet with the job incumbent to discuss what an activity is and what should be noted in the diary. At this meeting it may be helpful to provide a combination of instructions and example such as that shown in Table 1.
- 3) **Log books:** A log book is a record that someone else keeps while observing a job incumbent. Again, it may be useful to discuss the potential contents of the log with the person keeping it. Providing a combination of instructions and example similar to that shown in Table 2 may be helpful.
- 4) **Questionnaires:** A questionnaire may be devised and administered to the job incumbent, the role-set members, and/or outside experts.

### The Product

After one or more of the suggested methods has been used for activity analysis the product will be a long list of activities. At this point the list is comprehensive and has not been subjected to any kind of sorting; it includes a number of essentially redundant items as well as both highly specific and less-specific items. Table 2 is an example of such a list for the position of district health officer in a province of Indonesia.

Table-1

#### Activity-analysis Diary (Instructions and Example)

The purpose of the activity-analysis diary is to help you keep notes about all of your work-related activities. Maintain the diary for four weeks: every work day for the first week, then every other work day for the second week, and then every third work day for the last two weeks.

Write a description of each work-related activity you perform during the day, and next to the description note the starting time. Be specific and use verbs. The

- 30) Meets periodically with staff members to provide information and to encourage them to share information.
- 31) Talks with the section heads about their programmes and factors that facilitate and hinder those programmes.
- 32) Communicates relevant information about implementation to the district leader.
- 33) When necessary, helps in solving problems that exist between or among the section heads.
- 34) Obtains detailed budget proposals from the health clinics and sections.
- 35) Rewards the staff members for good work and encourages their future work.
- 36) Prepares a guide on monitoring projects (for personal use).
- 37) Attends meetings of the Legislature when invited.
- 38) Organises staff training.
- 39) Collects data from communities and sections whenever they are needed to address issues raised in the Legislature.
- 40) Collects and reviews information on the progress of each project.
- 41) Reviews received budget plans and determines priorities.
- 42) Acts on or responds to the issues raised in the Legislature regarding health matters.
- 43) Discusses the budget with the provincial representatives.
- 44) Discusses with section heads the pace of programme implementation and any problems encountered.
- 45) Discusses the budget with the district leader.

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## 5.4 TASK DELINEATION

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After activity analysis has been completed, the next step is to group the activities into tasks and to name these tasks. This process, known as task delineation, involves subjective decision making and should be undertaken only by people who know and understand the job.

There is no set rule regarding the number of tasks to be delineated. However, there should not be so few that one cannot review them and form a clear picture of a job. Similarly, there should not be so many that the differences among activities is not readily apparent and that their numbers become cumbersome for performance appraisal and other purposes.

The tasks should be balanced in terms of the number of activities each comprises. If one task has too many activities, it needs to be divided into two or more tasks. For example, when delineating a nurse's tasks one should not call "patient care" a task because too many activities are covered by this term. Instead, patient care should be broken down into care requiring special skills, care requiring few skills (such as making the patient's bed), and socio-psychological care and support. After the tasks have been delineated, it is a good idea to rate the importance of each to the job and to assess the percentage of time spent by the job incumbent on each.

### Exercise 1

Go through the list of activities presented in Table-2, and group them into specific tasks.

- 1) .....
- 2) .....
- 3) .....
- 4) .....
- 5) .....
- 6) .....
- 7) .....
- 8) .....
- 9) .....

gathered indicating both kinds of effectiveness. For example, one can evaluate the task of taking customer orders with regard to the number of orders taken (outcome) as well as with regard to the time spent on the task or the number of mistakes made (process).

For each task it is advisable to identify only a few indicators of effectiveness: one or two for outcome effectiveness and one or two for process effectiveness. It is important to keep in mind that indicators must be specific, concrete, and measurable. Developing them is a difficult and creative task and should be undertaken only by people who have extensive knowledge of and insight into the job. A group consisting of the job incumbent, the role-set members, and experts may brainstorm in order to identify a number of indicators and then select only the best alternatives.

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## 5.7 DISCREPANCY ANALYSIS

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Discrepancy analysis is the identification of any discrepancies that become obvious as a result of the previous five steps. For example, discrepancies may exist between activities reported by the job incumbent and those reported by the role-set members, between activities reported and those observed or expected, between the importance of a task and the time spent completing it, between needed competencies and existing competencies, and so on. These gaps may indicate a need for certain remedial measures, such as redefining the role, training, additional work planning, delegating, increased monitoring, or counselling.

It is a good idea to check periodically for discrepancies between the job definition as reflected in the delineated tasks and actual job performance. Information about performance can be obtained by any one or a combination of the following methods:

- The job incumbent may monitor the time spent on each activity;
- The role-set members may analyse the importance attributed to various tasks versus the time spent on them; and/or
- Trained observers may observe the job incumbent for a few days.

Discrepancies between desired activities or tasks and actual performance may then be noted and acted on accordingly.

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## 5.8 TASK ANALYSIS AS A SUPERVISORY TOOL

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Task analysis as briefly described in this unit can be used as supervisory tool, to improve functioning of a unit. Some uses of Task Analysis have already been suggested. A few are focused below:

- 1) **Designing training:** Discrepancy analysis of the required competencies and the present level of these competencies in the employees concerned will help in identifying training needs, and then designing a training strategy, or at least training programmes to upgrade the competencies which seem to be at a lower level.

Information about the importance of the various tasks may also help in designing training programmes for high priority task. Similarly, the discrepancy between the importance of a task and the time spent on it may give some useful information. One reason for not spending enough time on a task may be lack of competency required to do the task. Such information may help in indicating the training needs.

- 2) **Performance monitoring:** A performance monitoring system can be developed based on the indicators of process and outcome effectiveness for the various tasks. Some of these indicators can be used in designing a format or a system of

# UNIT 6 MOTIVATIONAL ASPECTS OF HRD

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## Objectives

After going through the unit, you should be able to:

- appreciate that employee motivation is determined both by the employee's orientation and the external factors in the organisational role and the organisational climate
- analyse your role to identify strong and weak motivational aspects of your role in your organisation
- develop ideas of improving weak aspects of your role, and ideas for helping those you currently supervise or may supervise in future
- analyse your own behaviour in the organisation in terms of functional and dysfunctional aspects, and develop ideas for improvement.

## Structure

- 6.1 PEG: The Framework of Work Motivation
- 6.2 Motivating Roles for PEG
- 6.3 Approach and Avoidance Aspects of Motivation
- 6.4 Effective Managerial Behaviour
- 6.5 Promoting Work Motivation
- 6.6 Further Readings

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## 6.1 PEG: THE FRAMEWORK OF WORK MOTIVATION

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In one unit of a plant, a supervisor, while reviewing his section gave the following inputs to the manager: He complimented the worker Joseph by saying—his motivation was a high; he took a great deal of interest in his work whenever any difficulty arose, he tried various ways of solving it, or he went to someone who could give him help; he was learning new techniques, and seemed to have improved his output; he was always occupied and seemed to enjoy his work. On the other hand, for Raju, another worker he said—his motivation was low; he seemed to be sluggish; did not learn, he complained more; went to the supervisor with his problems; did not seem to enjoy and neglected his work; and was seen socialising with other workers in the canteen.

When the same workers worked in another unit their supervisor had different reports to make. According to him, Raju's motivation was quite different from Joseph's. He had high affiliation motivation; he enjoyed making friends and working with friends. When he was put in a small group in which most of his friends were working, his output increased, and he seemed to enjoy his work. On the other hand, Joseph worked very well when he was given a challenging assignment. He did not, however, get along very well with others, and was basically a loner.

What can be said about motivation in these two examples? The first supervisor uses "motivation" as a general term meaning involvement of an individual in work. The second supervisor uses it with a specific sense, meaning a particular motivation. By examining these two meanings more carefully, it can be seen that the first concept of motivation is an explanation of the general term "work motivation". Motivation has been used with both meanings in management literature and that has created some confusion. We shall deal with both in this unit. Let us first take the concept of work motivation in a general way, that of involvement and commitment.

If people are engaged in work which they find challenging and worthwhile (being relevant to social needs and contributes to social development) they feel proud to be associated with such work. One function of management is to create such a sense of

- 12) a) I do not enjoy my role.  
b) I enjoy my role very much.  
c) I enjoy some parts of my role and not others.
- 13) a) I have little freedom in my role.  
b) I have a great deal of freedom in my role.  
c) I have enough freedom in my role.
- 14) a) I do a good job according to a schedule already decided.  
b) I am able to be innovative in my role.  
c) I have no opportunity to be innovative or do something creative.
- 15) a) Others in the organisation see my role as significant to their work.  
b) I am a member of a task force or a committee.  
c) I do not work in any committees.
- 16) a) Hostility rather than cooperation is evident here.  
b) I experience enough mutual help here.  
c) People operate more in isolation here.
- 17) a) I am able to contribute to the company in my role.  
b) I am able to serve the larger parts of the society in my role.  
c) I wish I could do some useful work in my role.
- 18) a) I am able to influence relevant decisions.  
b) I am sometimes consulted on important matters.  
c) I cannot make any independent decisions.
- 19) a) I learn a great deal in my role.  
b) I learn a few new things in my role.  
c) I am involved in routine or unrelated activities and have learned nothing.
- 20) a) When people bring problems to me, I tend to ask them to work them out themselves.  
b) I dislike being bothered with interpersonal conflict.  
c) I enjoy solving problems related to my work.

Pride, joy, and a sense of growth, basic elements of work motivation, are related to the work an employee does. It has been found that an employee may have low motivation (PEG) in one organisation working on a job, and may develop high motivation on the same or similar job in another organisation. In other words, a role or a job in one organisation may be less motivating than in another organisation. This approach of shifting motivational attention from individual employees to organisational roles has a great advantage. The payoff may be very high because instead of attempting to motivate individuals, an attempt is made to motivate roles, and because larger number of employees can be affected in such a strategy.

The eventual objective of motivation is to make an employee effective. The effectiveness of an employee depends on his own potential effectiveness as a person, his technical competence and experience, etc., as well as on the role he occupies in the organisation is designed. It is the integration of the two (the person and the role) that ensures the person's effectiveness in the organisation. If the role does not allow him to use his competence, and if he constantly feels frustrated in the role, his effectiveness is likely to be low. The integration of the person and the role comes about when the role is able to fulfil the needs of the individual, and when the individual is able to contribute to the evolution of the role. The more we move from role, the more we move from role taking (responding to the expectations by various other persons) to role making (taking initiative in designing the role more creatively in a way that the various expectations from others as well as of the role occupant are integrated), the more the role is likely to be effective. Effectiveness of a person in an organisation, therefore, may depend on his own potential effectiveness, the potential effectiveness of the role and the organisational climate. The potential effectiveness is known as efficacy. Personal efficacy would mean potential effectiveness of a person in personal and inter-personal situations. Role efficacy would mean the potential

The general tendency to confront the problems to find relevant solutions contributes to efficacy. When people facing interpersonal problems sit down, talk about these problems, and search solutions, their efficacy is likely to be higher compared with situations in which they either deny such problems or refer these to their higher officers.

### Dimension 2: Role Centering

- 5) **Centrality:** If a person occupying a particular role in the organisation generally feels that the role he/she occupies is central in the organisation, his/her role efficacy is likely to be high. Every one working in an organisation wants to feel that his/her role is important. If persons occupying the various roles feel that their roles are peripheral, i.e. they are not much important, their potential effectiveness will be low. This is true not only of persons at a higher level in the organisation, but about people even at the lowest level. In a large hospital, class IV employees like ward boys and attendants had very high motivation when they joined the hospital. And coming from nearby villages, they would bring their friends and relatives to proudly show the place. After few months, they neglected work, sat in groups gossiping and not caring about the cleanliness, etc. They were rated as very low in their effectiveness. An investigation of this problem showed that within a few months of their joining the hospital, their perception changed about the perceived importance of their role; they felt that their role was not important at all. In contrast with this, in another hospital, the gate-keeper was trained to screen the requests of visitors who wanted to have some exceptions to the rule of coming only during the visitors hours. He used his discretion in making or not making exceptions in such cases, and referred a case to the nurses or doctors only for clarification and guidance for himself. Interviews with class IV employees in this hospital showed that they perceived their roles as quite important. One obvious difference in low motivation of the former and higher motivation of the latter was their perceived importance of their roles.
- 6) **Influence:** A related concept is that of influence or power. The more influence a person is able to exercise in the role, the higher the role efficacy is likely to be. One factor which may make roles in the public sector or civil service more efficacious is the opportunity to influence a larger sector in the society. On the other hand, if a person feels that he has no power in the role he occupies in the organisation, he is likely to have low efficacy.
- 7) **Personal Growth:** One factor which contributes effectively to role efficacy is the perception that the role provides the individual an opportunity to grow and develop. There are several examples of people leaving one role and becoming very effective in another primarily because they feel that they have more opportunity to grow in the latter. One head of a training institute accepted the position by taking a big financial cut in his salary mainly because he felt that he had nothing more to learn in the previous position, and in the new position he had opportunities to grow further. Examples of executives of companies going for faculty roles in the institutes of management indicate the importance of the factor of self-development for role efficacy. If a person feels that he is stagnating in the role and does not get any opportunity to grow is likely to have low role efficacy. In many institutes of higher learning, the roles of the staff pose problems of low efficacy. The main factor contributing to this is the lack of opportunity for them to systematically grow in their roles. Institutes which are able to plan the growth of such people in the roles are able to have higher efficacy and a great deal of contribution from them.

### Dimension 3: Role Linking

- 8) **Inter-role linkage of one's role with other roles in the organisation increases efficacy.** If there is a joint effort in understanding problems, finding solutions, etc., the efficacy of the various roles involved is likely to be high. Of course, the presumption is that people know how to work effectively. Similarly, if a person is a member of a task group set up for a specific purpose, his efficacy, with other factors being common, is likely to be high. The feeling of isolation of a role (that a person works without any linkage with other roles) reduces role efficacy.
- 9) **Helping Relationship:** In addition to inter-role linkage, the opportunity for

**Increasing Role Efficacy**

One can plan to increase role efficacy of one's own role, as well as those of one's employees. Some practical suggestions, based on work in some organisations, are given for the supervisors to increase role efficacy of their employees.

**Self Role Integration**

- 1) Work with the employees in redesigning their roles in which their strengths can be utilised.
- 2) Recommend replacement of a misfit in a job which can use his assets.

**Productivity**

- 1) Minimise supervision of employees, and encourage them to ask for your help when they need such help.
- 2) Reward initiative of employees.
- 3) Listen to the employees, give respect to their views, and use these wherever possible.
- 4) Arrange for visits of the employees to other organisation.

**Creativity**

- 1) Encourage your employees to give ideas to solve the problems.
- 2) Create a climate which encourage people to generate ideas without fear of being criticised.
- 3) Appreciate and use new ideas given by the employees.
- 4) Encourage and reward suggestions to solve problems.

**Confrontation**

- 1) Take the employees into confidence while confronting a problem.
- 2) Support the action taken by the employee if it is within the rules and procedures.
- 3) Appoint a task group for a problem making a decision.
- 4) Use failure of an employee as an experience and help him to learn from it.
- 5) Encourage employees to bring problems.
- 6) Anticipate problems in collaboration with your employees.
- 7) Encourage subordinates to solve problems and report to you.
- 8) Follow the "buck stops here" dictum.

**Centrality**

- 1) Communicate the importance of the roles to their incumbents (the critical contributions of the roles)
- 2) Communicate the importance of the role as perceived by others.
- 3) Give enough freedom to each employee to set his objectives and decide ways of achieving them.
- 4) Give increasingly difficult and challenging responsibilities.

**Influence**

- 1) Delegate enough authority.
- 2) Give relevant details of decisions made.
- 3) Send good ideas of employees to higher management.
- 4) Give feedback to employees on their suggestions.
- 5) Be willing to accept mistake.

**Growth**

- 1) Appreciate employee's work.
- 2) Do not snub the employees for their shortcomings but cooperate to improve

One more motive or need, so far neglected, but quite relevant for organisational behaviour, is that of dependency. So far dependency was regarded as a negative force. However, recently interest has been aroused in the importance of dependency in the development of managers, and this need is reflected in the mentoring process, discussed in Unit 8 in this Block.

Thus we have six main needs or motives, relevant for understanding the dynamics of behaviour of persons working in organisations. These are briefly defined below:

- 1) Achievement motive is characterised by a concern for excellence, competition with standards of excellence set by others or by self, setting challenging goals for oneself, awareness of the hurdles in the way of achieving one's goal.
- 2) Affiliation or power motive is characterised by a concern for establishing and maintaining personal close relationships, value for friendship, a tendency to express emotions.
- 3) Influence motive is characterised by concern for making impact on others, a desire to make people do what one thinks is right, an urge to change matters and (develop) people.
- 4) Control motive is characterised by a concern for orderliness, a desire to keep informed, an urge to monitor and take corrective action when needed.
- 5) Extension motive is characterized by a concern for others interest in superordinate goal, being relevant and useful to larger groups including the society.
- 6) Dependency motive is characterised by a concern for self development with others' help, checking with significant others (more knowledgeable, higher status, experts, close associates) ideas, proposed action, etc., for approval, expectations of such an "approval" relationship.

The above motives may be used in explaining the behaviour of an employee. However, one more aspect deserves attention. Each of these motives may have two dimensions: approach and avoidance. Approach aspects indicates that the person acts according to a need with "hope" of achieving something. The concept of avoidance is based on "fear", and therefore the motive is to avoid that fear. In achievement motive, "fear of failure" has been found as one of its important component distinct from "hope of success". A lot of research has been done on fear of failure, which (as an avoidance behaviour) has been found to be dysfunctional, although being a part of the achievement motive. For example, hope of success vs. fear of failure (approach vs. avoidance) was found to be the main intervening variable to explain who benefited from achievement motivation training programmes in terms of increase in the entrepreneurial activity. Persons high in achievement motivation, but with high component of fear of failure, failed to start new business, contrasted with those who had high component of hope of success. This concept (approach vs. avoidance) can be applied to other motives also.

Table 1 briefly suggests the approach and avoidance dimensions of each motive, based respectively on hope of or fear of something. The behaviour of an employee can thus be analysed not only in terms of the various motives, but also from the angle of positive aspect (approach) or negative aspect (avoidance), reflected by hope or fear. It is assumed that in organisations all the six motives have their legitimate place, and contribute to the effectiveness of an employee.

**Table 1**  
**Approach and Avoidance Dimensions of Six Motives**

Motives	Approach (Hope of)	Avoidance (Fear of)
Achievement	Success	Failure
Affiliation	Inclusion	Exclusion
Extension	Relevance	Irrelevance
Influence	Impact	Impotence
Control	Order	Chaos
Dependency	Growth	Loneliness

- 3) Promotions based on merit and competence create a climate of high work motivation.

It is extremely important that the organisation pays attention to its promotion policies. If it is perceived that promotions are done on personal considerations and not on the basis of competence, potential for higher responsibility, and merit, the general climate in the organisation will reduce work motivation. In such a climate motivation to do good work is low, and people try to find the bases on which promotions are made, work towards those criteria (smart appearance, good personal relations, being good golf players, etc.).

- 4) Promotion motivates only when the new job to which a person is promoted provides higher challenge.

Some companies make a mistake in thinking that promotion per se may motivate people. If after promotion, the person continues to do what he was doing before, and does not have any new challenge, his motivation after some time will go down. In one public sector company several competent bright young people who had been given quick promotions felt highly satisfied for some time, but after the initial euphoria of getting promotion wore off, they felt dissatisfied because the new jobs were not more challenging than the previous ones. New responsibilities and challenges should be built into the new jobs, if promotion is to be used as a motivator. Otherwise, people feel cheated that they have been given more salary and higher designation without the accompanying responsibility and challenge.

#### Training Systems

- 5) An individual's motivational pattern can be changed. Like the organisation, and individual also has motivational patterns. Some needs are stronger in him than others. Experiments and experience have shown that it is possible to raise the level of specific needs in the individuals. For example, if an individual has low achievement motivation, and if this concerns him, and he wants to raise his level of achievement, this can be done. It may be useful to provide opportunities to individuals to first get a picture of their motivational profile, and then, special programmes can be arranged to help them raise the level of a specific psychological need in which they may be interested. Some agencies are organising such motivation development laboratories.

#### Work Systems

- 6) Deficit needs (hygienes) if not attended to, are likely to affect work motivation.

Attention needs to be paid to hygiene factors like salary, security, company policy, working conditions and general atmosphere in the department/units. If these are unsatisfactory, the necessary work on raising the level of motivation cannot be done. These are like diseases. Nutrition is very important for good health of a person. However, unless the bacteria affecting his health are eliminated from the atmosphere, he is not likely to improve. These factors need to be analysed, and necessary improvements need to be made in them.

- 7) Work motivation is partly in proportion to the challenge the job provides to the individual.

Some of the factors Herzberg has suggested as motivators are very important for work motivation. Challenge in the job is one such factor. If a job does not provide enough challenge to the individual, his motivation will be low. If a feeling of lack of challenge seems to be prevailing, it may be useful to examine the job content, and do something to build more challenge in the job, may be by delegation of some important functions which the individual may perceive as valuable. Even a helper or a gardener feels motivated if he is given a specific responsibility, is given freedom to operate, and is held responsible for the results. Enough autonomy with adequate support and a demand for responsibility combine to increase motivation. Each job may be examined to see how such autonomy and responsibility can be increased.

- 8) Work motivation is directly related to perception of opportunities of development and growth in the job.

If people feel that what they do in the job helps them to learn new things, and

**Self-renewal Systems**

15) Systems in an organisation reinforce some motivations more than others.

While designing the systems, or making changes in them, it may be discussed what motivations they will reinforce. This may help in designing systems for reinforcing relevant motivations for organisational effectiveness—achievement, power, extension. For example, the information control system which provides relevant information to the person who has to take decisions will reinforce control motivation. Or, the promotion system which objectively rewards high performance will reinforce achievement motivation. Similarly, a system requiring people from various departments or sections or levels to meet and discuss and come to a decision will reinforce extension motivation (collaboration).

16) Role efficacy contributes to work motivation.

Role efficacy (discussed above in 6.2) has several aspects e.g. the individual's feeling of his role being central in the organisation, self-role integration, possibilities for the individual to take initiative and be creative, linkage of the role with other roles in the organisation, helping relationships in the organisation, opportunity to influence and to work on larger goals beneficial to others, opportunity of growth, etc. It may be useful to measure role efficacy of several roles in the organisation, and take steps to raise it.

**Activity A**

Identify the most characteristic and least characteristic motivation of your department's or unit's climate. What are the indicators?

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**Activity B**

Administer the role efficacy scale given in beginning of this unit to your subordinates. Identify the dimensions where they score low. Discuss with them the concept of role efficacy and the ways of improving it in your section or department.

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## 6.6 FURTHER READINGS

Two chapter on work motivation (chapters 9 and 10) in *Organisational Behaviour Processes* (Rawat, 1988) by Udai Pareek discuss theories of work motivations, findings of Indian studies, and some propositions to develop motivations, Approach and avoidance aspects of motivation, with an instrument, are discussed in Udai Pareek's "Motivational Analysis of Organisations—Behaviour (MAO-B)" (1986 Annual: *Developing Human Resources*, San Diego University Associates).

Details about development of achievement motivations, the first systematic programme anywhere in the world done in India, are described in *Motivation Economic Achievement* (Free Press 1969) by D.C. Maclelland, D.C. Winter. The book contains good material on motivation development. D.C. Maclelland and D.H. Burnhan have reported the importance of power motive, and have briefly narrated the approach to develop power motive, in "Power is the great motivator" *Harvard Business Review*, 1976, 54(2), 100-100.

Detailed discussion of the concept, research findings and ways of developing role efficacy can be found in *Motivation Organisational Role* by Udai Pareek (Rawat:

- b) I prefer to think mostly in terms of immediate tasks and short term goals, even if few employees remain dissatisfied. In the present day environment there is very little time to think about future.
- c) I think mostly in terms of my people and protecting them. A good leader should gain employee's loyalty by satisfying them, as it is the people that count in the long run.
- 5) a) I expect my employees to come to me whenever they are in difficulty. I normally help and solve problems of those who approach me.
- b) I prefer my employees to work through their difficulties and learn to solve their own problems. However, I am ready to provide support when they need it.
- c) Now-a-days people seem to run to their boss for every small problem. I get impatient most often with such employees.
- 6) a) I lose patience when my subordinates make mistakes. I get upset and irritated easily.
- b) I tend to tolerate the mistakes of my subordinates. Quite often end up salvaging the situation and protecting them as far as possible.
- c) I encourage my employees to use mistakes as learning opportunities. I discuss with them and educate them to increase their competence.
- 7) a) In a conflict situation I prefer to call the parties together and help them solve the problems so that they understand each other better, learn to resolve their conflicts by themselves.
- b) I prefer to bring conflict to the notice of my seniors or take action to pull up the erring side.
- c) In a conflict situation my employees normally look to me for my judgement on who is right and who is wrong. I do tell them what I think is the best.
- 8) a) I tend to make most decisions myself, and prefer to inform only those who need to know.
- b) I prefer my employees to make most of the work-related decisions. I consult my employees on critical decisions and keep them informed to give them a sense of involvement and identification with the organisation.
- c) I prefer to make most decisions myself, as I am not sure if my employees have the required competencies.
- 9) a) I prefer to assign tasks purely according to organisational norms even if some people are hurt.
- b) I tend to assign tasks on the basis of my assessment of the employees' competencies. By and large they seem to like my judgement.
- c) While assigning tasks I ensure that they match the competencies of the employees, at the same time providing them opportunities for development.
- 10) a) I believe in treating my subordinates with respect. I believe that I cannot be a powerful leader unless I make my subordinates powerful.
- b) I am rather cautious in praising my employees. Praise gets into their heads. They tend to put up a show to impress you. It is difficult to trust them.
- c) I prefer trustworthy employees, with personal loyalty to me.
- 11) a) I prefer to share new information only with a select few, especially with those to whom it is relevant.
- b) I do not think there is any need to share any information about the external environment, technological developments etc. with my employees.
- c) Whenever I come to know about any important developments in the country in technology or socio-political-economic changes, I share them with all of my employees. I do this as part of building their competencies for future.
- 12) a) I normally share whatever information I get about my organisation, its policies, plans etc. with my employees. This keeps them well prepared for the changes.
- b) I share information about any changes in company policies, future plans, etc. only with a few, mainly dependable employees.
- c) I prefer not to share any information I get about the company, its policies, future plans etc. If something is important for my employees to know they will know it through proper channel.
- 13) a) My leadership style inspires my employees. I create conditions so that they enjoy the work they do.
- b) I do my job well, and I expect the same from my employees, I do not tolerate any deviation from the tasks assigned to my employees.
- c) I give high weightage to people and their relationships. I would like my employees to do things that I like; and they do try to keep me satisfied.
- 14) a) I permit only some of my employees to take initiative and work on their own. There is no point giving freedom to everyone in the team; some are more capable than others.
- b) I prefer my employees to conform to the rules and procedures and do what they are expected to do.
- c) I encourage my employees to take initiative, without which they cannot develop.

competent to do their share of work, and his own role is to facilitate their work. In some cases, even allocation of individual responsibilities, work planning (who can take leave when, and who will substitute the employees on leave etc.) is left to the team of employees; the supervisor reviews with them progress, and then plans what he himself can do to facilitate (and remove obstacles from) achievement of the planned tasks.

The responsibility of the developmental supervisor is even higher and more difficult than that of the traditional supervisor. No supervisor can delegate the main functions of overall planning, monitoring, reviewing progress with employees, employee development, employee counselling or coaching, team building, managing conflicts, managing frustration, ensuring productivity and quality, and paying individual attention to employees according to their needs.

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## 7.2 SUPERVISORY STYLES

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Although all supervisors are unique in some way, there are some common supervisory styles. A manager may use more than one of these styles depending on the situation. There has been search for common styles.

### Authoritarian and Democratic Styles

The earliest suggestions was made by Lippit and White, regarding two types of leaders: authoritarian and democratic. The authoritarian leader determines all policies and strategies, decides on the composition and tasks of the work teams, is personal in giving praise and criticism, and maintains some personal distance from employees. In contrast, the democratic leader ensures that policies and strategies are determined by the group, gives technical advice whenever the group needs it, allows freedom to group members to choose their work teams, tries to be objective in providing rewards and punishments, and participates in discussions.

When these two styles of management were compared in experimental studies, it was found that authoritarians produced: (a) a greater quantity of work, (b) a greater amount of aggressiveness toward the leader, (c) less originality in work, (d) less work motivation, (e) more dependence, (f) less group feeling, and (g) more suppressed discontent.

### Task-oriented and Employee-oriented Styles

Blake and Mouton developed the concept of task-oriented and people-oriented leadership. Differences between these supervisory styles are summarised below.

(A task oriented supervisor emphasizes the task, often believes that ends are more important than means and thinks that employees need to be supervised closely in order to accomplish their tasks. This type of supervisor becomes upset when tasks are not accomplished.) The concern for task is so high that the human aspect is likely to be neglected in dealings with subordinates. This type of supervisor is likely to have difficulty in human relations and may appear to be a "tough" person. (A task-oriented supervisor may frequently question or remind subordinates about their task, warn them about deadlines, or show a great deal of concern about details.)

Employees who work with an excessively task-oriented supervisor often develop negative attitudes about their work and their supervisor. They may develop shortcuts that, in the long run, affect the organisation's performance.

(In contrast, (the employee-oriented supervisor believes that a concern for subordinates' needs and welfare promotes both the quantity and quality of work.) This concern may be reflected in attempts to keep subordinates in good humour and in frequent inquiries about their problems (even those unrelated to work). In the extreme, this type of supervision also leads to inefficiency. (Subordinates may perceive this type of supervisor as too lenient and may take advantage of the supervisor's concern.)

The task-oriented and employee-oriented styles may not be present in pure forms,

3	a	c	b
4	c	b	a
5	a	c	b
6	b	a	c
7	c	b	a
8	a	c	b
9	b	a	c
10	c	b	a
11	a	b	c
12	b	c	a
13	c	b	a
14	a	c	b
Total	—	—	—
%Divide by 84 and multiply by 100	—	—	—

### Implications of Supervisory Styles

No single supervisory style is universally effective. The effectiveness of the style depends on the employees, the nature of the task, and various other factors. If a new employee does not know much about the work, a benevolent supervisor is helpful; a critical supervisor may be frightening; and a developmental supervisor may cause bewilderment. On the other hand, a capable employee may feel most comfortable with the developmental style of supervision and resent a benevolent supervisor who continually gives unwanted advice.

Employees with low self-discipline probably could be developed best by critical supervision, at least on an intermittent basis. Continual use of critical supervision, however, is unlikely to be effective. Flexibility and perceptiveness about when to use each style are useful attributes for leaders of supervisors.

## 7.3 USING POWER AND EMPOWERING EMPLOYEES

Supervisory effectiveness depends on how well they use power. It may be useful to examine some concepts of power relevant for supervisory effectiveness.

As already stated the main function of a supervisor is to influence the employees both to achieve the organisational goals and to help the employees develop and become effective. Different supervisors use influence in different ways. One way to understand the use of power by supervisors and managers is to analyse the bases of power which they employ. Managers can use one or more of the 8 bases of power suggested in Table 1.

**Table 1**  
**Bases and Types of Power**

Bases of Power	Types of Power
1 Proximity to the source of power	Reflected power
2 Role of status	Authority
3 Punishment	Coercive power
4 Relationship	Emotional power
5 Reward	Reinforcing power
6 Ability to arouse emotions	Charismatic power
7 Expertise	Expert power

of maturity; use of referent power showing higher maturity. Supervisors need to move towards the end represented by referent power. The more they use the more mature bases of power the more effective they are likely to be. For example, instead of using authority and coercive power, they may use expert and referent power. The eight bases of power can be classified into two main categories—coercive power (reflected power, authority, coercive power and emotional power) and persuasive power (reinforcing power, charismatic power, expert power and referent power). Effective supervisors have been found in research studies to use more persuasive power than coercive power. They reward desirable behaviour, are seen as experts in their own fields, inspire the employees, and set a model for example through their behaviour (and not sermons).

Thirdly, supervisors help their employees to be more flexible in the use of these bases of power, and mature in the use of power, moving towards referent power. They create conditions for others to become more powerful. Thus one of the supervisory functions is to empower the employees (help them to use power bases with maturity).

Enough research has been done on influencing styles. One approach classifies influence into two categories—direct influence and indirect influence. Direct influence is defined as the influence which limits the freedom of people being influenced, whereas indirect influence increases the freedom of people. Ordering employees to do something is classified as direct influence which limits the freedom of people being influenced, whereas indirect influence increases the freedom of people. Ordering employees to do something is classified as direct influence, whereas raising questions to them to help them to take decisions is regarded as indirect influence, because the former gives no freedom to the employees whereas the latter encourages them to give ideas and generate alternatives. Similarly, punishment is classified as direct influence behaviour and rewarding as indirect influence behaviour, because the former would discourage an employee to do certain things and thereby would limit his freedom, whereas the latter (rewards) encourages an employee to take initiative and take risks. Researches have shown that use of direct influence behaviour leads to low initiative, low creativity, dependency, low activity level, low interpersonal trust, and lower indices of effectiveness and mental health. On the other hand, indirect influence contributes to creativity and effectiveness of a person. Direct influence produces results when the task is simple and repetitive and no creativity or complex decision making are involved. Indirect influence is very effective in situations involving creativity and complexity.

Supervisors may examine what are their objectives in the use of power. If they want their employees to take initiative and responsibility, to be creative and innovative, their own style needs to be more of indirect influence style. In other words, they need to use their power to empower others, to increase their initiative and autonomy and to help their employees to take initiative and personal responsibility for results.

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## 7.2 SUPERVISORY CONTROL

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The purpose of supervisory control is to ensure that results are achieved according to the planned schedule (time, quantity, quality, use of input etc.). The word control may miscommunicate the purpose if it is understood and interpreted in the sense of directing and commanding the employees, in other words, supervisory control refers to the process and result of work (using coordinated mechanism to check the process and outcome of work against pre-determined norms, and taking corrective action), and not to people (directing and commanding them). Supervisory control is exercised with people concerned, and not over them.

Supervisory control involves three processes: establishing norms or standards before any action is taken (including periodically planned performance indices), monitoring the level of periodical progress, and taking corrective action in case of deviation from the norms (usually shortfall).

**Establishing Norms:** Norms or standards of performance are established in advance, so that monitoring may be possible. One system used in establishing norms is the performance appraisal system. The supervisor helps each employee to identify

- 4) Diagnosis of problems and obstacles in raising quality standards.
- 5) Inviting suggestions from concerned employees.
- 6) Formation of special Task Forces to deal with specific problems, with time goals.
- 7) Emphasizing accountability of Task Forces by reviewing their work by the team, inviting the convenors, and recognizing their contribution.

## 7.5 BUILDING EFFECTIVE TEAMS

One major responsibility of a supervisor is to build effective teams of employees. Productivity, quality of products and services, dealing with crisis etc. require strong team work. This supervisory function is particularly important in Indian organisations where by tradition team work is poor. Strong and cohesive work teams can influence the individual employees also. So team work can also be economical means of developing individual employees. Supervisors can take several steps to develop effective work teams. Some of these are suggested below.

**Use of Teams:** If supervisors use teams in a number of situations the culture of team work may be strengthened. For example, whenever a special problem arises, instead of solving the problem individually by himself, or by a competent employee, the supervisor may set up a special team to work out detailed actions plan. Such Task Forces (especially constituted teams to complete specific assignments) are very useful in dealing with special issues. Task Forces are given a task to be completed within a particular period. In constituting a Task Force, members are taken from the groups concerned with the problem. For example, if a supervisor in textile mill may discover some spots on the cloth, he may consult engineering department, maintenance department, and weaving department, and constitute 3 member Task Force of representatives of these departments to investigate the problem and suggest solution. The concept of a Task Force is that an important task requires urgent work, on a war footing, that the problem is multifacet and should be investigated from several angles, and that collaboration of the concerned people is necessary to own up the responsibility and find a solution. Task Forces contribute to collaborative culture in the organisation.

Improvement of quality of products and services is usually done through a team. Quality Circles are being used in many organisations on the Japanese model, Productivity Circles or Productivity Teams can also be set up, as discussed in the last section. The more such teams, are used with success, the more the employees learn how to work in teams.

**Rewarding Teams:** Importance of a phenomenon is usually reflected in and advanced by its recognition by the top management (including rewards). In Indian organizations, team work is seldom rewarded. In performance appraisal no recognition is given to teams or team work. Rewards are generally individual. Even most Indian firms reinforce the image of an individual hero facing and successfully overcoming extremely difficult situation. No wonder that team work is poor in Indian organization.

Recognition should be given to team work in performance appraisal. It is high time that we developed appraisal system not only for individual employees, but also for teams. However, in the performance appraisal of individual employees, two items should also be included; how much team spirit the employee showed (worked as a member of teams), and what efforts he made to develop teams of his own employees.

Productive teams should also be rewarded. Competition can be instituted for selecting the most productive team, or the best Task Force contributing to big savings, or autonomous work groups producing high quality products etc. Areas of competition and criteria for selecting the teams may be carefully planned. Some of the rewards may be both symbols of prestige, and of use to the group. For example, the best performing branch of a Bank can be given a covetable facility (water cooler,

**Building Exercises:** Team building may require special attention, most of Organisation Development (OD) programmes are concerned with team building. Team building is seen as the building block of an organisation. Special interventions are made to build strong teams. In the past, the first exercise in OD work used to be building teams, beginning from the top, through special programmes of sensitivity training, T-Groups. These programmes helped in developing strong teams. Later, other techniques were used. For example, if teams are involved in diagnosing the causes of poor team work, they prepare possible action plans to deal with such problems, and implement the plans, stronger teams may emerge. The basic idea of team building is to confront the issues in the open, develop norms of frank feedback to each other, and to generate alternative solutions jointly. Generally, an expert consultant is invited to help in such exercises.

**Process help to teams:** Teams need to know if they are working effectively, and where they can improve. A supervisor can provide such help, or he may like to invite an external "process consultant". Usually a process consultant (or a supervisor) sits throughout the meeting of the team, and towards the end gives feedback on different aspects of team working: who monopolised most contributions, who were silent members, were "cliques" visible (consistent supporting behaviour amongst some sub-groups, or fight between two or building on each others ideas etc.). Such analysis of task and process functions helps the team to become aware of its problems, strengths etc. It also helps individual members to understand how they functioned as team members.

A supervisor may learn such process skills, and may provide such help to teams from time to time. Generally the last half an hour or so may be kept for process analysis. Each team can adopt the practice of keeping the last half-hour or one hour for processing, to examine how they functioned as team. Team members can be given special training in observing various processes.

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## 7.6 MANAGING DISSATISFACTION AND FRUSTRATION

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An employee has worked very hard, and expects to be rewarded for his work. He does not get any reward, not even appreciation. He feels frustrated. Another employee has been promised a very exciting assignment, but his work constitutes visits to a corporate customer who has promised him to buy his product. But the customer finally refuses to buy the product. The salesman is frustrated. We can cite examples after examples of frustration and disappointment. Every day we face situations which frustrate us.

### The Dynamics of Frustration

What causes frustration? Let us take an example of Ali who felt frustrated because he worked hard and his boss had promised that he would be given the higher position, but he did not get the position when the announcements were made. How much frustrated did he feel?

Several factors contribute to frustration. All these are goal-related factors. These are shown in the following formula (borrowed from Pareek).

$F = E \times V \times O + I + P$ , where

F = Frustration

E = Expectation to achieve the goal

V = Valence (attractiveness of the goal)

O = Opportunity to achieve the goal in the near future (low)

I = Investment of effort and other inputs in the achievement of the goal

P = Publicity of the expected achievement (knowledge of others)

As may be seen from the formula, three variables have a multiplicative function—they enhance frustration faster. If one of them is zero, the resulting frustration will be zero. In the example given above, if Ali had no expectation to get

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# UNIT 8 COUNSELLING AND MENTORING

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## Objectives

After going through the unit you should be able to:

- understand the concept and processes of counselling and mentoring
- differentiate between listening to and hearing the employees, and between helpful and unhelpful questions raised to them
- understand the role of the mentors, and how to develop them.

## Structure

- 8.1 The Concept, Objectives and Processes
- 8.2 Listening and Asking
- 8.3 Nurturing and Helping
- 8.4 The Process of Counselling
- 8.5 The Process of Mentoring
- 8.6 Further Readings

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## 8.1 THE CONCEPT, OBJECTIVES AND PROCESSES

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Young persons (workers and managers included) develop by being with persons whom they admire, and by building a trusting relationship with their supervisors who nurture, support and guide their subordinates. There is no substitute for such a dyadic relationship for employee development. It differs from training mainly in its intensity or relationship and its focus on establishing mutuality and confidentiality.

When a young person joins an organisation he/she needs some senior person (whom he/she admires for various qualities) in whom(s)/he can confide and get advice and support. The person need not be, and preferably should not be, his/her supervisor. Such relationship is called **mentoring**, and the senior person is called **mentor**. The word has its origin in Greek mythology. Odysseus, while going on a long 10-year voyage, left his house and his son Telemachus in the care of an old man named Mentor, who not only helped the boy to become a competent young man, but also on one occasion saved his life. This relationship became a model and came to be known as mentoring. The concept of mentoring relates to emotional support and guidance given by usually an older person to a younger one who is called a **protege**.

The young employee also need's to develop trusting and supportive relationship with his/her immediate supervisor, who can help the former to set challenging task goals, support him/her to achieve them, help him/her to analyse why he/she could not have higher performance, and plan to have higher achievement in future. This process is called counselling or coaching or performance review which can be defined as help provided by a Supervisor to the subordinates in analysing their performance and other behaviours on-the-job, in order to improve their performance. While mentoring is concerned about the general development and psychological well being of a person, performance review or counselling or coaching (we shall use the word counselling for this process) focuses on the analysis of performance on the job, and identification of training needs for further improvement.

### Objectives of Mentoring

The main purpose of mentoring is to provide opportunity to young people to share their concerns and get both moral support and guidance for their development. It involves the following:

- 1) Establishing a relationship of trust
- 2) Modelling behavioural norms for the young person

misses his bus, does not get the expected reward, finds his son/daughter scoring low in examination, finds his important papers missing, and so on. We can recount hundreds of such everyday frustrating experiences. The main critical aspect is how he deals with such situations. This we call coping behaviour.

A general manager, promoted from production position, faced with frustrating experience of fall in productivity, may behave in a variety of ways. He may be angry in general and with his staff (aggression); he may rush to solve the production problems, as he knows the job well (regression); he may explain away the problem to his seniors (flight) or he may sit with his people, analyse the data, and take decisions to improve the situation (exploration). These four modes of coping are not simple. They take several forms. We shall discuss these below.

### Managing Frustration

The supervisors are frequently required to deal with frustration of their employees. The following sequential steps are suggested for effective management of employee frustration.

- 1) **Listen to the feelings of the staff:** The first step is taken by the supervisor by understanding the feelings and point of view of the frustrated employee(s). This may be done by asking the employee(s) to state the problem, their feelings, and their perceptions. Instead of being defensive, if the employees express negative impressions, the manager may do well to patiently listen to them. One test of listening, and a desirable behaviour assuring the employees that the manager listened to them is to restate their points of view, feelings and perceptions at the end of the session before taking the next step.
- 2) **Share own feelings of disappointment:** If a supervisor is able to level with his employees, he may be able to reach them. In most situations producing frustration in employees, the manager is also experiencing disappointment. If an employee is not rewarded, the supervisors is also disappointed. It may help in building rapport with the employees if the manager shares his own disappointment with them. This should not be done as a gimmick, but if he has some feelings these need to be shared.
- 3) **Share feelings of guilt (if any):** Sometimes the supervisors may partly contribute to the disappointment of the employees. He may build high expectations, and the employees may feel frustrated because the expectations are not met. Or he may promise something to an employee who does not get it. In such situations, a manager's usual tendency is to explain it in terms of reasons. Before any explanation is given, the manager may share his feelings of guilt in arousing expectations, etc.
- 4) **Help the employees to own up their feelings:** The supervisors modelling behaviour in sharing his feelings and owning up feelings of guilt may help the employees own up their own feelings of disappointment, anger etc. This may help in taking next constructive steps.
- 5) **Help the employees to accept and confront reality:** The first step in constructive action is to acknowledge the reality and be ready to deal with it. Clearing the feelings may help the employee-supervisor team to move forward, and not get fixated at feelings. The new situation as it exists may be clearly stated, understood and accepted as a reality.
- 6) **Help the employees assess damage by frustration:** Frustration causes some damage in terms of physical effects (sleeplessness, tension, loss of appetite), social effects (effect on personal relationships, reduced social contacts, lack of enjoying life together), effects on work (neglect of work, errors, fall in quality, absenteeism) etc. It may be useful to help the employee reflect and assess the damage frustration, is doing to them. Even if the work in the organisation suffers the main damage is done to the frustrated employee. The employees need to understand and realise this.
- 7) **Develop alternatives to solve the problem:** The final step is to involve the frustrated employees in generating alternatives in dealing with the problem, and in taking constructive steps. While employees generate the alternatives, the supervisors may suggest some possibilities. Most often the employees, being close

- 4) Helping him to search alternative solutions for the problem
- 5) Sharing own relevant experiences
- 6) Responding to his emotional needs, without making him dependent on the mentor
- 7) Develop long-lasting personal and informal relationship.

### Objectives of Counselling

The main purpose of counselling is to develop the employee. It involves the following:

- 1) Helping him to realise his potential as a manager.
- 2) Helping him to understand himself—his strengths and his weaknesses.
- 3) Providing him an opportunity to acquire more insight into his behaviour and analyse the dynamics of such behaviour.
- 4) Helping him to have better understanding of the environment.
- 5) Increasing his personal and inter-personal effectiveness through effective feedback.
- 6) Encouraging him to set goals for further improvement.
- 7) Encouraging him to generate alternatives for dealing with various problems and definite action plan.
- 8) Helping him to review in a non-threatening way his progress in achieving various objectives.
- 9) Providing him empathic atmosphere for his sharing and discussing his tensions, conflicts, concerns and problems.

Both counselling and mentoring involve help and support by a senior person (in competence, experience, expertise, and position) to a younger one. Three processes are involved both in counselling and mentoring: communication, empowering and helping.

Communication involves both receiving messages (listening), giving messages (responding), and giving feedback. The counsellor or the mentor does all these. The process of empowering involves enabling the other person to exercise more autonomy, providing positive reinforcement so that desirable behaviour is further strengthened, and creating conditions in which the person is able to learn from the behaviour of the mentor. The counsellor through the process of identification. Helping behaviour is based on concern and empathy of the mentor or the counsellor for the employee. It is also based on mutuality of relationship; counsellee responds as much to the counsellor's need as the former does to the latter's. And finally, helping primarily involves identification of developmental needs of the counsellee so that he may be able to develop and increase his effectiveness.

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## 8.2 LISTENING AND ASKING

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In inter-personal communication messages are received from (listening) and sent to (responding or asking questions) the other persons. Effective listening, empathic response, and supportive questioning are important both in mentoring and in performance counselling. Most examples here will be given from performance counselling.

### Listening

Listening is the first effective step in communication. Listening involves paying attention to the various messages being sent by the other person. The obvious message is the ideas being communicated (cognitive message). But more hidden may be the feelings and the concerns the other person may not be able to put clearly in words. Listening to feelings and concerns is very important for effective counselling.

- |  |  |
|--|--|
| 2) I do not know why I was transferred to this department. I was not given any reason—they just sent me. And I do not like it.   | You feel puzzled and you resent because<br>.....<br>.....<br>..... |
| 3) This is absolutely ridiculous. I have only been doing this job for a short while and my supervisor has decided to move me out because I am not producing as much as the others. | You feel angry because<br>.....<br>.....<br>.....<br>.....         |
| 4) My superior obviously does not like me. No matter what I do, it is not good enough. I want a change to a different department.  | You feel trapped because<br>.....<br>.....<br>.....                |
| 5) I do not understand my boss. One day he tells me what a great worker I am and the next day he says that I am good at nothing.   | You are puzzled because<br>.....<br>.....<br>.....                 |

### Asking Questions and Responding

Questions can facilitate or hinder the process of communication. Questions can serve several purposes: they can help in getting more information, establishing mutuality, clarifying matters, stimulating thinking. In a counselling situation questions play a very important role. Some questions can shut off the counsellee, or make him dependent on the counsellor. Another set of questions can build autonomy of the counsellee. Obviously the latter will be helpful, and not the former.

### Questions that do not help

The following types of questions are not only not helpful, they hinder the process of effective counselling.

### Critical Questions

Questions which are used to criticise, reprimand or doubt the counsellee create a gap between him and the counsellor. The way the question is asked (tone or sarcasm) may indicate that the question is a critical one. The choice of words may also indicate the critical nature of the questions. "Why did you fail to achieve your targets?" communicates criticism, whereas "why could you not attain your targets?" Would normally communicate invitation to examine hindering factors. "How did you again fail short of your target?" is a reprimanding question. "How can you achieve this target you failed last time" indicates doubt in the ability of the counsellee. All such critical questions either shut off the counsellee, or make him diffident.

### Testing Questions

Questions which are asked to find out whether a person is right or wrong or how much he knows are evaluating or testing questions. Such questions may tend to make the other person defensive. In a testing question the person who is asking the question takes a superior attitude, and the other person is put in a kind of witness box. Such questions may also take the form of cross-examination. A reporting officer who proposes to find out why his employee was not able to meet his target can easily slip into a cross-examination, testing or evaluating posture. Again the tone of the interviewer may determine whether the question is asked as a testing question. Such questions are sometimes similar to critical questions.

### Resenting Questions

A person may ask questions to indicate his resentment for the behaviour of the other person. When an employee in a counselling situation asks: "How should I attain a higher target?" may indicate his resentment depending on the tone in which such a question is asked.

### Leading Questions

Quite often unknowingly we ask questions which indicate what kind of answers we want and we may get such answers in return. Such a question may be asked after

Critical Criticising Repeated mention of weakness Belittling Reprimanding	Supportive Recognising Communicating availability Trusting  Exploring Questions
Directive Prescribing Ordering	Reflecting Sharing Probing
Threatening Giving no options	Closing Summarising
Pointing out only one acceptable way Quoting rules and regulations	Concluding Contracting for follow up and help.

### Feedback

Interpersonal feedback is an important input for increasing self-awareness. It helps in reducing the blind area of a person, helping him to become more aware about his strengths and weaknesses. If properly used, it results in higher mutuality between two persons. The process of interpersonal feedback and conditions which make it effective have been discussed in details elsewhere (Pareek, 1976). The following hints are reproduced from that source.

Feedback will be effective if the person who gives the feedback (counsellor) makes sure that it:

- 1) is descriptive and not evaluative,
- 2) is focused on the behaviour of the person and not on the person himself,
- 3) is data based and specific and not impressionistic,
- 4) reinforces positive new behaviour,
- 5) is suggestive and not prescriptive,
- 6) is continuous,
- 7) is mostly personal, giving data from one's own experience,
- 8) is need-based and solicited,
- 9) is intended to help,
- 10) is focused on modifiable behaviour,
- 11) satisfies needs of both the feedback giver and one who receives feedback,
- 12) is checked and verified,
- 13) is well timed, and
- 14) contributes to mutuality and building up relationship.

From the point of view of one who receives feedback it is necessary that the reaction to feedback is more in terms of exploring ways of improving behaviour rather than in terms of defensive behaviour. The following defensive behaviour might not help in using feedback properly, and the behaviour which are opposite of these may be helpful.

- 1) Denying feedback as opposed to owning up responsibility for behaviour.
- 2) Rationalisation (explaining away feedback by giving reasons) as opposed to self analysis to find why such behaviour was shown.
- 3) Projection (contributing negative feelings to the other person) as opposed to empathy (trying to understand the point of view of the other person).
- 4) Displacement (expressing negative feelings to one who may not fight back) as opposed to exploration (taking help of the other person in knowing more about the feedback which has been given).

in the relationship feel free to ask for and provide help to each other—counselling cannot be effective. Mutuality is based on trust and genuine perception that each person has enough to contribute. Although the counsellor is in superior position, he continues to learn and to receive help from the counsellee.

Mutuality can be developed by employing some approaches. Morrisey (1972) has suggested a few techniques like a you-we technique, second hand compliment, advice request and summary. In the you-we technique, one uses you to compliment and we to criticise (“you are doing a great job, we have a problem”). The second hand compliment is communicating to the subordinate a compliment for him received from a third party. (Mr. Raman says that you have done an excellent job for him). The advice-request is asking the employee for suggestions and advice. Summarising at the end helps clarifying the decisions taken and fixing the responsibilities and integrating the whole discussion.

## 8.4 THE PROCESS OF COUNSELLING

Counselling is helping the employee to grow and develop in the organisation. Every manager is counselling his employee knowingly or unknowingly in his day-to-day work life. An effective counsellor manager is one who helps his employees to become more aware of their strengths and weaknesses and helps them grow to improve further on the strong points and overcome weaknesses. By the process of mutuality and support he helps the employee to develop, providing the proper emotional climate. Mutuality involves working together with the employee and developing future plans of action for employees growth and contribution to the organisation. Support involves acceptance of the employee as a total person with his strength and weakness and encouraging him with warmth.

Counselling requires certain interpersonal skills which can be acquired easily if a manager is genuinely interested in developing his subordinates. Counselling skills are important for a manager particularly at the time of performance review.

Good managers counsel their employees regularly in their jobs whenever a necessity arises. Annual performance reviews provide formal opportunities for formal counselling. Such a formal counselling process passes through certain stages which are important for the managers to note. The counselling process has the following three phases: rapport building, exploration, and action planning.

In the rapport building phase a good counsellor attempts to establish a climate of acceptance, warmth, support, openness and mutuality. He does this by empathising with employees and his orientations, by listening to his problems and feelings, by communicating his understanding to the employees, by expressing empathy and genuineness of interest in him.

In the exploration phase the counsellor attempts to help the employee to understand himself and his problem better. He may do this by raising questions to help the employee explore his problems, and helping him to diagnose the problem properly.

In the action planning phase, the counsellor and the employee jointly work out or plan specific action steps for the development of the employee. The manager makes commitment to provide specific support he could offer to contribute to employee development.

Exhibit 2 gives the three phases (and the sub-phases) of the counselling process. Against each sub-phase are mentioned counsellor behaviour which are helpful in the counselling process and those which are likely to hinder the process.

### Rapport Building

Rapport building is essential for any effective counselling outcome. Rapport building phase involves generating confidence in the employee to open up and frankly share his perceptions, problems, concerns, feelings etc. the counsellor manager should level himself with his employee and tune himself to his orientations. This can be done

<b>Problems identification</b>	Encouragement to explore Questions to explore possible problems Encouragement to generate information Identification of a probable problem	Suggestion of a problem
<b>Diagnosis</b>	Exploratory questions Generating several possible causes	Suggesting the cause
<b>Action Planning</b>		
<b>Searching</b>	Questions on possible solutions Generating alternative solutions	Advising
<b>Decision-making</b>	Questions on feasibility, priority, pros and cons Discussion of one solution Discussion of an action plan Contingency plan	Directing
<b>Supporting</b>	Identification of needed help Monitoring Contract on help	Promise of general help

### Exploring

Exploring helps an employee to search various dimensions of the problem, or discover unidentified problem and bring to surface unnoticed issues. Exploring can be done by using questions and suggesting to the employee to talk more on a problem he mentions. A variety of question may be used as already discussed.

### Problem Identification

After general exploring questions may be asked to help the employee focus on the problem. It is necessary for the counsellor to use questions both to generate information on some concerns and problems, and to narrow down focus to identify a more probable problem. For example, if an employee feels that his problem is that others do not cooperate with him, the counsellor may ask questions to narrow down the problem to the employee's relationship, with a few colleagues; and then questions may be asked to help the employee see what he does that prevents possible cooperation. Eventually the problem may turn out as to how the employee may deal with competitive relationship, and yet collaborate. Identification of a problem is the necessary step in planning for improvement.

### Diagnosis

Diagnosis of the problem is the next step in exploration. Explorations should lead to the diagnosis. Without diagnosis there is little scope for solving any problem. Open questions like "Why do you think people are put off when you talk with them?", "Can you recall occasions when you got full cooperation?", "What do you attribute it to?", "What personal limitations mainly bother you?" may help the employee more towards a better diagnosis. The main attempt should be to generate several alternative causes of a problem.

### Action Planning

Managers are expected to guide their employees and contribute to their development. Counselling interviews should end with specific plans of action for the development of the employee. Identifying a training need, job rotation, sponsoring for further training, increased responsibility, role clarity etc. are some of the likely outcomes in such action plans. Three sub-phases can be identified in action planning.

### Searching

The main contribution of the counsellor to action planning is the help he provides to the employee in thinking of alternative ways of dealing with a problem. In addition to encouraging the employee in brain storming such alternatives, the counsellor at a later stage can also add to this list of alternatives for further exploration. This should,

relationship is intense, lasting for 2 to 10 years. According to him the most successful men had mentors as young adults. The importance of mentoring has been supported by G. Valliant in a longitudinal study of 95 Harvard graduates in *Adaptation to Life* (Little, Brown, 1977). G. Roche surveyed 4000 executives and reported in an article "Much add about mentors" (HBR, 1979, Volume 20) that two thirds had relationship with a mentor, and one-third with two or more. He further reported that those who had mentors earned more money at a younger age, followed a career path, were happier with their career and sponsored more proteges.

There is a large literature on counselling. A comprehensive book on performance counselling is by G.L. Morrisey, *Appraisal and Deveiopment through Objectives and Results* (Addison-Wesley, 1972), in which simple suggestions are given for effective counselling. L Sperry and L.R. Hess in *Contact Counselling* (Addison-Wesley, 1974) have advocated contact counselling, based on transitional analysis approach. The main techniques employed in contact counselling are keying (reading people), responding and guiding. A comprehensive model of performance appraisal has been suggested by U. Pareek and T.V. Rao, included in their *Designing and Managing Human Resource System* (Oxford and IBH, 1982) and to be published by the University Associates 1990 Annual. This model has been used in this unit. Training material (Self tests, role plays and analysis of counselling scripts etc.) on this model are contained in T.V. Rao and U. Pareek's *Performance Appraisal and Review : Operating Manual and Trainers Manual* (Learning Systems, 1978).

### Activity-Answers

The correct responses for these activities are as follows. Please check your responses on these tests with the following.

#### Activity A

- |               |               |
|---------------|---------------|
| 1) Resentment | 6) Resentment |
| 2) Hostility  | 7) Anxiety    |
| 3) Anxiety    | 8) Guilt      |
| 4) Guilt      | 9) Despair    |
| 5) Despair    | 10) Hostility |

#### Activity B

- 1) You feel angry because your hard work is not being recognized.
- 2) You feel puzzled and you resent because you were transferred without being given any explanation.
- 3) You feel angry because you were not given an adequate chance to prove your worth.
- 4) You feel trapped because you don't feel capable of pleasing him.
- 5) You are puzzled because your boss is not consistent in what he says about you.

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## **BLOCK 3 COMPARATIVE HRD EXPERIENCES**

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This block comprises five units. The first unit (Unit 9) gives an overview of the status and the context of HRD systems in government and public systems, suggesting HRD interventions required for improving work culture and efficiency. Unit 10 presents the application of HRD concepts to social and family welfare programmes. Unit 11 deals with the HRD processes and interventions in four strategic sectors viz., defence, police, panchayati raj institutions and voluntary organisations, responsible for strategic functions. Unit 12 examines the relevance and application of HRD in the service sector. This unit deals with LIC, public sector banks, health and family welfare and education sector. The last unit discusses HRD policies and practices in different parts of the world, highlighting the major commonalities and differences.

# UNIT 9 HRD OVERVIEW IN GOVERNMENT AND PUBLIC SYSTEMS

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## Objectives

After going through this unit, you must be able to understand:

- the place of HRD in government and public systems
- the specific context in which HRD operates in the government sector
- the nature of existing and desired HRD interventions in government.

## Structure

- 9.1 Role of HRD in Government
- 9.2 Contextual Factors
- 9.3 Basic Objectives of HRD in Government Systems
- 9.4 Role Set of Government Administration System
- 9.5 HRD Developments in Government Systems
- 9.6 Current Systems of HRD in Government
- 9.7 A New Approach to an Integrated HRD System in Government Administration
- 9.8 Summary
- 9.9 References

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## 9.1 ROLE OF HRD IN GOVERNMENT

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The government has a critical role to play in the development of the country. It acts as a planner, regulator, catalyst, controller and investor. Its policies and practices directly determine the nature and direction of HRD activities in institutions and organisations under the direct control of government such as the administrative machinery and public sector organisations. Indirectly, the government's policies and practices set the tone and create an environment which may discourage or encourage the HRD activities of other organisations in the non-governmental sectors as well. Thus, HRD in government has a strategic role. That is, its own policies and practices have a ripple effect with wide ranging impact on other sectors of society. This is especially so in a partially controlled economy like India's where the government regulates the activities of even private sector organisations.

Broadly, HRD in government can be given two interpretations. The first can be that it refers to the HRD activities in the various ministries, departments and government agencies. The second interpretation is that it refers to role of government at the macro environmental level, policies and conditions which affect HRD in various other organisations. <sup>1</sup> For instance, the policies and directives of the government with respect to the employment and employment conditions of special sections of society, such as the backward classes, significantly impact HRD policies and practices at the micro organisational level. This chapter will examine government's role in HRD mainly from the former angle.

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## 9.2 CONTEXTUAL FACTORS

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The environmental and situational conditions under which the government operates have an important bearing on its HRD practices. By and large, the government is seen to be conservative and slow in managing and implementing HRD and its HRD activities are often constrained by red-tapism and bureaucratic delays. The government has been slow to introduce even fairly conventional HRD systems such as regular training and development of its personnel. There are a number of reasons which may explain these characteristics of HRD in government.

- 3) To develop resistance to the danger of becoming mechanised by visualising what he is doing in a wider setting and by persevering with his own educational development;
- 4) To develop his capacity for higher work and greater responsibility;
- 5) To develop and maintain staff morale particularly because large number of people have to deal with tasks of a routine nature;
- 6) To inculcate right attitudes towards the public, never forgetting that the civil servant is the servant and not the master of the community; and
- 7) To sustain the human touch not only in direct personal contacts with the public but also in handling correspondence which demands a proper sense of urgency and due consideration of the "man at the other end".

The aim of HRD has to be to develop the administrators not just for the needs of tomorrow but even for those of the days after. The HRD programmes can reduce the consciousness gap between the leaders of society and the masses of people by training development administrators. The success of any development programmes lies in a number of variables of which training is an important factor. Training, education and development or HRD in administration are expected to provide the needed stimulus to initiate impulses of change in the administrative apparatus and will lead to improved efficiency, productivity and administrative performance. In fact, of late there has been significant enlargement of the training infrastructure even proliferation, enhancement of financial outlays and consequential increase in the number of training opportunities for administrators.

HRD in administration is an important part of macro-level human resource planning. An organisation that does not plan for its human resources will often find that it is not meeting either its personnel requirements or its overall goals effectively. There are four basic steps in human resource planning:

- 1) Planning for future needs,
- 2) Planning for future balance,
- 3) Planning for recruiting and selecting, and
- 4) Planning for development.

Planning for development aims at increasing the ability of the individuals and groups to contribute to organisational effectiveness. Development programmes are designed to educate employees beyond the requirements of their present position so that they will be prepared for promotion and be able to take a broader view of their role in the organisation. How should the training and movement of individuals within the organization be managed so that the organisation will be assured of a continuing supply of experienced and capable personnel? The central elements in human resource planning are forecasting and the human resource audit. Forecasting attempts to assess the future personnel needs of the organisation. The human resource audit assesses the organization's current human resources. In the human resource audit, the skills and the performance of each individual in the organisation are appraised. Induction and orientation are designed to provide a new employee with the information he (or she) needs in order to function effectively and comfortably in a given setting. Induction and orientation is generally followed by training programmes aimed to improve skills, techniques, knowledge and attitude of the employees. Continuous monitoring of the actual job performed will reveal changes that call for new training. Training for advancement is needed to enable the employee to climb the promotional ladders.

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## **9.4 ROLE SET OF GOVERNMENT ADMINISTRATION SYSTEM**

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With the introduction of the Five Year Plans after independence, the Government of India took upon itself a developmental role in addition to the conventional regulatory

- 4) Failures in implementation of plans, projects and programmes led to an awareness of HRD. In 1985, a formal Ministry for HRD was set up.
- 5) With this new emphasis on HRD, ministers and secretaries of government departments were deputed to attend a variety of training and development programmes on management and HRD at reputed management institutes like the ASCI, the IIM's, XLRI, Tata Management Training Centre, etc.

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## 9.6 CURRENT SYSTEMS OF HRD IN GOVERNMENT

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### 1 Training

The nature, size and variety of the plans and programmes of social and economic advance that the country has undertaken determine the training of Government and public systems. Ten years ago, there were only a few Central and State training institutions for imparting induction training to their officers. In-service training was not seen as important for the development of officers. Today, most States have their own training institutions and if they do not have, they send them to other reputed institutes.<sup>6</sup>

### 2 Job Rotation

The move away from purely generalist training on history, constitution, procedures etc. towards specialised training, has also made possible more purposive rotation and transfer. The earlier concept of the jack-of-all-trades generalist, who can handle any assignment, is giving way to better fitment of role and person. Officers who have utilised the opportunities to get Masters and even doctoral degrees in specialised subjects like Economics, Energy, Population Studies, Trade etc. are being rotated into relevant assignments.

### 3 Data Bank

The awareness of HRD has coincided with a sudden acceptance of computers in not only industry, where the debate has been raging for thirty years, but also in government. This has enabled the computerisation of human resource data. The data bank and its use for drawing lists for training, rotation and promotion are becoming the norm in government. There may be a lack of system discipline, and attempts at manipulation, but the system is now available.

### 4 Selection

Even before independence, selection in government was "objective" in the sense of being based on competitive examinations. But this has a concomitant problem of rigidity. There is a very limited acceptance of mid-career entry.<sup>7</sup>

### 5 Manpower Forecasting<sup>8</sup>

This goes mostly by annual manpower budgeting and ad hoc proposals during the year. But the five year plans have provided an opportunity for at least once in five years for each Ministry to make its manpower forecasts. In the past such forecasts were mechanistic extrapolations. What is more remarkable recently are the pressures for efficiency and manpower reduction, in the following ways:

- a) Voluntary Retirement Schemes have been introduced, giving attractive benefits at the end of twenty years' service.
- b) Additional workload is sought to be taken without increasing manpower.
- c) Information technology is helping to merge and sometimes eliminate routine jobs.
- d) More autonomous, "attached" organisations are being formed, to take work out of the bureaucracy into more flexible entities.
- e) The thrust towards delicensing, deregulation and decontrol, the move from 'physical' to fiscal control etc, are expected to lessen the administrative work load further.

### 6 Performance Appraisal

Performance Appraisal as a HRD tool has not yet been realised in Government systems. The predominant method of performance appraisal in government has been

- The mission statement is translated into measureable objectives to serve as indicators of mission achievement.
- The group then identifies the specific objectives of their unit or department which can contribute to the overall mission.
- Every individual in the group examines how his or her job can contribute to the objectives of the department and specifies goals and activities which he or she has to fulfil.
- Each individual then presents his or her job objectives to the entire group and makes necessary modifications after discussions.
- Following this, each individual prepares an exhaustive list of activities which he or she has to perform, estimates the importance of and time required for these activities, identifies the competencies that are needed to carry them out and finally, arrives at the competencies which he or she needs to develop.
- The individual discusses the list with his or her supervisors, and a final activity list is arrived at with the approval of the supervisor.

## 2 Identification of Critical Attributes

Critical attributes are the important qualities the job holder is required to possess in order to perform the functions associated with his job well. In the activity/task/role analysis stated above, competency requirements are identified for each job holder by himself in consultation with his supervisors. The critical competencies required to perform the job are critical attributes. In case an activity/task/role analysis is not being done by the unit, it could undertake the identification of critical attributes with the help of specialists (behavioural scientists). Such an exercise should result in the identification and listing of critical competencies required for a job to perform it well and the indicators of these competencies. When specialists undertake such work they normally start with some form of job analysis (somewhat similar to role analysis, the major difference being a relatively more focus on the job and its components and less on the job holder and his expectations and experiences) to derive critical attributes or competencies.

The same could be done by the department itself in a similar way as role analysis. The only additional step is to identify critical competencies from the list of competencies identified. For each competency, indicators of the competency (e.g. a degree, diploma, evidence of handling the function well in the past, behaviours on his job, performance appraisal reports, test data etc.) should also be stated.

## 3 Performance Appraisal

Performance Appraisal systems as instruments of HRD have not yet been realised in government systems. A performance appraisal system can be a powerful tool of HRD when it is used to help an employee understand his tasks and the means of achieving them, identify the strengths and weaknesses he has relevant to his job, and acquire new competencies for self development in the job.

It is possible to design appraisal systems to achieve these objectives. Irrespective of, or in addition to the performance appraisal (or confidential reporting) followed by the Government, it is possible and even desirable for every administrative head to design and follow a performance review process in his unit or department. The following components could be used for such a process:

- Periodically, about once every six months or a year, every appraiser meets with his appraisee for a formal discussion regarding the appraisee's work and performance.
- The appraiser and appraisee jointly review the latter's past performance and decide on specific objectives to be achieved in the next year.
- An analysis is also carried out of the factors which inhibited or contributed to past performance and those which are expected to inhibit or contribute to future performance.
- Based on the above analysis, the appraiser identifies the developmental needs of the individual as well as those of the organization. These needs serve as the basis

If the data from such a questionnaire survey are shared with members of the department and used as a basis for planning and implementing change, it would act much like the survey research method in OD.

Another intervention is the suggestion scheme system.<sup>13</sup> In this scheme, suggestions are periodically collected from department members about modifications or improvements which can be made in the department. The best suggestions accepted for implementation are displayed in a roll of honour and the winners are given cash awards.

An OD intervention which may be especially useful in government systems in Management by Objectives (MBO).<sup>14</sup> In this method, people at all levels are involved in identifying organizational goals and specific individual strategies for achieving these goals through their respective tasks.

Pestonjee has pointed out the need for OD interventions to reduce the role stresses which people in government departments are prone to face. Such stresses arise from conflicting tasks and responsibilities, a sense of erosion of one's role, psychological non-acceptance of one's role, etc. Role based interventions can help reduce these stresses by clarifying, redefining and enriching formal organizational roles.<sup>15</sup>

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## 9.8 SUMMARY

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HRD has a strategic role to play in government. The contextual and historical conditions affecting government systems give the HRD function in government a difficult and complex role to play. HRD has to provide for the development of administrators and personnel who in turn have to look after key developmental activities in the country. Hitherto, HRD in government has been confined to limited training activities, job rotation, selection, manpower forecasting, and maintaining of a personnel data bank. A new approach towards developing an integrated HRD system in government administration is called for.

The main components of such a system are suggested to be activity, task or role analysis, identification of critical job attributes, performance appraisal, potential development, training, and organization development.

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# UNIT 10 HRD FOR HEALTH AND FAMILY WELFARE

## Objectives

After going through this unit you will be able to:

- identify the importance of developing the competencies of field workers in social and family welfare programmes
- state the unique context in which human resource need to be developed for an effective implementation of population programmes
- list the various components of human resource management that need to be simultaneously attended to for facilitating the social and family welfare programmes
- list a series of questions to be answered in relation to each of the Human Resource functions
- identify the gaps in HRD for Health and Family Planning workers.

## Structure

- 10.1 Introduction
- 10.2 A Contextual Understanding of Human Resource Management for Population Programmes in India
- 10.3 What does Development and Management of Human Resources mean?
- 10.4 Summary

## 10.1 INTRODUCTION

The ultimate objective of any health and family welfare programme is increasing life period, decreasing mortality rate, incidence of diseases etc., and making people healthy and economically sound through reduction of birth rate, adoption of small size family norm and such other strategies. Health and family welfare organizations attempt to achieve these goals through the use of man, material, money and services. A variety of human resources are being utilised to work for these objectives. They include the Auxiliary Nurse Midwives (ANMs), Male and Female Multipurpose Workers, Lady Health Workers, Family Planning Health Assistants (FPHAs), Extension Educators, Medical Officers, District Level Officers, State Level Officers and so on. These categories of employees are directly governed by the health and family planning organizations at the state level. Besides the people employed formally by the health and family planning department, help of personnel from various other departments is also taken by the health department. Unless these categories of employees are managed well, the services are likely to be ineffective. By managing the human resources we mean, developing the necessary capabilities in these people to perform their tasks and then creating necessary conditions that ensure continuous and effective use of these resources. This chapter focuses on the management of human resources employed by the health and family welfare departments.

It is all the more so in government organizations in India. While a great amount of attention is paid to creating infrastructural facilities at health centres, supply of medicines, contraceptives, generating incentive schemes for acceptors and such other issues very little attention is paid to strengthen the personnel in health and family welfare departments who are in turn supposed to manage the facilities and facilitate achievement of targets.

There are many dynamics that operate in terms of human processes in organizing and developing family planning and health services to people. In order to understand the adequacy or inadequacy of human resources management one needs to understand the total context in which these resources need to be

of programme objectives. The magnitude of the problem becomes clear when one look at the position of the staff in the rural health family welfare centres alone in India. There are about 20,000 doctors, 5,000 extension educators, 1,07,000 lady health workers, 85,000 male health workers, 40,000 family welfare health assistants, 10,000 nurse-midwives, 4,000 statistical assistants (computers) 5,000 store-keepers and 3,000 drivers, thus adding to a total of 2,70,000 staff members manning the rural family welfare centres alone by late Eighties. In addition there are thousands of staff manning the urban family welfare centres, post-partum centres run by the state governments (faculty in paediatrics, health education, demography, anaesthesia, extension educators, ANMs, LHVs, FWWs, etc.), health and family welfare training centres, the district family welfare bureaus (like District Family Welfare and MCH Officer, Administrative Officer, Mass Education and Information Officer, District Extension Educator, Medical Officer, field evaluation workers, statistical investigators and other support staff), state family welfare bureaus and the state secretariat cells.

An effective delivery of family welfare services requires effective functioning of the various personnel involved in this programmes. Management of human resources in this context would mean getting right people for the right jobs, developing their capabilities to do their jobs effectively, monitoring their performance through appraisals, evaluation and incentives, developing their capabilities continuously so that they will be able to adapt themselves to the changing requirements of the field, ensuring their motivation continuously through appropriate reward systems and promotions and helping them at every step through guidance, counselling etc., and getting the best out of their capabilities. The following functions may be involved in ensuring effective management of human resources for achieving family welfare programme objectives.

1. **Manpower planning:** This function deals with prediction of manpower needs for the family planning organization considering the tasks to be handled and the changing needs of the society over time.
2. **Selection, recruitment and other forms of job assignments:** This function deals with identifying right persons for the different jobs to be handled and placing people in right places so that they can give their best.
3. **Induction programme:** This function deals with the management of mechanisms to socialise people in the organization.
4. **Training:** This function deals with ensuring the continuous development of capabilities in people, so that they are able to perform their tasks well and meet challenges from the changing environment.
5. **Performance appraisal, job evaluation and analysis:** These functions ensure the accountability of people.
6. **Rewards and punishment:** This function helps maintain the motivation of capable people and helping poor performance to take corrective action.
7. **Transfers:** This function ensure employee welfare and provides opportunities to meet changing needs of the field by making people available at needed places.
8. **Employee counselling and feedback:** This function ensures that guidance is available for employees from their supervisors and helps creating a supportive climate.
9. **Employee-employer relationships:** This function ensures that people are not exploited, their grievances are heard and good relationships are maintained.
10. **Career planning and development:** This function ensures that people do not stagnate in their jobs and there is change in responsibilities periodically.
11. **Organizational design and institutional building effort:** This function ensures creation of proper environment so that people give their best and quality of work life in continuously well maintained.

In the following section each of the above functions are taken up and the major issues that come up while dealing with that function are raised.

For this experiment, each ANM was allotted about 5,000 population instead of 10,000 population distributed within a distance of two to three kilometers. Work plan was developed within the framework of this modified staffing pattern.

Substantial improvement in the quantum and quality of MCH services was observed in this area compared to non-experimental areas. The registration of ante-natal cases in Athoor became almost complete, compared to 50-75 per cent in other areas, the frequency of post-natal visits were comparatively much higher, a considerable improvement was observed in the post-natal care given to women in this area. There was steady and rapid increase in the number of female sterilizations, knowledge about various family limitation methods was comparatively higher in this block. The improvement in the record-keeping system and the reporting of vital events was another achievement of the programme. All these findings support the conclusion that the staff pattern of one ANM per 5,000 population and the methodology of work developed within that framework is effective and served as a model for development of the family planning programme in the community.

An important issue related to manpower planning for family welfare services is the involvement of people not employed by the programme. Particularly at field levels involvement of others like teachers, panchayat leaders etc. is likely to bring down the pressure on the department for employing people exclusively for this programme.

V.K. Gupta and P.M. Shingi of Indian Institute of Management in a 1976 study of VLWs, panchayat secretaries, village pradhans, patwaris and co-operative supervisors assessed the following:

(a) their existing attitudes, knowledge and skills to participate in family planning activities; (b) their training needs and (c) reward systems required to motivate them. Their study was conducted in two districts of Uttar Pradesh. On the basis of their study they suggest that workers can be ranked in the following order in relation to their suitability for involvement in family planning activities:

- 1) School teachers
- 2) Village level workers
- 3) Panchayat sevaks
- 4) Patwaris
- 5) Co-operative supervisors and
- 6) Village pradhans.

They suggest that legitimising the participation of these categories would facilitate their involvement.

#### **Selection, Recruitment and other forms of Job Assignments**

Once a blue print of manpower requirement is prepared, the next step is identifying suitable people to handle various jobs. In order to facilitate selection processes, blue print of manpower requirements should specify various functions involved in each job, and the nature of changes that are likely to occur in these functions over time (that is projected nature of functions in future). Technical and other capabilities required to perform these functions should be specified. This becomes important as the criteria of evaluating an applicant for a given position or the mechanisms of generating right kind of people to man various jobs becomes very much dependent on the job specifications. The objectives of selection should be (a) to find persons who will be able to perform the given functions well through possessing technical, managerial, and behavioural capabilities required to perform the given job, and (b) to select persons who would show the capabilities of attaching importance and performing future functions either in the organizational hierarchy or with the new dimensions of the same role with change of time. The following questions arise when one thinks of selection and recruitment processes in the national family welfare programmes:

- 1) Are there researches available that aim at giving clear cut outlines of functions to be performed by each role incumbent? What do these researches point out in relation to the technical, managerial and behavioural capabilities required?
- 2) The family planning organization nation-wide does not include more than 60 different jobs as of today. If that is so, task analysis of these jobs is not a very

For the female workers, the short attitude scale and the two personality sub-scales of emotional instability and hypomanic temperament were the best predictors. Likewise, for the male workers, the general information test was the best predictor followed by the socio-economic status scale, intelligence test and the religious values test.

Perhaps this is the only systematic study available in personnel selection for family welfare workers.

There is a great need for more work in selection techniques. Related to this is the need to answer even basic questions like (a) what should be the minimum qualifications required for grassroot level functionaries? Is it necessary to have post-graduates as extension workers or can one use less qualified people who are willing to work in rural areas and who can establish their credibility. Experiments on involving different agents in family welfare activities may throw some light on these aspects.

### **Induction Programme**

Induction deals with the procedures of training people once they are taken up for a particular role to familiarise with the organization, functions, etc. Most organizations use specialised induction training programmes. Induction training programmes are available for workers of the PHCs and are conducted by various agencies including regional family welfare training centres. Once on job, the doctors as well as para-medical staff are exposed to the induction programmes. However there may not be much of uniformity in practice in the country. Induction programmes play a significant role in socialising the new incumbent to perform different functions in the organization. Quite often the way the person is inducted into the organization determines his effectiveness later. If a person is taken into the organization and left completely free without any guidance and instruction he may get lost. This often may affect his later performance. The following questions could be raised when one looks at the existing mechanisms of induction:

- 1) What are the mechanisms by which different categories of employees are inducted into the work organizations? How do they vary from role to role or from state to state and with what impact?
- 2) What is the optimal set of capabilities that should be developed in an employee before he is actually placed on the job?

At present there are no planned strategies of induction. This explains partly the poor performance of workers. They get socialised by their seniors only and in a completely uncontrolled manner. Thus apathy and incompetence spreads. There is a need to design and conduct induction programmes.

### **Training**

Training is the most important function that directly contributes to the development of human resources. This also happens to be quite a neglected function in most of the organizations. Recent surveys on the investments made by the Indian organizations on training indicate that a large number of organizations do not even spend 0.1 per cent of their budget on training. Many organizations do not even have a training department. If human resources have to be developed, the organization should create conditions in which people acquire new knowledge and skills and develop healthy patterns of behaviour and styles. This is possible through personal guidance as well as institutional training. Fortunately, training appears to have been fairly well attended to in government sector. Family welfare workers have good opportunities for training.

### **Why is training necessary?**

Training is necessary because technology is developing continuously at a very fast rate. The systems and practices that were in operation a few months ago are no more considered effective due to new discoveries in technology. These discoveries in new technology deal with conceptual aspects, technical aspects, managerial aspects, as well as human aspects. When such discoveries are being made if organizations do not have mechanisms to cope up with and use growing technology they will become stale. Training is also necessary because any planned development of a person can contribute to the effectiveness of the organization. However, such development

organization from him after he returns from the programme. Most companies do not inform the individual why they have sponsored him and consequently the learning value is minimised as the individual is continuously struggling to discover why the organization thought of him rather than learning anything from the training programme.

It is not always possible to get best category of employees for any organization. The possibility of getting highly capable employees becomes still low in a sector like family welfare where job security is low, future is uncertain, some social stigmas are attached, and bureaucracy is rampant. Given these situations, the importance of training as a mechanism of developing employee capabilities becomes important. Training inputs for these training programmes should flow from the job analysis and manpower requirements. If people with adequate background and having adequate capabilities are found training can be used as an instrument to fill the gaps.

Sawhney and Chauhan of the Population Centre, Lucknow studied the training programme for ANMs for a period of two years. They examined the curriculum and methodology adopted during the course. The study was conducted in eight ANM training centres.

The curriculum was being grouped under four sessions with the duration of six months each. On an average 60 to 70 hours being devoted on family planning during the entire six months period. The ANMs were not clear about the details under each topic they were taught. The centres were equipped to impart this training. The curriculum did not meet their requirements. The trainers as well as medical officers were not fully involved in the field of training.

A revised curriculum has been prepared. In this special attempt was made to match the contents with the prescribed job functions. The field work was also designed to be conducted in small groups. The trainees were supplied background material in the form of a book.

The revised programme was evaluated. The responses of 225 trainers out of 250 were obtained. The revised training was assessed as more effective and suitable to their job. The liking for outside speaker was expressed by a majority as the clarity of the subject by the outside speakers were better than the centres' tutors. 86 per cent could give the report of field work. 63 per cent reported organization of group meetings during field training. Family planning methods were found known to all the trainers. They were of the opinion that the book on 'Motivation Methodology' should be supplied to all. Some recommendations have been discussed for the improvement of the training programme like organizing refresher courses, supply of literature on family planning, Deputy CMO to look into their administrative and technical problems, meetings to be arranged in the field training and efforts to be made to include more topics on family planning in the curriculum etc.

A review of the literature on training health and family planning workers indicates that the following gaps need to be filled.

- 1) More systematic identification of training needs. In fact, no survey is available in this area. Such surveys, if conducted even on a sample basis are likely to suggest significant inputs for training. The training institutions should participate more in this effort and involve also programme administrators.
- 2) While too much of experimentation with training methods may not be needed, some efforts should be made to try out new strategies and methods of training like those tried out by Sawhney and Chauhan (1977).
- 3) A training policy for various categories of health and population needs to be worked out. A lot of training goes on but in absence of a systematic training policy and plans it becomes a waste.
- 4) Periodic evaluation of training programmes would help enriching the quality of training. Such evaluation should be undertaken by the training institutions themselves.

- 6) Help in identifying employees for the purpose of motivating, training and developing them.
- 7) Generation of significant, relevant, free and valid information about employees.

Thus a good appraisal system should primarily focus on employee development at the same time helping the organization in the management of people through rewards etc.

The existing systems of performance appraisal in population programmes do not contribute to anything beyond punishment administration. The employees do not get to know anything about how they are being appraised. There are instances where even after achieving higher level of targets, family planning workers got warning letters due to the decision of higher authorities to send warning letters to all in a particular year when the overall performance was low. Thus a very potential instrument like performance appraisal is being misused in government systems.

Given the existing situation of lack of flexibility in rewards and salary administration, there are serious limitations for having an effective performance appraisal system.

Thus it may not be feasible to have a performance appraisal system that achieves all the objectives mentioned above, but it is possible to have a system that can take care of most of these.

Such an appraisal system could be based on:

- 1) Clarity of roles and responsibilities for each role.
- 2) Periodic goal setting for each role incumbent.
- 3) Annual or periodic assessment of performance in terms of achievement of such goals.
- 4) Analysis of the achievement of these goals and identifying, facilitating and inhibiting factors, in relation to the achievement of goals, and development of action plans for overcoming inhibiting and strengthening facilitating factors.
- 5) Periodic review of behaviour which contributes to employee effectiveness and working out action plans for developing such behaviour.
- 6) Identification of developmental needs and preparing plans for employee development through training and related activities.
- 7) Implementation and review.

Management literature is full with articles and researches on appraisal systems. A review of literature in the area of population management indicates that this is an area left untouched. No attempt has been made to look at performance appraisal systems. This may be partly because the performance appraisal systems in health and family planning departments are the same as those in all government departments and programme managers have not perceived so far the potential of a good performance appraisal system.

### **Rewards and Punishments**

Rewards and punishments as mechanisms of human resources management deal with issues like salary administration, advanced increments or stopping increments, incentives for workers, awards and other forms of recognition etc. While there is not much of activity happening in rewards and punishments there were periods when different strategies have been tried out by the programme administrators. For example, the institution of 'warning letters' used in certain states is one such important activity. Similarly instituting incentive schemes is another. Questions like the following need to be answered.

- 1) How does one motivate the family planning workers?
- 2) Since there are practically no promotional opportunities for family planning workers, can there be any other incentives introduced to keep the morale of the staff high?

# UNIT 11 HRD IN OTHER SECTORS (DEFENCE, POLICE, VOLUNTARY ORGANISATIONS AND PANCHAYATI RAJ INSTITUTIONS)

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## Objectives

After going through the unit, you must be able to understand:

- the contexts in which some major public systems operate
- what kinds of HRD activities and interventions would be relevant in such systems.

## Structure

- 11.1 Introduction
- 11.2 Contextual Background
- 11.3 HRD in the Defence Services
- 11.4 HRD in Police Administration
- 11.5 HRD in Panchayati Raj Institutions and Rural Development
- 11.6 HRD in Voluntary Organisations
- 11.7 Summary
- 11.8 Case Study: HRD Experiments in Anekal
- 11.9 References

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## 11.1 INTRODUCTION

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In Unit 9, we took an overview of HRD in government and public systems, highlighting the special contextual factors which operate in these systems. In this unit, we narrow down our focus to some special public systems to examine what HRD practices and policies are in vogue and the priorities which face HRD as a function in these systems in future. While there are many and varied government and public systems which can be discussed, we take up for discussion the specific cases of the defence sector, police administration, panchayat raj institutions and local civil administration, and organizations in the voluntary sector.

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## 11.2 CONTEXTUAL BACKGROUND

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HRD in the systems discussed in this section needs to be viewed in the context of the role which the systems play in India. The comprehensive planned approach to national development adopted after Independence, relies much on this role. Unlike in many Western laissez faire societies, government and public systems in India have a prime role to play in piloting socio-economic development. This is because our socio-economic, political and historical context necessitates a proactive, positive role of the State in order that India can catch up with the progress which the developed nations have attained. Accelerated development is necessary for us to achieve in a few decades what the West has taken centuries to achieve.<sup>1</sup>

A serious defect of the development strategies of many developing countries has been the insufficient attention paid to administration and management of human resources. Consequently, while development increases the importance of human competence, the low level of administrative and managerial capability due to neglect of HRD creates serious disequilibrium in planned development because the magnitude and complexity of development tasks continuously outpace administrative and management capability.<sup>2</sup>

Public systems such as the police and local administration have been especially effected by the high degree of social changes which have swept the country during

etc. It lays special emphasis on experiential learning which has proved very effective with the service officers.

The department of HRD has conducted certain very important and useful projects in the services. The recommendations of some of these have already been accepted and implemented by the respective service organizations. For example, Progressive Leadership Training in the Army is now an integral part of the training curriculum of Army Cadet Corps, Officers Training School, Indian Military Academy, Young School, Young Officers' Course, Junior Commanders' Course, and so on. Similarly, the HRD department has contributed substantially in revising the appraisal system of the officers in the Navy as well as in the Army. It has also helped the Army and the Air Force in looking into certain aspects of motivation of their officers and men.

With a view to popularising the discipline of management sciences, IDM has brought out ten handbooks on different topics of management.

A few years back the Indian Military Academy had introduced an Honour Code for the benefit of its cadets. IDM was called upon to have a re-look at it for facilitating its implementation. That job was done by the HRD department of the IDM.

IDM is the premier institute of Management in the defence services. It has spread the message of management sciences in general and human resource development in particular in all the three Services, that is Army, Navy and Air Force. As a result, all the three services have made HRD a part of their existing training programmes, in one manner or another.

The activities of the HRD department of IDM is probably a good example of a training institution extending its role beyond training to HRD.

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## 11.4 HRD IN POLICE ADMINISTRATION

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Like the defence services, police services are of strategic importance to the country. They are necessary to protect the country from internal threats and to maintain the condition of law and order without which no other organizations or individuals would be able to function. Unlike the defence services however, the police system in the country has suffered considerable neglect, and this is especially with regard to human resource development.

The Indian police system was conceived as early as in 1861. It was remodelled in 1902. Over the years, social commissions were instituted to examine the problems effecting the police services. A study of police administration recently revealed that while there were some strengths like loyalty, dedication, job security and esprit de corps in the police service, it also suffered from severe weaknesses due to excessive political interference, corruption, and lack of open interaction among members.<sup>5</sup> Among the recommendations made for improving police administration were the restructuring of salaries and benefits, proper recruitment and training procedures, improved performance appraisal system, better control and communication within the administration, and measures to improve police community relations.<sup>6</sup>

The absence of proper and integrated human resource systems, particularly training and personnel administration are seen to be major impediments in the way of the proper functioning of the police services. Although training centres for many of the state police forces do exist, these are often treated as "dumping grounds for unwanted staff".<sup>7</sup> A working paper at a national seminar in 1986 at the Sardar Vallabhbhai Patel National Police Academy in Hyderabad pointed out to many problems with respect to recruitment, training, placement, promotion and other human resources related functions. The paper suggested the need for developing a systems approach to these problems to ensure the planned growth, development and better utilisation of police personnel.<sup>8</sup>

To implement these suggestions, the paper recommended the setting up of a Department of Personnel for Police Forces of the Central and State Governments. In

- 3) Formulating micro-level plans on the basis of the constraints of development.
- 4) Taking care of local physical infrastructure.
- 5) Working for the awakening of the people and making them aware of their plight and rights.<sup>13</sup>

The by-and-large failure of the panchayati raj system is due to a number of social and political factors at the local implementing as well as the state and national policy levels. However, there are at least some critical reasons which are attributable to the absence of adequate attention to human resource development.

- 1) For a long time, the leadership of the local panchayati raj institutions was in the hands of the vested interests in the rural areas—the upper castes and landowning classes. Their continued domination over the panchayati raj institutions effectively blocked the benefits of development from reaching those for whom they were meant. Recent indications, however, are that while the upper castes and privileged groups continue to hold power in the panchayati raj institutions, the middle-class group of educated farmers and local businessmen are beginning to emerge in positions of power, and the lower castes are beginning to contest.<sup>14</sup>
- 2) A second reason has been the absence of trained competent people to carry out the tasks of administration in the panchayati raj bodies. Such tasks require not only functional skills such as financial management and technical skills for basic management and organization, but also appropriate attitudes and values.<sup>15</sup>
- 3) The absence of proper and adequate organizational structures and institutional mechanisms to lend stability and continuity to the panchayati raj institutions, is another reason for the poor performance of these bodies.

The proposed Sixtyfourth Constitution Amendment Bill introduced in the Parliament in 1989 was an attempt to resolve some of the macro-level problems facing panchayati raj institutions. However, apart from macro-level policy changes, changes in the structure and functioning of local bodies and in their managerial and human resource capabilities are also required. From the HRD point of view, the major priorities for the success of panchayati raj and rural development institutions are<sup>16</sup>:

- 1) Clarifying purposes and ensuring that these are reflected in pertinent strategies, policies and programmes.
- 2) Developing people as change agents and as culture builders to bring about necessary transformation in dysfunctional cultures existing in the rural areas.
- 3) Training and development in order to enable people develop their capacities and potential for productive employment.
- 4) Strengthening panchayati raj and other organizations engaged in development.
- 5) Increasing administrative accountability through task clarity and appropriate monitoring and appraisal mechanisms.
- 6) Developing role clarity and task or results orientation on the part of functionaries.
- 7) Motivation of functionaries through attitude change and motivation development programmes.
- 8) Developing and implementing appropriate reward systems for those involved in the routine administration and implementation of tasks.

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## 11.6 HRD IN VOLUNTARY ORGANIZATIONS

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One well recognized reality in India has been that the efforts of the government and government sponsored organizations and agencies alone are inadequate to achieve the enormous task of socio-economic transformation of the country. Over the years the role of non-profit voluntary organizations has increased to a very great extent in a variety of fields such as rural development, community development, health and rehabilitation, vocational training, consumer organization, etc. Acknowledgement of the need for voluntary organisations is reflected in the Seventh Five-Year Plan

- 3) Voluntary organizations are also found to be more effective when their organizational climates are characterised by a high degree of achievement orientation, warm interpersonal relations and mutuality. HRD practitioners, therefore, need to address themselves to what kind of systems and interventions are required to build and foster such climates.
- 4) People in most voluntary organizations function under conditions which are usually less attractive and materially rewarding than those under which people in business and governmental organizations function. Often, working conditions and facilities are difficult and material rewards are poor. Motivation of members under such conditions is sustained largely by intrinsic, work-related rewards and the satisfaction of being able to contribute to superordinate goals. HRD activities such as target-based performance appraisal systems, activity analysis and task design, and organization development activities would be useful in these circumstances.
- 5) Finally, perhaps the most important contribution which HRD can make to voluntary organizations is to develop human resources who are motivated and capable of working in them. It is clear that voluntary organizations require people with skills and competences which may be common to those of people in other organizations, but their attitudes, values and motivations need to be distinctly different. HRD may need to reorient many of its conventional tools to the specific human resource needs of voluntary organizations.

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## **11.7 SUMMARY**

A major contributing factor to national development is the development of human resources in sectors responsible for strategic functions. This unit examined the contexts in which some of the strategic sectors function and the kind of HRD processes and interventions which are relevant. HRD in four sectors was examined: defence, police, panchayati raj institutions, and the voluntary sector. In all these sectors, the emphasis of HRD needs to be on developing commitment, motivation and morale among people to enable them function under difficult circumstances, developing appropriate work cultures, and providing for the augmentation of necessary attitudes and competences through training. The training and other HRD mechanisms applicable may differ in extent and type depending on the specific characteristics of each sector.

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## **11.8 CASE STUDY: HRD EXPERIMENTS IN ANEKAL<sup>22</sup>**

### **Introduction**

The present society is characterised by high social complexity, increased dependence on technology and 'skill' specialisation. Organizations, institutions and groups working with or concerned about people are increasingly orienting their energies and actions in the direction of human resource development to help achieve their objectives.

This case makes an attempt to describe the process of application of HRD in human service organizations and its resultant effect on work, personnel and the organizations involved. Based on the experience of two voluntary development agencies, certain theoretical models of HRD applications to rural development are outlined for consideration in similar appropriate social contexts elsewhere.

### **Background**

All work associated with rural development implies working with the poor, the oppressed and other community imbalances. The Indian social milieu in rural settings happens to contain dalits, tribals, landless labourers and related social and economic classes. The process of development work, therefore, means organizing the so called

- 2 **Resource Initiation:** Social scientists have generally preferred to use "inner resource approach" for human resource development. Inner resource basically refers to providing socio-psychological climate for the individual members of the social groups to grow to their fullest potential. Providing a working climate included conscientisation, educational process, confidence building, perspective planning for the community and a realistic understanding of the rural phenomenon. Working with people carries no formal authority and one does not have a mandate to accomplish results. Both the voluntary agency and the people were free to and of each other—either to work, or to participate in the benefits or to just remain the way they are. This lack of commitment to definite developmental objectives however disturbed the PD's.

Through a consultative process the PD's obtained the endorsement of the community to work with them. This then became the primary task. Very soon, task relevant relationships and the maturity to work assumed greater significance. Twenty Balwadi teachers became the key functionaries in the village. A psychologically supportive atmosphere was created for their functioning for the start. The village community in a gathering endorsed a particular woman having their trust and support, as being suitable to be a teacher.

One of the PD's accompanied this newly chosen candidate to a neighbouring village to learn from an existing Balwadi the functioning of the programme. After one week of such learning from a senior teacher the new teacher began functioning on her own. But one of the PD's continued with her for one more week till she also performed alone. At the end of each week, meeting-cum-training sessions were organized for all balwadi teachers to meet and share experiences. Over time, this balwadi teachers assumed more and newer responsibilities. In many cases, she also became the village health worker. In addition to dispensing first-aid and simple remedies for ailments she also educated the people against leprosy and TB, detected cases of mental disease at its onset. She often conducted adult education classes in the evenings. In isolated cases, the villagers deposited small savings in her custody.

Several changes were observed in the rural community due to the interventions'.

- every child that attended a balwadi continued in the primary school without dropping out, and most of the village children attended balwadis.
- women who started small savings became less and less dependent on money-lenders and more credit-worthy in the eyes of the local banks.
- people became aware of investment opportunities like the Indira Vikas Patra.
- every child in the 36 villages was completely immunised against certain diseases.
- overall literacy increased every year to the tune of 300 more literates added.
- housewives began using a new, fuel-efficient, smokeless, quick cooking stove. They also formed cooperatives for employment.

### Lessons

Four years of field experiences and sharing of experiences with the Indian Society for applied Behavioural Science and the National HRD Network, convinced the PD's that unless proper HRD efforts are understood and directed with a professional-ethos, socio-cultural problems of community will continue to inhabit community development processes. The roles of rural change agents became clearer once a holistic approach to HRD was adopted. HRD was seen as a means:

- to help them acquire a social perspective relevant to community development and an awareness to commit themselves to the process.
- to help members of the rural community to build trust in themselves and others; encourage consultation and listening; and develop confidence in its own resources.
- to help the dalits and oppressed women organise themselves into autonomous bodies and for a federation to establish their rights having linkages with affiliated institutions in the State.
- to help rural animators take a role of a facilitating agent for change, unlike the

# UNIT 12 HRD IN SERVICE INDUSTRY

## Objectives

After going through this unit, you must be able to understand:

- the context and characteristics of the service sector relevant for HRD
- the special role of HRD in the service sector
- the types of HRD interventions relevant to service organizations.

## Structure

- 12.1 Introduction
- 12.2 Nature and Role of the Service Sector
- 12.3 Importance of HRD in the Service Sector
- 12.4 Role of HRD in the Service Sector
- 12.5 HRD in Public Sector Banks
- 12.6 HRD in the LIC
- 12.7 HRD in Education
- 12.8 HRD in the Health Sector
- 12.9 Summary
- 12.10 References

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## 12.1 INTRODUCTION

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Economic theory traditionally looks at society as consisting of three main sectors:

- the primary or agricultural sector comprising occupations and activities such as agriculture, forestry, fishing, mining and quarrying;
- the secondary or industrial sector comprising manufacturing and construction; and
- the tertiary sector or service sector comprising activities and occupations like banking, insurance, transportation, communication and education.

The service sector, therefore, comprises activities and occupations which provide a wide variety of services to individuals, business and government establishment and other organizations.

This unit examines the relevance and application of HRD in the service sector. The nature, role and importance of the service sector are examined. The unit also examines general aspects of HRD as well as those aspects which are contextually specific to the service sector. To illustrate the HRD needs, issues, experiences and problems of implementation in the service sector, the cases of four sectors are examined: public sector banks, the Life Insurance Corporation of India, the health and family welfare sector, and the education sector.

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## 12.2 NATURE AND ROLE OF THE SERVICE SECTOR

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The service sector has a crucial economic role to play in society. Services create value by providing a bridge between the producers of goods and the beneficiaries, or between the production and consumption segments of society. This is why the growth of the service sector in modern society is linked with the increased productivity of the manufacturing sector.<sup>1</sup> The value which the service sector provides consumers may be private benefits which are paid for, or they may be public benefits which are free or subsidised, like health, education, information, etc.

A major characteristic of modern socio-economic development has been the increasingly dominant role of the service sector. As an economy develops, the

HRD aims at developing the individual, matching him to roles, both by developing him and the role, and catalysing individual and organizational self-renewal. A generalised model of HRD will include the following sub-systems: role analysis, selection and placement, transfer and rotation, reward and punishment, performance and potential appraisal, feedback and counselling, training and development, career planning, succession planning, participative devices, and HRD data bank. Of these systems, some are essential to all organizations in any sector: selection and placement, transfer, rotation, and reward and punishment. At least these sub-systems need to be designed well. If one wants to go beyond a status-quo bureaucracy, at which stage many service institutions get stuck up, performance appraisal, potential appraisal and training and development are particularly relevant. If high levels of performance is a goal, then the relevant additional sub-systems are feedback and counselling, and of participative devices. Finally, if one is concerned about the long-term vitality of any institution including a service institution, the remaining sub-systems become essential, namely role analysis, career planning, succession planning, and development of an HRD data base.

### Unique Aspects

Service industry has some special features, which call for particular emphasis in the design and implementation of HRD systems. These are:

- **Intangibility of product:** Service is the provision of value to a customer, without a physical product. This could create lack of clarity about the tasks and erosion of self-confidence. So HRD has to create appreciation of client needs, and pride in the potency of the service to meet those needs.
- **High public exposure:** The service institution is much more exposed to its clientele. Even if the institution does not proactively promote its service, the clients may take the initiative and beat at its doors. The staff need relationship skills and tolerance of customer reactions. In the case of subsidised or free services, some customers may be arrogant in their demands and misuse the service, while some others may be less literate, gullible and timid.
- **Size constraints:** To be effective, the service institution should be perceived as a huge, slow, monolith, in the face of which the customer is anonymous and insignificant. Conceptualisation of roles is especially important. The roles at the environment/customer interface need to be so designed as to enhance service. Examples are the bank teller and the 'single window' concept used recently by state industrial development corporations.
- **Back-room technology:** At the customer end, a service has to be simple to understand. For example, air travel should be made easy, but behind it may be complex aeronautics and computerised, real-time reservation systems. HRD has to ensure that those at the delivery end of a service institution understand the power and limitations of this back-up technology, while at the same time the technicians understand customer needs, abilities and limitations. User-friendly computer peripherals, for example, enhance the utilisation of an information service.
- **Specialised knowledge:** The level of general and specialised education tends to be relatively high in a service institution. Infact, a service institution like a consultancy, has to be intellectually a few steps ahead of its clients to be of real value to them. So, a research and learning orientation is needed. The service institute tends to have a preponderance of white collar workers and executive manpower. Their motivation is more complex. Besides monetary rewards, they look more for ego satisfaction and quality of work life.
- **Propensity for disintegration:** Service institutions seem to have a higher tendency to disintegrate. Depending upon personal ambitions, bruised egos, inequity, etc., rebel groups break away from the mother organization and form new ones. This may be partly due to low capital cost, low barrier to entry and the preference of the customer for specific resource persons. Therefore, HRD needs to provide for more participation in planning and control of the projects, as well as sharing of rewards, whether psychic satisfaction, fame, visibility; profits or upward mobility.

the Canara Bank has been well acclaimed by the Indian Bank Association (IBA), as a sophisticated system with several positive features.

Public sector banks has also given special attention to the establishment of Human Resources Development divisions. The division is entrusted with the task of preparing long-term schemes for the development of employees. The tasks completed by the Human Resources Development Division in most of the public sector banks include formulation of motivation surplus staff, schemes for sending birthday greeting cards to all employees, schemes on career planning and rotation of staff, schemes for granting incentives for further study.

With a view to bring in more objectivity some public sector banks have designed a new Performance Appraisal System for officers. In this system the practice of self-evaluation has been incorporated according to which appraisee and appraiser identify the key performance areas alongwith the specific function. Evaluation is done on the basis of employees' contribution or efforts with respect to these areas. Therefore, the modified performance appraisal system is intended to lead to allround development of employees. Effective steps have also been taken in some banks to reassess staff requirement so as to ensure optimum utilisation of available manpower and also to eliminate surplus pockets wherever possible. There has also been a strategic change in staff development, by relating it to workload, with a view to increasing staff productivity, at branches and administration offices.

In order to raise the level of motivation of employees and urge for individual development the banks undertook several measures and also continued efforts through a series of educative literature and providing appropriate forums for skill identification. Classroom as well as on-the-job training continued to be strongly emphasised in human resource development strategy of almost all the banks in public sector.

By and large, banks have come to recognise that HRD is more than training programmes. Training of employees is only one component of HRD. Therefore, other aspects of the HRD system like performance appraisal system, job rotation, career plan and organization development etc., have also, come into practice.

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## 12.6 HRD IN THE LIC <sup>7</sup>

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The Life Insurance Corporation of India (LIC) was set up in 1956 by the Government of India, on the nationalisation of life insurance business. It took over the entire life insurance business which had been transacted in India by private companies till then. The funds (assets and liabilities) and employees pertaining to this business were automatically transferred to the LIC. Since 1956, LIC alone has the authority to transact life insurance business in India, subject to special authorisations for some government schemes, which are allowed to operate outside the purview of the LIC.

Apart from the Central Office, the LIC has five Zonal Offices, sixty four Divisional Offices and Branches in over eight hundred centres. In the thirty-one year span of time from 1957 until 1988, LIC's business expanded from about 6 million to 32 million policies with an assured sum of Rs. 5,90,680 million. Its employee strength grew from about 31,000 to about 73,000 in the same time span.

In 1980 the LIC launched on a major exercise of organizational restructuring which led to major decentralisation of responsibilities to the branches. Each was recognised as a profit and growth centre. The number of positions in the branches as well as the level of responsibility in these positions were considerably enhanced. Microprocessors were made available to branches. The new structure provided for consultation processes and joint decision-making in planning and other operations. The new systems included data being generated about the socio-economic conditions of the area under the Branch jurisdiction for planning purposes, developing strategies for operations on the basis of such data. Consequent to the restructure of work, there

required every incumbent of each position to specify the nature of the contribution he expected to make as distinct from the results which his department as a group will achieve. This statement of contribution was to be discussed and agreed upon between him and his superior. The work plan which would indicate the specific outputs or improvements or results that the manager proposed to make in the next year, would also indicate what he would achieve in the next three months and the following months and again six months the manager would review the work first along and then together with his superiors.

The intervention was begun in early 1988 on an experimental basis in all the divisions of the Northern Zone of the Corporation. Seminars were conducted in which the consultant, explained to all the concerned officers of the zone, the philosophy and the rationale of the proposed intervention and the details of how to go about it. Subsequently, the Zonal Manager and the Regional Manager (Personnel) went to each Division and had detailed discussions to help the officers concerned understand more thoroughly the significance and the mechanics of writing out the work plan. After a period of three months the officers had clarification seminars with the consultant. After clarification seminars the work plans were finalised.

As information went round about what was happening in the Northern Zone, there were demands from other Divisions that they be involved in the new experiment. Consequently, 10 further Divisions were brought into the scheme. The Corporation intends to introduce the scheme throughout the Corporation only after observing the results of the experiments in these Divisions.

During the seminars in which they are being introduced to the concepts of the intended practices, the officers concerned expressed several doubts and sought clarifications. Some of these are discussed below.

Managers were aware of the beneficial effects of human relations and at least cognitively want to be good to their people. The HRD philosophy however states that being good to the people is necessary for its own sake and not merely as an instrument for the achievement of the managers' results. The latter is a bargaining situation which may be resented by the subordinates. The former is a negotiation situation which may be accepted by the subordinates (when they see that it may lead to their own growth in terms of knowledge, experience and skills), may lead to development of persons and integrate in a different manner with the desired results of the organization.

The expected growth of LIC would lead to serious problems in handling work and it was essential that decision-making processes must remain at the Branch Offices. Unless the personnel at the operational level viz. the Branches, were developed adequately to shoulder the responsibility of not merely carrying on the operations, the entire restructuring exercise may be reversed with regard to the role of the Branch. It was to enable the personnel to perform adequately for these new tasks that the proposed HRD strategy becomes important.

Some managers mentioned that certain positions were more attractive in terms of remuneration as a result of which there was a reluctance for people to move away from these positions even if higher responsibility positions were offered. This question came up in connection with the proposed career path which expected that personnel would in the initial years, work in the Branches to develop skills of interaction with customers, learn the essential aspects of operations, develop confidence to handle differentiated functions and become aware of integrated activity moving later into the higher offices for specialisation in functional areas. The fear was that if individual officers were to be given a choice as to the career or the specialisation in which they would like to develop, there would be a heavier concentration in positions which are attractive in terms of remuneration and perquisites compared to the other positions which do not have such perquisites. It was difficult for many to visualise that other specialist functions could also be found attractive and could be chosen by individuals for reasons of professional stature or temperamental adjustments. The rotation in the earlier stages of the career was meant to provide an opportunity to experience the different functions so that informed choice could be made.

Education itself aims at development of human resources. Therefore when we talk of HRD in education we are talking about the development of those human resources involved in education. These include: teachers, headmasters, principals, support staff working in educational institutions, heads of university departments, vice-chancellors, educational administrators at the local, district, state and central levels, planners and policy-makers. Developing all these categories of people becomes extremely important as the effectiveness of education depends upon how well they perform their roles. People at different levels and performing different roles require different competencies to be effective in their roles. These competencies are also changing from time to time as the environment is changing, knowledge base is continuously improving and the needs are changing. Such a dynamic and changing environment requires an equally or even faster developing human resources to cope with it. Hence there is a need to develop continuously the capabilities of the people involved in education.

The competencies required for teachers are normally considered as subject matter competencies and pedagogic skills. As we go up the education stream the competency requirements become much complex. For example the Headmasters of schools require more sophisticated competencies than what a teacher requires. Besides knowledge of the subject and pedagogic skills, he is required to be a leader, initiative taker, innovator, institution-builder, manager, etc. As we go still higher up to the level of District Education Officer the competency requirements get still more complex as he is required to deal with a large number of institutions and guide them. He is required to be familiar with the region and its educational problems, should have the competency to guide the Headmasters of a large number of schools, should be able to establish management systems to keep information, monitor school performance, suggest innovative schemes to the schools, involve the community for improving educational facilities in the region etc. Thus the complexity of the capability requirements changes for different roles. As all these roles are equally important for the effectiveness of the education systems it becomes essential to ensure the continuous development of human resources occupying these roles.

Training has been used most often as the only mechanism for developing human resources in education sector and other mechanisms of human resource development have been neglected. The limitations of training in developing complex capabilities has not been adequately recognised in the past. It is easier to develop subject matter competencies in teachers through classroom instruction. But teaching skills cannot be developed through classroom instruction only. It has to be supplemented by actual practice. Higher level competencies required by the Headmasters, Principals, DEO's etc. cannot be developed in the classrooms alone. Alternate mechanisms need to be identified. Experience from other sectors indicates that HRD can be effected through performance appraisal systems that are designed to promote employee development in their present roles. Potential development systems can also be planned to prepare for future roles likely to be performed by the employees. OD exercises could be undertaken to create self-renewal capabilities in educational institutions.

Career opportunities and rewards are very important factors in providing a development climate in educational institutions and agencies. If there is no development climate and no pressure or incentives for development people are not likely to develop.

### **HRD Needs in Education**

The HRD needs in education should be interpreted in the context of the overall developmental needs of the country and should take into consideration the developmental plans in other sectors. Any HRD program for those in the field of education should enable those in education systems to initiate, design, develop, and implement education systems that facilitate the accomplishment of developmental plans in other sectors at the local, regional and national levels. This becomes all the more important in a developing country like ours which cannot afford to waste its resources by having an education system that is a luxury.

In identifying the HRD needs of education people we need to take this perspective

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# UNIT 13 COMPARATIVE HRD: INTERNATIONAL EXPERIENCES

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## Objectives

After going through this unit, you should be able to:

- understand what factors account for differences in HRD across different countries
- identify the dominant HRD practices in different parts of the world.

## Structure

- 13.1 Introduction
- 13.2 National Versus International HRD
- 13.3 International Commonalities and Differences in HRD
- 13.4 HRD in North America
- 13.5 HRD in South America
- 13.6 HRD in Western Europe
- 13.7 HRD in Africa
- 13.8 HRD in Asia
- 13.9 Summary
- 13.10 References

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## 13.1 INTRODUCTION

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Managers in organizations hold particular views, assumptions, values and preferences about how to manage and develop people in order to attain organizational as well as individual goals. Such views, assumptions, values and preferences are translated into formal policies, practices and systems of managing and developing human resources. Across the world, management thinking and values are likely to be different, reflecting differences in cultures, social, political and economic realities. If this is so, then there are likely to be some differences in the HRD systems and practices in different countries. There are also likely to be commonalities because the fundamental laws governing human behaviour are much the same across the world. For instance, people everywhere have basic psychological needs for belongingness, emotional attachment, reward etc. Differences between people across different countries or cultures are usually a matter of degree rather than of content.

This unit discusses HRD policies and practices in different parts of the world. The objective is to highlight the major commonalities and differences. Such a comparative discussion is useful because it helps us understand what factors beyond the immediate organizational and environmental contexts influence thinking and action with respect to human resource development. It helps us appreciate the diversity of practices but also to appreciate the common core which binds people, organizations and entire countries together by common concerns about people. It helps put many of our own HRD systems and policies in a broader perspective. The importance of a comparative look at HRD is particularly relevant in current times because of the dramatic changes taking place around the world. Everywhere, social, political and economic realities have been changing and there has been a loosening of boundaries and a keenness to examine what other countries are doing. Increasing collaborative ventures between Indian and foreign corporations, the import and export of technology and other resources, and an anxiety for effective partnerships heighten concerns about human resources management and development in other countries.

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## 13.2 NATIONAL VERSUS INTERNATIONAL HRD

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A very frequent concern expressed by people in organizations in which new HRD systems are being introduced is: "To what extent are these systems applicable to

orientation. Such cultural differences would be reflected in the kinds of HRD systems adopted.<sup>8</sup> For example, in cultures like ours where there is moderate collectivism and a tolerance of uncertainty. Organization Development (OD) and teams building activities may more be acceptable and effective. Contrastingly, in a culture with a high degree of individualism and an intolerance for uncertainty like the USA, systems such as performance appraisal, feedback and counselling may be more acceptable and effective.

#### **Economic Factors**

The HRD policies of a company reflect the corporate policies and strategies of its management. These, in turn, are influenced or determined by the structure and nature of the economy. For instance, in a mixed socialist economy like ours, corporate policies and strategies are influenced by government regulations, social policies of the government regarding employment and development of disadvantaged social groups, competition from other public and private sector organizations etc. These factors are reflected in the HRD policies and practices too. On the other hand, in a free enterprise system, the success of a company may depend much on its efficiency in competition with other companies. So it may place greater emphasis on systems that increase performance efficiency and accountability. (The level of industrialisation already achieved in an economy also influence HRD practices of organizations in the economy) Other things being equal, it appears that higher level of industrialisation results in a more educated, organized work-force whose HRD needs are different from the less educated, and less organized work force in non-industrialised societies.<sup>9</sup>

#### **Socio-political Factors**

The socio-political ideologies of governments in different countries have a powerful impact on other aspects such as industrial relations, employment policies, management attitudes towards unions and other internal or external interest groups. These in turn affect HRD philosophies and strategies. In India, for instance, the sensitive industrial relations climate due to political affiliations of trade unions have made many managements cautious about applying to workers the same HRD policies which they apply to the non-unionised managers and supervisors. (In socialist countries, the State's control over the organization strongly conditions HRD) (The opposite is the case in the democratic countries where a lot more experimentation with HRD mechanisms and interventions has been going on).

#### **Technological Factors**

In today's world technology plays an important role in determining differences between organizations. Technological know-how and sophistication is unevenly distributed across the world with some countries enjoying much more technological resources and know-how than others. The level of technological sophistication in an organization will affect a number of HRD related matters—training, transferability and job rotation, inflow and outflow of human resources into and out of the organization, and even the type of climate and interpersonal relationships prevailing in the organization. Thus, countries which have very sophisticated and fast changing technologies would tend to be characterised by organizations which emphasise skill and technical training. Countries which have sophisticated slow changing technologies would have organizations that give more importance to human relations or attitude development interventions to maintain personal growth and development.

In the following sections, a bird's-eye view of HRD related practices in different parts of the world is provided. As will be seen from the descriptions, one striking difference between HRD in different countries is, in the first place, about what HRD means and what activities it should encompass. Although many of the HRD concepts and systems used in Indian organizations today may have originated from the USA and other Western countries, it will be evident that an integrated HRD system of the kind familiar to many Indian organizations, is uncommon in most other countries. In many countries, HRD is simply another term of Personnel Management or Administration, and the major HRD intervention appears to be training. The following discussion is organized according to regions which, industrially and culturally, have certain common features: North America, South America, Western Europe, Africa and Asia. Information from literature on HRD in Eastern Europe.

emphasis on technicians. More recently, in 1975, the government enacted a law providing financial incentives for private companies that had acceptable HRD programmes.

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### 13.6 HRD IN WESTERN EUROPE <sup>13</sup>

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As in North America, in Western Europe too, the main focus of HRD appears to be on training and educational activities. However, there has also been an emphasis on the provision of "support systems"—that is, those activities performed by those within the organization to ensure that learnings from HRD activities are supported on the job. In Spain and Holland key managers in organizations are identified to take on the roles of facilitators to provide encouragement to people on-the-job. In Sweden, in some organizations there is a practice of using internal, non-HRD practitioners as on-the-job facilitation. Each individual is given a "train the trainer" course and then returned to his or her workplace.

HRD in Western Europe gives much emphasis to the building of specific skills. Generally adverse economic conditions have prompted organizations in Holland, Denmark and England to rely on short training programmes.

One of the main HRD related concerns in Western European organizations is the impact on people of the introduction of new technology, particularly computerisation. The role of the HRD practitioners is seen most frequently as being that of helping people deal with the problems of change.

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### 13.7 HRD IN AFRICA <sup>14</sup>

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Africa is the least developed of all the world's continents, though it is believed to be best endowed with minerals, energy, land, water, and other natural resources. Its economy is marked by low productivity in both agriculture and industry, high illiteracy, low life expectancy and a generally low quality of life. African governments have generally concentrated on capital and physical resources to the neglect of human resources.

A Heads of State summit in Lagos in 1980 is a landmark for HRD in Africa. The Lagos Plan of Action that emerged out of the summit emphasized, among other things, the training of labour to meet the technical and managerial needs of development. Accordingly, it recommended the establishment of national and regional training centres and skills development programmes.

In most African countries, HRD has been institutionalised. Zimbabwe and Tanzania, for instance, have formed HRD ministries; others have departments in other ministries specifically for this purpose. There is hardly any country that does not have a government institution set up for HRD.

In Ghana, a directorate responsible for HRD was created within the civil service in 1976. It implements HRD in the government and manages several National HRD institutions such as Ghana Institute of Management and Public Administration, Management Development and Productivity Institute, Institute for Technical Supervision, and Civil Service Training Centre.

In Nigeria, HRD has not been as orderly as in Ghana. Zambia has achieved modest results in HRD. At the National level, HRD is coordinated by the National Commission for Development Planning and the Ministry of General Education and Culture.

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### 13.8 HRD IN ASIA <sup>15</sup>

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Of all the regions of the world, Asia probably presents the greatest contrasts. It contains one of the most developed countries, namely Japan, and also some of the least developed. In an advanced economy like Japan, there is a long tradition of HRD. Japanese organizations are known for their unique development schemes

# UNIT 14 HRD CULTURE AND CLIMATE

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## Objectives

After going through this unit, you should be able to understand:

- concept of HRD climate
- relationship between HRD climate and organisational climate
- measurement of HRD climate

## Structure

- 14.1 Introduction
- 14.2 Defining Climate
- 14.3 HRD Climate and Organisational Climate
- 14.4 Elements of HRD Climate
- 14.5 Measurement of HRD Climate
- 14.6 Survey of HRD Climate in Indian Organisations
- 14.7 What Contributes to HRD Climate?
- 14.8 References

Appendices

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## 14.1 INTRODUCTION

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The HRD climate of an organisation plays a very important role in ensuring the competency, motivation and development of its employees. The HRD climate can be created using appropriate HRD systems and leadership styles of top management. The HRD climate is both a means to an end as well as an end in itself. In the recent past simple instruments have been developed to measure the HRD climate in organisations. These instruments are being widely used to assess periodically the climate, maintain profiles and design interventions to further improve it. This unit presents a detailed conceptual background of the HRD climate, various research studies available on HRD climate and discusses an instrument to measure HRD climate that is being used by different organisations. By the end of the unit the reader should be able to use the HRD climate survey questionnaire to measure the HRD climate of his own organisation. Reader also will get an overview of the HRD climate existing in different organisations.

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## 14.2 DEFINING CLIMATE

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Preception about an organisation's goals and about decisions that a manager should take to achieve these goals come not only from formal control systems but also through informal organization. Both the formal and informal structure combine to create what is called organisational climate.

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, the extent of member's dedication or commitment to organisational purpose, and the efficiency with which that purpose becomes translated into results. 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 toward his work and his environment.

Organisational climate has been a popular concept in theory and research for sometime and has received a great deal of attention in the past 25 years. Guion (1973) has stated that "The construct implied by the term 'organisational climate' may be one

## **14.6 SURVEY OF HRD CLIMATE IN INDIAN ORGANISATIONS**

Several Indian organisations were surveyed for their HRD climate and data was collected from 2673 respondents from 52 organisations and the results of which are presented here.

It is interesting to note that the average extent of climate prevalent in all the 52 organisations is about 54% which is rather low. To see which components are favourable and which are not, an item-wise analysis is conducted and results are discussed below.

The following are the items with respect to which the HRD climate is not favourable, i.e. the average item-wise scores are below 50%.

- a) Top management goes out of its way to make sure that employees enjoy their work (Item No. 1)
- b) There are mechanisms in the organisations to reward any good work done or any contribution made by the employees (Item No. 15).
- c) Employees are encouraged to experiment with new methods and try out creative ideas (Item No. 19).
- d) When behaviour feedback is given to employees they take it seriously and use it for development (Item No. 22)
- e) Employees in this organisation take pains to find out their strengths and weaknesses from the supervising officers or colleagues (Item No. 23).
- f) Employees returning from training programmes are given opportunities to try out what they have learnt (Item No: 25).
- g) Employees are encouraged to take initiative and do things on their own without having to wait for instructions from supervisors (Item No. 30).
- h) Career opportunities are pointed out to juniors by senior officers in the organisation (Item No. 35)
- i) This organisation ensures employee welfare to such an extent that the employees can save a lot of their mental energy for work purposes (Item No. 37).

The following are the items with respect to which the HRD climate is favourable, i.e., the average item-wise scores are above 60%.

- a) The top management believes that human resources are an extremely important resource and that they have to be treated more humanly (Item No. 2).
- b) People in this organisation are helpful to each other (Item No. 9).
- c) Promotion decisions are based on the suitability of the promotee rather than on favouritism (Item No. 14).
- d) Performance appraisal reports in our organisation are based on objective assessment and adequate information and not on favouritism (Item No. 17).
- e) When employees are sponsored for training, they take it seriously and try to learn from the programme they attend (Item No. 24).
- f) Employees are not afraid to express or discuss their feelings with their superiors (Item No. 28).

Thus it appears that there is a gap between belief and practice. at the top management level, namely, though the top management believe that human resources are their most important asset, and yet they do not seem to do much in developing their human resources. Except for promotion decisions, the reward mechanisms are not seen to be favourably implemented. Though most of the organisations spend huge amounts of money on training and the employees also take their training seriously, the

- 5) **Attitudes 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 behaviour of any of these agents is not supportive, the HRD climate is likely to be vitiated.
- 6) **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 are willing to spend a part of their time for their subordinates, it is likely to have a positive impact.

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## APPENDIX-I

Litwin & Stringer (Total 50 items)	Downey, Hellriegel and Slocum (Total 54 items)*	SIMS & Lefollette (Total 50 items)	Muchinsky (Total 50 items)	Rao and Abraham (Total 38 items)
1. Structure (8)	Structure (2)		Organisation Structure and Procedures (10)	
2. Responsibility (7)	Decision-Making (4)		Responsibility (7)	Responsibility (2)
3. Reward (6)	Rewards (3)	Policy & Promotion Clarity (5)		Rewards (2)
4. Risk (5)	Risk (2)	Risk & decision making (3)		Risk taking (3)
5. Warmth (5)	Warmth (3)	General affect tone toward management and/or organi- sation (11)	General affect tone toward management and/or organi- sation (17)	Top management support (4)
6. Standards (6)		Job pressure and standards	Standards (3)	
7. Conflict (4)				Conflict (2)
8. Identity (4)		General affect tone toward other people in the organi- sation (20)	Organisation identification (5)	Feedback (3)

- 17) The top management of the organisation makes efforts to identify and utilise the potential of the employees. 1 2 3 4 5
- 14) Promotion decisions are based on the suitability of the promotee rather than on favouritism. 1 2 3 4 5
- 15) There are mechanisms in this organisation to reward any good work done or any contribution made by employees. 1 2 3 4 5
- 16) When an employee does good work his supervising officers take special care to appreciate it. 1 2 3 4 5
- 17) Performance appraisal reports in our organisation are based on objective assessment and adequate information and not on favouritism. 1 2 3 4 5
- 18) People in this organisation do not have any fixed mental impressions about each other. 1 2 3 4 5
- 19) Employees are encouraged to experiment with new methods and try out creative ideas. 1 2 3 4 5
- 20) When any employee makes a mistake his supervisors treat it with understanding and help him to learn from such mistakes rather than punishing him or discouraging him. 1 2 3 4 5
- 21) Weaknesses of employees are communicated to them in a non-threatening way. 1 2 3 4 5
- 22) When behaviour feedback is given to employees they take it seriously and use it for development. 1 2 3 4 5
- 23) Employees in this organisation take pains to find out their strengths and weaknesses from their supervising officers or colleagues. 1 2 3 4 5
- 24) When employees are sponsored for training, they take it seriously and try to learn from the programmes they attended. 1 2 3 4 5
- 25) Employees returning from training programmes are given opportunities to try out what they have learnt. 1 2 3 4 5
- 26) Employees are sponsored for training programmes on the basis of genuine training needs. 1 2 3 4 5
- 27) People trust each other in this organisation. 1 2 3 4 5
- 28) Employees are not afraid to express or discuss their feelings with their superiors. 1 2 3 4 5
- 29) Employees are not afraid to express or discuss their feelings with their subordinates. 1 2 3 4 5
- 30) Employees are encouraged to take initiative and do things on their own without having to wait for instructions from supervisors. 1 2 3 4 5
- 31) Delegation of authority to encourage juniors to develop handling higher responsibilities is quite common in this organisation. 1 2 3 4 5
- 32) When seniors delegate authority to juniors, the juniors use it as an opportunity for development. 1 2 3 4 5
- 33) Team spirit is of high order in this organisation. 1 2 3 4 5
- 34) When problems arise people discuss these problems openly and try to solve them rather than keep accusing each other behind the back. 1 2 3 4 5
- 35) Career opportunities are pointed out to juniors by senior officers in the organisation. 1 2 3 4 5
- 36) The organisation's future plans are made known to the managerial staff to help them develop their juniors and prepare them for future. 1 2 3 4 5
- 37) This organisation ensures employee welfare to such an extent that the employees can save a lot of their mental energy for work purposes. 1 2 3 4 5
- 38) Job rotation in this organisation facilitates employee development. 1 2 3 4 5

#### Annexure 1

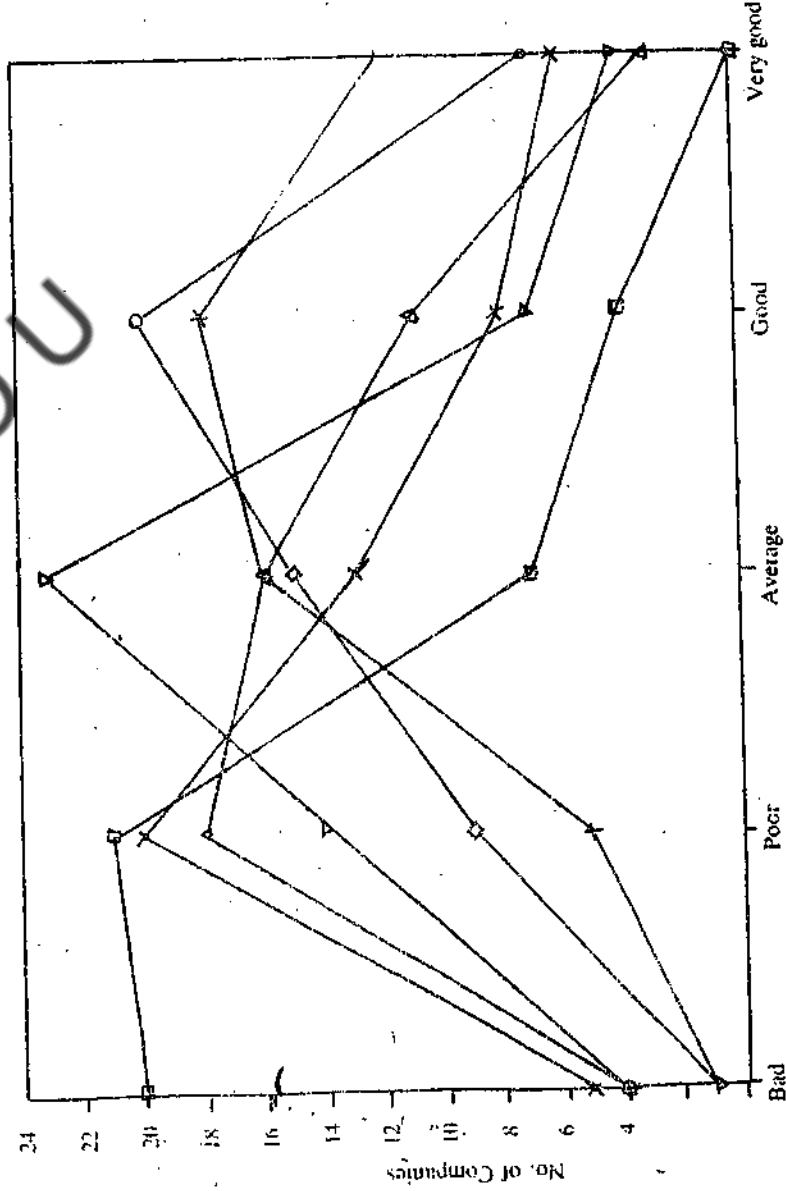
Factor	Eigen Value	Per cent of variance	Cumulative variance
1	16.99	44.7	44.7
2	3.65	9.6	54.3
3	2.67	7.0	61.3
4	2.11	5.6	66.9
5	1.74	4.6	71.5
6	1.52	4.0	75.5
7	1.19	3.1	78.6
8	1.06	2.8	81.4
9	1.02	2.7	84.1

7	7	0	5	20	19	6	2
8	0	6	6	12	22	9	3
9	0	1	2	2	8	25	16
10	0	2	3	3	22	20	5
11	0	0	5	5	28	12	7
12	1	2	2	14	20	10	5
13	1	3	3	13	20	10	5
14	0	3	5	5	17	13	14
15	4	12	16	7	10	6	4
16	0	2	7	9	25	12	6
17	0	0	0	9	16	13	14
18	1	3	18	18	25	7	0
19	4	8	15	15	12	11	2
20	1	1	3	3	20	19	8
21	1	0	5	5	26	10	10
22	1	7	17	17	19	7	1
23	2	24	15	8	8	1	2
24	0	3	3	3	15	21	10
25	4	15	14	14	13	2	10
26	0	7	11	11	18	9	4
27	0	2	3	3	20	19	7
28	0	0	6	6	17	20	8
29	0	1	7	7	25	14	9
30	1	5	19	19	21	6	5
31	0	4	13	13	19	13	0
32	0	0	4	4	21	6	3
33	1	1	12	12	21	20	7
34	0	0	16	16	21	11	6
35	0	12	18	18	22	10	4
36	1	6	18	18	15	4	3
37	0	12	15	15	14	7	6
38	5	9	14	14	15	7	3
					12	3	9

Table 6 : Item-wise Frequency Distribution of Climate Data for 52 Organisations

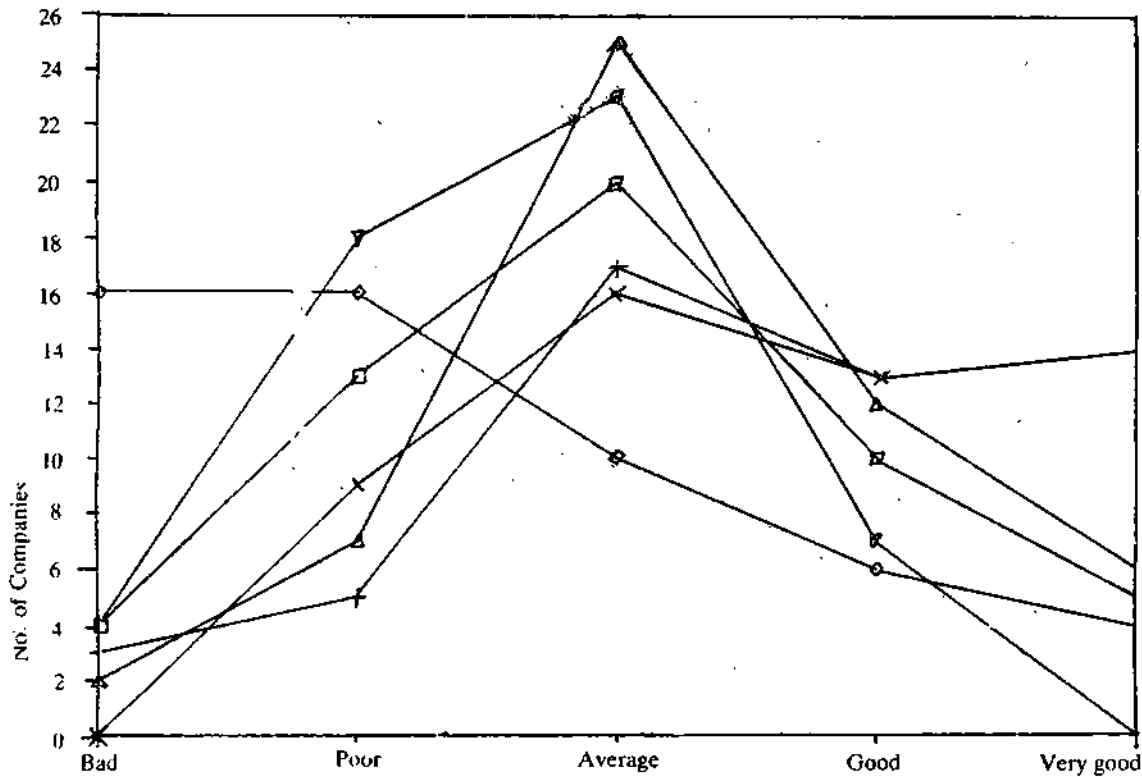
Frequency Distribution of HRD Climate

Exhibit I



Legend

- Item - 1
- + Item - 2
- △ Item - 3
- ◇ Item - 4
- × Item - 5
- ▽ Item - 6

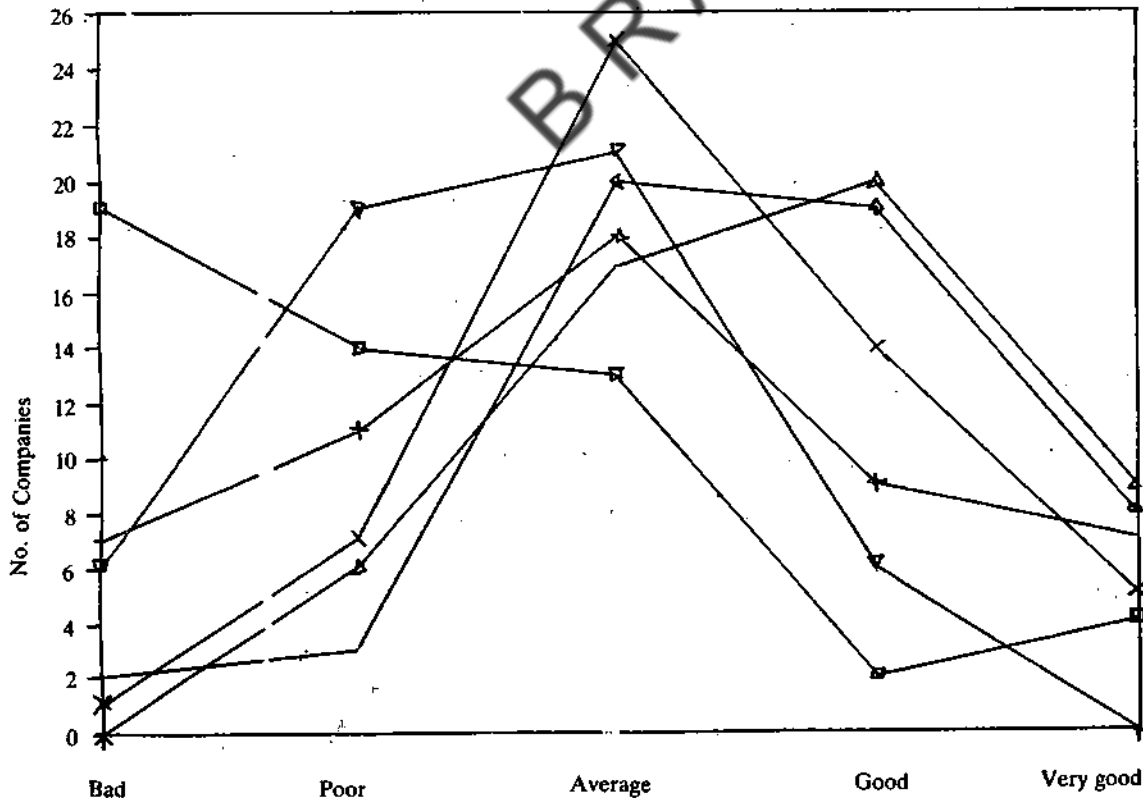


Legend

- Item - 19      △ Item - 22
- + Item - 20     × Item - 23
- ◇ Item - 21     ▽ Item - 24

Frequency Distribution of HRD Climate

Exhibit I Contd.



Legend

- Item - 25      △ Item - 28
- + Item - 26     × Item - 29
- ◇ Item - 27     ▽ Item - 30

# UNIT 15 HUMAN RESOURCE DEVELOPMENT FOR WORKERS

## Objectives

After reading this unit you should be able to :

- understand rationale of HRD for workers
- understand objectives of HRD for workers
- appreciate the role of unions in HRD for workers
- understand the mechanisms of HRD for workers; and
- understand the principles in operationalising HRD for workers.

## Structure

- 15.1 Introduction
- 15.2 Rationale of HRD for Workers
- 15.3 HRD for Workers
- 15.4 HRD Mechanisms for Workers
- 15.5 Role of Trade Unions
- 15.6 Operationalising HRD for Workers
- 15.7 Summary
- 15.8 Self-assessment Questions
- 15.9 Further Readings

## 15.1 INTRODUCTION

The scholarly and managerial interest in the field of HRD seems to have occurred only for over a decade now. A number of initiatives have been taken both by scholars and managers to propagate the values of HRD and initiate HRD systems in many companies both public sector and private sector. Most of the published work on HRD in public and private sector focuses on use of HRD instruments like Performance Appraisal, Potential Appraisal, Training Role Analysis etc. for developing managerial resources. HRD for workers has been attempted only in a limited way and that too only recently. In recent years, the need for HRD for workers has been echoed both by professionals as well as academicians. While the need for HRD for workers is voiced at different levels, there is very little that has been done in this area. There can be several reasons for such a trend:

- a) An assumption that development of managerial resources itself should result in workers' development through management techniques and style.
- b) Workers' constituency is a stormy area and any effort for HRD for workers will bring unions into focus.
- c) Lack of integration between existing HRD and IR in many organisations.
- d) Keeping HRD as a non-bargainable issue.
- e) Prevailing IR climate in the organisation.

Despite this, it is now increasingly realised that workers constitute a major resource in any organisation and therefore any neglect to develop and nurture this resource is likely to produce counter-productive results. It is also felt that for long, workers have been treated as property of trade unions and in the process they are alienated from management. Research has revealed that workers feel equally alienated from trade unions which over the years, have developed into an oligarchic and bureaucratic institutions. Such alienation both from management and unions have in general concentrated on their role as a protest organisation and have done pretty little in the area of development for workers. Many managements feel overwhelmed by existing labour laws and contend themselves by fulfilling their obligations.

should make an organisation to focus on developing around capabilities in workers which enables them to participate meaningfully in the matters concerning them.

### **Technological Change**

The technological changes are forcing organisations to adopt new structures and to adapt to new environment. Obsolescence of certain jobs due to technological upgradation will make it imperative for organisations to prepare workers with new skills and attitudes to cope with changes. Recent spurt in computerisation calls for training, retraining and job shifting for workers. They also need confidence to adjust to technological revolution in view of confused talks about workers future in a new technological context.

Apart from this, organisations must find ways to involve the whole person in the job so that work and life are related more meaningfully. In this context, it should be recognised that money alone is an insufficient motivator and work must be viewed with a sense of satisfaction. Therefore, the rationale and need for HRD for workers hardly need more emphasis.

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## **15.3 HRD FOR WORKERS**

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### **Definition**

HRD for workers is a process by which the workers are helped in a continuous and planned way to:

- a) develop occupational capabilities,
- b) develop intellectual, psychological, social and cultural aspects,
- c) develop higher level of achievement, motivation and self-management skills, and
- d) develop confidence, initiative and entrepreneurship.

One result of development should be to realise the potential of people and help them to realise the various resources they have at their command—resources of personnel and individual strength as well as resources in the environment.

### **Objectives**

The goals of HRD for workers are following:

- a) Men at the centre of development.
- b) Delineation of man so that he becomes the object of development.
- c) Development of collective personality of workers.
- d) Participation.
- e) Self-reliance as the expression of workers own faith in their ability.

HRD for workers should increase the power of those who have traditionally been deprived of such power. This power in the context of creating confidence in workers to influence the course of action.

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## **15.4 HRD MECHANISMS FOR WORKERS**

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As mentioned earlier, the focus, direction, content and mechanisms for HRD have to be different for workers than for managerial staff. This is because of the job requirement, existing level of knowledge and competence, number of target groups to be covered etc. Therefore, in the traditional mechanism of HRD for managerial staff like Performance Appraisal, Potential Appraisal, Role Analysis etc. cannot be replicated for workers who at a particular stage of their development may have limited utility for these mechanisms. It would be difficult to propose that workers as a group will have common needs for development because in different sectors, the focus and direction of HRD for workers may be different. Following mechanisms have been tried by Indian organisations for workers' development with considerable success. These mechanisms are merely illustrative and not exhaustive as there may be many more ways to develop workers. All these mechanisms are linked with overall

### **Behavioural training as tool for development for non-supervisory employees : Petrofils experience :**

Petrofils Co-op. Ltd. is a joint venture of Government of India and Weavers' Cooperatives. It has been functioning in a highly competitive field and has been producing at more than 100% of its licenced capacity from the initial stages. Amongst many other experiments being made by the HRD section in the areas of Performance Appraisal, Organisational Structure, Personnel Information System, Training & Employee Welfare, it was decided to experiment with behavioural training for non-supervisory employees.

#### **The Training Programme :**

A training programme encompassing six full days was evolved by Baroda Productivity Council and was jointly modified by Baroda Productivity Council and Petrofils. This programme had three modules.

**Module I :** Increased Shop-floor effectiveness—the TA module.

**Module II :** Creativity in the industrial set-up.

**Module III :** Productivity techniques and team building.

#### **Objectives :**

- To expose participants to latest productivity techniques.
- To acquaint participants with the basic approach underlying creative thinking.
- To help participants develop keen in-sight into their own behavioural patterns and explain awareness of their potential.
- To offer a rationale framework which explains human behaviour in the industrial set-up.
- To unleash the latent, creative power of the work force.
- To instil insight and expand awareness of the untapped potential and to channel them into productive and creative activities.
- To help in creating proper climate for IR based on mutual understanding by increased positive inter-personal relationship and problem solving.
- To develop positive superior-subordinate relationship by focusing on the individual.

#### **Improvements achieved :**

##### **(a) At place of work**

- Improved behaviour with colleagues and boss.
- Feeling of (this is our work rather than not my work).
- Reduced tendency of hiding own mistakes and highlighting others' mistakes.
- Avoid deliberate confrontation, increased interest in suggestion scheme etc.

##### **(b) At home**

- More interest in family affairs.
- Increased awareness of needs of wife and children etc.

#### **Industrial Relations :**

Training had a positive effect on shop floor IR, as well as overall company-wide industrial relations climate. The feedback response in respect of place of work seems to support the same. Shop-floor discipline increased due to decrease in misconduct.

### **Counselling**

Counselling is an important mechanism to provide timely guidance to workers and help them learn from their own mistakes. The counselling effort needs to be well meaning and serious and it is preferable if it is initiated by trained counsellors. Timely counselling can help avoid many conflict situations and eventually help workers both in their personal and job life. Many Indian companies have trained counsellors who

The company feels that this approach of rehabilitation of alcoholism on the job itself is an element of wisdom and has served a number of purposes.

### Participation

Workers' participation in management is a very potent mechanism for all round growth of workers and also all round growth of companies. Pitiably, however, not much has either been initiated or achieved in this direction. Partly the problem is that the scheme of workers' participation in management is always pushed by statutory mechanisms and to that extent it is considered as coercion from the government. The overall industrial relations environment and the inter-union rivalry adds to the problem. In this atmosphere, the employers have mostly played safe. Failure of the institutions of Works Committee and Joint Management Councils are examples of inadequacy of governmental interventions. Research findings reveals that worker director scheme even in white collar industry like banks have hardly created any positive climate in industrial relations. One of the important reasons for the cynicism amongst employers about any participation mechanism seems to be lack of experimentation in this area. A handful of companies have however experimented though in a limited manner, the participation of workers in the affairs of management. Some recent experiments are encouraging. The success experience is largely attributable to the philosophy of the Chief Executive and the owners. Steel Tubes of India a small scale company, had made a significant head way in initiating an experiment in democracy at the work place and the results are encouraging.

### Democracy at the Work place—Steel Tubes of India's Experience

Steel Tubes of India Ltd. set up in 1959 as a small scale company was taken by an entrepreneur in 1967 when it was a sick unit. He shifted operations to industrially backward area of Dewas and set up a modern Precision Steel Tube Manufacturing Plant in 1975, which is today the largest manufacturer of such tubes in India. Steel Tubes India group's turnover is close to Rs. 100/ crores.

For an Indian entrepreneur the steps taken by the Chairman and Managing Director of Steel Tubes of India Ltd. (STI) are radical and path finding. They reflect an attitude of genuine concern and regard for the views; criticism and good faith of the employees who have given their best to the fast growing company. The Joint Committee and Janasabha are two participative institutions which have facilitated a free flow of information and engendered a great degree of involvement. The HRD Department itself partakes all the democratic processes. The Manager (Human Resources) at STI is chosen by the elected representatives of the workers (the Joint Committee) from among managers with more than 3 years service in the company. Such a nomination from the Joint Committee is binding on the management and the person gets a three years' term as Manager (Human Resources).

**The Joint Committee :** A senior manager compares the Joint Committee—a cabinet in a democratic system. It has 6 representatives of management and 6 workers' representatives from different grades. The later are elected, not by members of separate grades, but by the entire work force. The Joint Committee meets on the 28th of every month. Labour demands, problem of technology, innovations, in fact, every aspect of work is discussed. The Joint Committee chaired by a manager of the level of General Manager and the Vice-Chairman is from workers' side.

**Janasabha :** The institution of Janasabha is more broad-based and is like a house of representatives. Its membership embraces of the elected members of the Joint Committee, nominated members of the 4 joint departmental councils and the company workers who have been declared best workers of the year for the last 7 years, people who have 20 years of service in the company, senior managers, departmental heads and directors of the company.

Janasabha meets twice a year. The Chairman gives an assessment of the

adequate. Equally important is the environment in which they work. This mostly relates to physical environment such as heating and air-conditioners, lighting and safety and general aesthetic atmosphere in the organisation. Quality of work life is focused generally on these aspects and also on other motivational factors such as flexibility in working hours, autonomy and discretion in the performance of jobs and the very nature of the work etc. Very little systematic work has been done in the area of quality of work life. One good initiative was taken by a public sector undertaking Bharat Heavy Electricals Ltd. (BHEL) some years ago which undertook initiative in improving quality of work life.

**Quality of Work Life—BHEL way**

BHEL is the largest engineering enterprise in India and is ranked as 12th largest manufacturer of power plant equipment in the world. Its main activities cover engineering, development, manufacturing, erection and commissioning of electrical machinery and electronic equipment in the generation, transmission, distribution and utilization of electrical energy from Thermal/Hydro and nuclear power plants. In one of its units (Hardwar) "Job Redesign" was taken up as an OD intervention in 1975. This experiment was pursued for about 4 years and very encouraging results were obtained. Important ones are mentioned as under :

- a) Very satisfying job due to increased variety and relief from boredom and monotony.
- b) Personal Growth for all by learning additional skills of other fronts and acquiring leadership qualities.
- c) Redemption in health/safety hazards.
- d) An atmosphere with less education and healously.
- e) An improved team spirit and morale resulting in improved communication and human relationship.
- f) Increased self-esteem and pride amongst workers.

**Quality Circles**

Quality Circle is a small group activity where in a small group of employees on voluntary basis meet periodically to discuss work related problems. Experience with Quality Circle in Japan and elsewhere is very encouraging in terms of involvement of workers in the work related matters and psychological satisfaction. In last few years, many companies, both in private sector and public sector have experimented with Quality Circle and the results are very encouraging. In fact, Quality Circle is an important HRD mechanism for the involvement of workers at the grass root levels. This also unleashes the latent potentials of workers in the use of organisation. Many Indian companies like JK Jute, Bharat Electronics, BHEL, HMT etc. and some service organisations like banks have experimented with Quality Circles in recent years and interesting results are reported.

**Quality Circles in Bharat Electronics Limited**

Bharat Electronics Ltd. was established in 1954 and since then it has made rapid strides in the professional electronic field. Most of the equipments in manufacture are in the areas of radio communication, broadcasting and radar. In addition to in-house research and development, sustained efforts are being made to upgrade technology and develop new projects. Quality and reliability have been and continue to be the prime concerns of the management. The present work force is 19,000 and turnover during 1985-86 was Rs. 2,198 millions.

The initiation of Quality Circle Movement in BEL was in the background of a long-run strike and lock out in 1981. The BEL management introduced Quality Circle Movement at its Bangalore unit for enhancing the morale of the employees by giving them an opportunity to participate in decision making in those areas which affect them and in which they have expertise.

**Stage II**

If the employee is still dissatisfied with the decision, he can appeal to the head of the department directly on the Grievance Form II within three days of receiving the reply from the general foreman. Cases of suspension may be submitted within a week of the receipt of suspension order of the decision at stage I.

The departmental head will pass an order within three working days.

**Stage III**

If the employee is not satisfied with the decisions at Stage II, he can appeal to the Chairman of the Zonal Works Committee on an ordinary paper or on the Grievance Form III within a week of the reply at Stage II. Appeals against discharge, dismissal have to be addressed only to the Chairman of the Zonal Works Committee within six weeks of the receipt of the orders of discharge or dismissal. Based on the Committee's unanimous recommendations to which no objection is raised by Management or the Union the Management will decide the case within ten days of the receipt of such a recommendation. The unanimous recommendation of the Zonal Works Committee, though not an executive order, shall be the final decision on the matter. Where their recommendation is not unanimous the Zonal Committee will refer the matter to Central or Special Works Committee.

The mechanisms described above are not the only mechanisms for development of workers. Many more mechanisms may be either conceptualised or developed to initiate involvement and development of workers. One of the important pre-requisite for development of workers is effective communication within the organisation. Bharat Heavy Electricals, Bhopal has pioneered a system of Management-Employee Communication (MEACOM). It over the years has helped a great deal in bridging the communication gap between Management and workers.

## 15.5 ROLE OF TRADE UNIONS

Traditionally unions in India have played a role as a protest organisations on behalf of workers. Unions in India have mainly confined their activities to monetary issues like wages and service conditions and have generally ignored the issues relating to development of workers. According to a seasoned trade union leader, Indian Trade Unions are 'grievance-oriented' rather than development-oriented.

The recent initiative taken by many employers/corporate executives in HRD for workers are received with cautious suspicion by the trade unions. The response of unions to HRD is generally sceptical. The fears and anxiety of trade unions seems to be on account of the following:

- Sincere and genuine HRD efforts for workers is likely to create a contented, satisfied, self-dependent and assertive worker, perhaps capable of looking after his interests. Unions which have generally thrived on dissatisfaction, dependence and weaknesses of the workers are likely to be out of business of unionism. In this context the observations of Mr. Ramanujam, President, INTUC are pertinent; "Trade Unions are in a lucrative business without unionism". Once management is able to directly communicate with the workers it is further likely that the trade unions impact will be diluted.
- Workers development may lead to his need to assert and participate in the union affairs. This itself may not be in the interest of the union leadership who want to hang-on to positions of power and authority. This explains the present manpower crisis in many trade unions which are headed by ageing and retired union activists.
- Involvement in HRD programme may require their becoming an active collaborator with the management in problem solving on such themes like work ethic, productivity improvement, introduction of new technology and its implications, training and development etc. Too much identification with the management itself may invite criticism from the rank and file. It may also reduce

skills and process or human skills. The latter would include skills of collaboration, collective action, positive assertion, empathy, helping and the capacity of organising groups. The work skills would include skills to do new jobs, new projects. This would call for intensive education and development effort on the part of unions.

### Welfare

As pointed by National Commission on Labour, the concept of welfare is necessarily a dynamic one. Real HRD for workers would mean continuous improvement of their standard of living, providing social security and of course a dignified place in the organization. Unions should help developing innovative welfare schemes where possible with the help of management and focus on long term benefit to worker rather than short term pecuniary gains. Unions at least the bigger ones with adequate resources should initiate welfare programmes for the overall development of the worker. Textile Labour Association (TLA), Ahmedabad is an excellent example amongst Indian trade unions to start many innovative schemes like workers co-operatives, workers bank, nursery schools for the children of workers, vocational skills to the children of workers etc. which help overall development of workers.

### Role in Family and Vocational guidance

One of the important HRD role of unions is to extend their help in creating a better family environment and also extend guidance to workers in relation to education and career of their children. Today a worker may get good amount of money, he may want to provide good schooling to his children but he may not know what to do and how to do it? Unions should help providing such service to workers. Unions can also provide conciliation service in family quarrels. Union can also help creating jobs for the wives of workers by starting cooperatives.

### Research

In order to keep itself updated and create database on various dimensions of workers needs, aspirations, development needs etc. the unions should sponsor (where they can afford it) appropriate research projects. They can also seek involvement of academic institutions by participating and collaborating in research problems relevant to trade unions interest and goals.

In order to play the above roles effectively, trade unions must professionalise. This will mean HRD within the unions. For long trade unions have ignored developing union leadership. This has strongly served the cause of vested interests a who want to stick to leadership positions. This also seems to have created intra-union frictions. This also deprives the union of new thinking, new approach etc. New role for the unions will have focus on improving the psychological well-being of the workers. Traditionally unions have been focussing on the economic well-being of the workers and have built certain roles to achieve that. The new developmental role will require several new skills in the union leadership to enable them to play these roles. These roles are depicted as under :

Traditional Role Focus : Economic Well-being	Developmental Role Focus : Psychological & Social Well-being
Bargainer	Explorer
Negotiator	Trainer
Fire fighter	Educator
Agitator	Counsellor
Grievance Handler	Collaborator
Game-player	Motivator
Black-mailer	Facilitator
Crisis dealer	Communicator

Table provides details of developmental role played by Textile Labour Association (TLA), Ahmedabad. The TLA's case is one of professionalisation of trade union and

- 5) Developing consensus on HRD goals.
- 6) Widely communicating HRD action areas and seeking involvement of larger group of people.
- 7) Institutionalising HRD intention by creating appropriate machinery.

## 15.7 SUMMARY

In a country like India, there is a vast reservoir of latent talent in workers which if nurtured and chiseled carefully can increase organisational synergy. Creation of necessary 'climate' for development is, however, a pre-requisite. Both management and trade unions have to shed their traditional role towards workers and show progressive attitude.

## 15.8 SELF-ASSESSMENT QUESTIONS

- i) Discuss how HRD for workers is different than HRD for managers.
- ii) Discuss the rationale and objectives of HRD for workers in India.
- iii) Discuss the present status of HRD for workers in India.
- iv) Discuss the possibilities of new HRD mechanisms for workers in industrial and services sector.
- v) Discuss how the seven HRD mechanisms suggested in this unit contribute to competency development and motivation development of workers and also in developing a healthy organisational climate.

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and developing systems to objectively appraise the performance of individuals. For about more than one decade the HRD movement covered mainly the managerial employees and its applicability to non-managerial employees is now increasingly realised.

The newly emerging function of Human Resources Development (HRD) and Organization Development (OD), pre-addresses itself to the problem of individual motivation, development of terms, conflict resolution strategies and developmental aspects of organisational relationship. Unfortunately, both HRD and IR have been considered as different functions and there has been little attempt both by academicians and practitioners to see the relevance of HRD to manage IR function in a pro-active manner.

The exclusion of role of collective bargaining and unions from the main stream of research on Human Resources Management is in part due to academic territoriality (Gallagher)\*. Those who consider themselves IR scholars have tended to emphasise the study of relationship between labour and management through the collective bargaining process (Strauss 1977, 1978 : Strauss and Feville 1978)\*. Also Industrial Relations research focusing on collective bargaining and unions has been dominated by legal, sociological, institutional and neo-classical economic perspective (Kochan 1980). In contrast HRD appears dominated by researchers in the area of industrial psychology and organisational behaviour who focus on individuals, groups and organisations as principal unit of analysis. This difference in orientation between Industrial Relations and Human Resources Management scholars results in dearth of studies integrating the impact of collective bargaining and union with multiple function of Human Resources Management.

The table 1 below brings-out the difference in IR and OD in terms of underlying assumptions. The newly emerging, field of HRM represents synthesis of traditional IR and HRD/OD:

Table 1  
Underlying assumptions of Industrial Relations and Organisation Development

Industrial Relations	HRD/OD
It has its orientation from Economy, Sociology and Law.	It has its roots in Psychology, OB etc.
Fire Fighting orientation.	Collaborative problem solving orientation.
Short term approach.	Long term approach.
Views relationship mainly as Economic	Views relationship as both Economic and Psychological.
Change constrained by legal and other external factors.	Main focus on internal factors for managing change
Compliance main objective.	Commitment main focus.
Conflict at the core of IR and is considered unhealthy.	Conflict need not be counter productive and can be managed.
Pluralistic frame of reference.	Unitary frame of reference.
*Seeks power advantage for bargaining and computation.	Seeks power equalisation for Trust and collaborations.
*Make most of available human resources.	Develop potential of human resources.
*Emphasis on extrinsic rewards to satisfy and motivate commitment.	Emphasis in internal motivations and intrinsic rewards and developing commitment.
*Value defined by practice.	Explicit statement of values.

\*These terms are taken from Human Resources Management : The Integration of Industrial Relations and Organisation Development. Michael Beer and Best A Spector. In Research in Personnel and HRM, Vol. II pages 261-298 Jai Press Inc.

In order to understand the synthesis between HRD/OD and IR in this unit, we shall define Industrial Relations, Human Resources Development as well as Organisation Development. We shall also look at the rationale and potential of HRD/OD methodology in changing IR from reactive mode to pro-active mode.

\* Taken from the paper 'HRM: The integration of IR and OD Michael Beer and Spector'. In Research in Personnel and HRM, Vol. 2, Page 261-298, Jai Press Inc.

## 16.4 HRD-OD-IR LINKAGE

After defining IR and HRD/OD let us now see the linkages between the three.

HRD approach focuses on developing human resources—their competencies, motivation and organisational culture that facilitate both these. OD, if considered as a part of HRD focuses on systematic and planned interventions to build human process competencies for the growth, development and vitality of an organisation. OD if treated independently covers a larger canvas of attempting to help the organisation develop in various ways using a variety of interventions including structural changes, technological changes, strategic shifts, human process changes etc. Industrial Relations is a specialised function that evolved to protect the interests of the organisation as well as that of the working class. There are several approaches to IR—regulatory, descriptive, conflict, collaborative etc. A development approach or a HRD approach to IR has been adopted by a few organisations that had their employees in the forefront in all their thoughts and plans.

The primary focus of HRD is on people, the primary focus of OD is on organisational capabilities and the primary focus of IR is on protection of the interests of the labour and management in a balanced way. All of them involve dealing with people—the focal persons and groups are different. For HRD the focus is every individual, for OD the focus is teams and the organisation as a whole. For IR the focus is union-management or labour-management relations. Although the focal points differ due to philosophy and purpose of each of these functions, the dynamics of human processes are similar. There is a lot that HRD/OD can contribute in the area of Industrial Relations. This is explained in detail in the section below.

## 16.5 PRESSURE FOR CHANGE; NEED FOR INTEGRATION OF HRD AND IR

Managers are becoming increasingly dissatisfied with the traditional IR policies which are normally static and are based on safety of law, caution, and fear for unions. It is also increasingly realised that despite conflict of interests between unions and management, IR climate needs to be changed to make progress in business. Futility of perpetual fire fighting and conflict with unions are now too visible.

Pressures for changes are leading to an integration of two fields that in past have been separate and sometimes even opposite. Several changes in the environment and technology are forcing both management and unions to re-evaluate their traditional adversary relationship and march towards collaborative problem solving mechanisms. Some of the changes that are relevant both for management and unions are :

- 1) Emergence of new technology and march towards computerisation is creating new pressures on management as well as unions. These pressures relate to management anxiety for productivity and proper manning through new technology and unions anxiety relate to issues like retrenchment, unemployment.
- 2) The new worker is causing anxiety to both management and unions. To the management because he is driven by self-interest; is defiant, impatient and bothers little about traditional authority. Unions are concerned because the worker is equally defiant to the traditional authority of union leadership. He questions the traditional methods of protests, he is willing to adopt new technology and he questions the ills like bureaucratic and oligarchic orientation in the unions. Workers apathy towards trade unions is now well documented.
- 3) Futility of litigatory mechanisms are now well appreciated both by management and unions in terms of delays in problem solving, mistrust and the cost of the litigatory process.
- 4) Innovative personnel practising and quality of work life programmes practised by many organisations and their impact on improved business performance.

philosophy about people is well reflected in his assertion. "In big organisations with massive, complex geographies, there is tendency to think in terms of labels. Those people over there are tellers, those are managers, those are officers, these are grade 15s, these are grade 20s, these are grade 30s, and so on. The names are forgotten, along with the sensitivities, anxieties, frustrations. De-humanisation—that is why we need people advocacy."

In the Indian context, development of top management would aim at becoming aware of bias or prejudices and learning to treat IR as important managerial business.

#### **Development of Middle Management**

- i) **Competencies building at management would mean:**
  - a) Knowledge about rules of the work place;
  - b) Understanding about customs and practices in relation to dealing with employees and unions;
  - c) Knowledge about the legal framework of IR;
  - d) Knowledge about history and background of union and union leadership in the organisation;
  - e) Knowledge about the emerging environmental scenario; practices in other industries etc.
- ii) **Skills**
  - a) Skills in diagnosis of problems and tools for diagnosis;
  - b) Skills in resolution of grievances;
  - c) Skills in negotiations;
  - d) Inter-personal skills.
- iii) **Attitudes**
  - a) Orientation to positive problem solving;
  - b) Positive belief system about the unions and their existence;
  - c) Faith in participative mechanism.

#### **At Union Level**

##### **Development of Top Union Leadership**

Development of leadership at different hierarchical level of the union is equally vital. This is possible by understanding the nature of political economy; industrial environment and new technology and their impact on the union-management interactions and quality of life. The development at this level should also involve developing vision towards macro issues of unemployment, poverty as well as micro issues like workers apathy; democratisation within trade unions; manpower crisis within unions; nature of grievances; researching precedents, reviewing contracts and making skillful advocacy of workers problems.

##### **Development of middle level and grass-root leadership**

- i) **Competencies**
  - a) Knowledge about rules of work place;
  - b) Knowledge about commitments made in various settlements and awards;
  - c) Understanding of legal frame work;
  - d) Knowledge about workers sociology and problems of workers.
- ii) **Skills**
  - a) Inter-personal skills in dealing with fellow workers as well as supervisory personnel;
  - b) Skills in constructive confrontation;
  - c) Leadership skills.
- iii) **Attitudes**

## 16.7 PRE-REQUISITE FOR A SUCCESSFUL HRD/OD APPROACH TO IR

- 1) Management must make clear the Policy, Philosophy and Values underlying in its actions.
- 2) Management must establish its credibility by ensuring implementation of agreed policies; non-medalling in the internal dynamics of the union etc.
- 3) Top management style, especially the Chief-Executives' style needs to be pro-active and geared to problem solving. His actions and decisions must bear the testimony of professional approach to Human Resource Management.
- 4) The structure of Human Resource function must be such that fosters delegation of powers at different hierarchical level in the matters of personnel management and reduces bottlenecks in the decision making.
- 5) Managers at all levels must acquire the inter-personal skills.
- 6) Accountability for better Human Resource Management must be established like any other business function.
- 7) Norms of full day's work and facilities to unions and their representatives must be clear and no ambiguities should prevail in this regard.
- 8) Open-mindedness and problem solving attitudes in the trade union leadership is vital.
- 9) Recognition on the part of both management and the unions that planned organisational change involves joint problem solving and negotiated decision making.
- 10) Workers and unions should be prepared to give up restrictive practices and adopt more flexible roles and recognise that such planned change is not likely to weaken their power.

## 16.8 DEVELOPMENT MECHANISM FOR IMPROVING IR

### Bi-partite Meetings (between Union and Management)

- a) To arrive at settlements concerning employees wages and service conditions through the process of bi-partite negotiations.
- b) To review the working of existing settlements and examine their impact on work place discipline; work ethics; customer service etc.

### Information Sharing

- : To share information about the business; profitability, performance of the company; competition; marketing; diversification plans; critical problems of the organisation including human performance problem.

### Joint Surveys

- : Management and Union to undertake joint surveys on the state of morale; motivation and grievances of employees; plan ways of dealing with these problems.

### Task forces

- : To undertake study of problems like 'Absenteeism'; 'Discipline'; and suggest ways and means to tackle the problem.

### Collaborative Projects

- : To undertake project on Employee Welfare/ education both on job as well as off the job (TELCO, Pune in collaboration with employees has launched co-operatives with

- iii) What key interventions are possible in Union-Management relationship?
- iv) What can be the core programmes for developing top management, middle management and union for IR management ?
- v) What is the pre-requisite for initiating HRD in IR ?

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### Annexure

#### OD Approach to IR—An Experience of an Indian Company

Nizanand Industries located on the west coast of India had a turn-over of Rs. 65 crores employing around 3000 employees with a multi-product/activity range with multi-unions. The Industrial Relations scenario was ripe with emergence of highly powerful trade union leader in Bombay with the image of creating and spreading turbulence not only in his industry but the neighbouring industries in the region. This gave rise to a young union leader on the west coast of south India who penetrated in various industries and initiated raising of sky high demands resulting into strikes, violence and/lock-outs in most of the business houses in the region. He was knocking at the doors of Nizanand industry for an entry with demands raised to fantastic level, using various threats to paralyse the industry. This generated a scare. The normal anti-union reactive action choices were expressed like breaking the union, splitting it, buying over etc.

#### OD Approach

The top management committee decided to work out an action plan based on the in-depth interviews. In this meeting the Personnel Manager shared his beliefs and concerns using them mainly as analytical data of what was happening in the adjoining industries as well as within the company.

#### Diagnosis of in-depth interview

The in-depth interviews conducted within six months revealed the fact that while Managers/Executives and Officers overtly expressed their loyalty to management, emotionally they identified themselves with the workers and workers' union. A

- 2) Team building and trust building instrumented laboratory for all functional managers.
- 3) Inter-personal relations lab for young professionals.

#### **Achievements**

- 1) The entire series of interventions took three years time. The Human Resources system got stabilised with regard to following dimensions:
  - a) The multiunion situation in Nizanand Industries became a single union situation with a powerful union leader.
  - b) There was not a single manday lost in Nizanand Industries.
  - c) There were five significant union management settlements which five divisions signed during this period.
  - d) Possibilities for diversification was explored without the fear of obstacle or sabotage from the union. Two diversification projects were taken up for implementation with feasibility report.

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on Performance Appraisals to monitor the effective implementation of performance appraisals with representation from HRD, personnel and other line managers. Similarly in reward administration and personnel policy formulation HRD staff may be involved.

HRD departments should also have linkages with corporate planning, management services, organisation and planning, industrial engineering etc. departments/units/groups. HRD staff will have a lot to learn from these departments and also contribute to their effective functioning.

#### **Committee/Task Force form of Organisation**

Another effective way of promoting HRD is through committee/task force and work-groups, in relatively small organisations or even in medium sized organisations. Even large organisations could experiment with committee/task force form of organising HRD.

In this form a group of persons from different departments and/or areas/regions/locations is constituted by the top management to form an HRD Task Force or HRD Committee. The members of this task force are given HRD facilitation responsibilities in addition to their line or other responsibilities. They are not only to promote HRD in their own unit/department but also should formulate policies for the entire company, identify appropriate HRD systems, plan strategies of implementing, participate in the implementation process and monitor and review HRD implementation.

Different titles could be used for this group. It could be a "HRD Group" or "HRD Committee" or "HRD Task Force" or "HRD Implementation work group" or "Working Group on HRD" etc. The main difference from this and the HRD department is that HRD is not the main job of the members of this group while it is the main job of the members or staff of the HRD department. The members, however, are expected to do this task all through the year and additional facilities may be given to them to facilitate their HRD work. The task force or the group may have a chairman or Head who may be given a HRD Officer or a Staff member to assist him or assist the group. The Personnel Manager or the Chief of Training (if there is such provision) or one of the members of the corporate planning cell may be given the task of the member-secretary of this task force or group.

The group may keep meeting periodically to perform various HRD functions a HRD department would have performed. The group may however assign a large part of the administrative work to the department or person who works as a Secretary or Chairman of the task force or the group.

The composition of group and the credibility of group members is very important for the effectiveness of the team. The team should be line managers, who are considered effective in their own jobs. They should have positive attitude to the HRD function and should be trained or oriented sufficiently in HRD facilitation skills.

The form of organisation for HRD is likely to be effective, if there is committee culture in the organisation and these committees take their work seriously. This also implies that the group members are able to set aside a good part of their time for HRD work.

#### **HRD Organisation Around the CEO**

Another way of organising for HRD is to have the Chief Executive Officer as the HRD facilitator. This may become inevitable in small scale organisations, voluntary agencies, educational institutions and other small size organisation. For example schools and colleges, smaller hospitals, voluntary agencies, government offices like that of the BDOs office or the Collector's office or the Police Station or the Post-Office etc. cannot have separate formal HRD departments or staff. In such organisations the Chief Executive of the unit should become the HRD facilitator. It should be an integral part of his role. He may, if necessary, appoint from time to time temporary teams or working groups to look at specific tasks or activities.

In cases where CEO himself has to perform this function the function faces a very high risk. The risk involved in the non-HRD priorities that keep coming to the CEO as challenge, problems and crisis situations leaving him very little time to do any

The most important objective of the HRD function is to create learning environment in the organisation so that each member of the organisation continuously learns and acquires new competencies (knowledge, attitudes and skills.)

In order to achieve HRD objectives, the HRD department should :

- a) develop a human resources philosophy for the entire organisation and get the top management committed to it openly and consistently;
- b) keep inspiring the line managers to have a constant desire to learn and develop;
- c) constantly plan and design new methods and systems of developing and strengthening the HRD climate;
- d) be aware of the business/social/other goals of the organisation and direct all their HRD effort to achieve these goals;
- e) monitor effectively the implementation of various HRD sub-systems/mechanisms;
- f) work with unions and associations and inspire them;
- g) conduct human process research, organisational health surveys and renewal exercises periodically;
- h) influence personnel policies by providing necessary inputs to the Personnel Department/Top Management.

In order to perform these functions and tasks well, the HRD departments need to be manned by people with certain types of spirit and competencies. The personnel function also should be structured appropriately.

### **17.3 COMPETENCIES REQUIRED FOR HRD STAFF**

#### **Essential Qualities**

The following qualities are essential for a HRD Manager to be successful :

- 1) Person of positive thinking with positive attitudes to people;
- 2) A high desire to learn;
- 3) Interested in people;
- 4) Helpful attitude;
- 5) Initiative taking or proactivity;
- 6) Practice and perseverance;
- 7) Communication skills;
- 8) Objectivity in approach;
- 9) Personal example and sense of decline;

Every staff member of the HRD department should be considered as HRD manager. The HRD Manager is a man on mission. Therefore, he should have the qualities of a missionary. His mission is to create a learning environment/development climate in the organisation. In the modern organisations, employees tend to get too much concerned about their personal power needs, status, rewards, promotions, subjectivity in appraisals, routinization of work, dependence on rules and regulations, immediate goals, doing things without reflection and iderring, creating crisis situations and getting busy with solving them, fire fighting operations, exercising authority, controlling subordinates, changing the boss or top management rather than changing themselves and so on. Introspection or self-examination and an orientation is learn from one's own experiences is lacking. All these factors affect the quality of life in organisations. While the organisational growth, its future, personnel policies, etc. have a good degree of impact on the employee satisfaction and work motivation, the employee himself, his thoughts, obsessions, biases, aspirations, emotional maturity, reflective nature etc. matters a lot in determining his satisfaction. A healthy environment in the organisation (characterised by openness, trust, mutual support and helpfulness, collaborative attitudes, willingness to sacrifice personal and small

## 17.5 TRENDS AND ISSUES RELATING TO THE STRUCTURING OF THE HRD FUNCTION IN INDIAN ORGANISATIONS\*

A large part of the trends and issues mentioned here are derived from an earlier study report prepared by Kaith D'Souza (1987).

In the minds of most managers and laymen, the term 'Organisational Structure' often conjures up images of formality and bureaucratic rigidity which are generally considered aberrations of organisational functioning. HRD, on the other hand, conveys to innocent mind, an approach or strategy which relies on soft human relations.

Neither of these two impression is right. Structure is a necessary condition for the efficient and continued functioning of a system and it defines the conditions under which things are done and the way they are done. HRD, on the other hand is a rational and human approach to the management of people in organisations, intended to ensure their utilisation in ways which enhance not just organisational effectiveness but also the effectiveness of human resources too. Hence, the structuring of the HRD function is an important consideration in taking stock of developments in HRD in the country.

Since the early 1970s when the concept of HRD first began to be recognised by some organisations in India, a large number of organisations in the country have begun to display an interest in HRD. While many organisations appear to have simply relabelled their personnel departments as HRD departments or HRM departments to keep up with the fashions of the times, there are some which seem to have done considerable work in setting up HRD systems.

The Centre for HRD, XLRI, and the National HRD Network undertook a study of the structure of the HRD function in Indian business organisations in 1987.

Data were collected by means of observation, interviews and the study of organisation records, on 29 business organisations in and around the metropolitan cities of Bombay, Madras and Delhi.

### Sample Characteristics and Method of Analysis

The 29 Companies which were studied represented a diverse mix of organisations. There were 10 each from in and around Bombay and Madras respectively and 9 from in and around Delhi. Five of the organisations were from the public sector and 24 from the private sector. In terms of their nature of business too, the organisations were varied mix. Seven of them were from the chemicals and allied products business, five from heavy engineering, six from other business such as finance, building consumer goods manufacture, trading etc. Also, of the 29 organisations, there were young organisations established during the last 10 years but the majority, 26 were organisations which have been in business for more than 10 years. In terms of number of employees, 14 of the 29 had an employee strength of more than 3000 employees each. Fifteen of the 29 companies had a sales turnover of more than 100 crores.

A consideration of the contextual characteristics of the sample is important because current theory on organisational structure and design strongly holds that the structural characteristics of organisations are strongly related with their historical and contextual characteristics.

### HRD as a Separate Function

Of the 29 organisations studied, 12 (constituting about 35%) had separate departments to look after HRD functions as distinct from the traditional personnel administration and industrial relation function. Several others had named or renamed their departments dealing with conventional personnel administration, as HRD or Human Resource Management Departments.

\* This section of this unit is a modified version of a paper presented on this theme by Professor Kaith

The only case where some relationship may exist is with respect to the nature of an organisation's business. We see from Table 2 that of the six organisations which had a diversified product range and differentiated multi-divisional structures, as many as five have separate HRD functions. One is tempted to suggest from this that as an organisation ventures into new business and gets diversified, the exigencies of maintaining its viability and sustaining the employee commitment and drive necessary for running its operations, induces the management to pay greater attention to and invest more organisational and financial resources in the development of its human resources.

Another important inference which can be drawn, based on this analysis as well as other anecdotal evidence, is that it is the philosophy of the top management of an organisation which is the main factor behind the setting up of a separate HRD function. The examples of companies like L & T, ECC, BEML and SBI, all suggest that it is primarily the top management's faith and commitment to HRD which prompts the organisation to invest so heavily in setting up of HRD departments.

### Structural Linkages

As we have suggested in the earlier paragraph, HRD has much to do with top management style and philosophy. This leads us to another aspect of the structure of the HRD function: how closely linked it is with the top management policy making structure in the organisation. Of the 12 organisations in our sample which have separate HRD functions, 10 of them have direct formal linkages with top management. That is, in each of these 10, the head of the HRD function either reports directly to the Chief Executive or reports to the second line of the top management.

There is a second significant feature of the HRD structure. In all the 12 organisations having separate HRD departments, HRD remains a centralised, corporate level function. Even in the organisations which have different divisions or manufacturing units, HRD remains at the corporate level and HRD activities in the units are largely carried out by the corporate HRD department. Also in all the cases, with the exception of training, most other HRD activities such as counselling, performance appraisal, etc., are applicably only to the managerial and supervisory cadres.

The finding that the HRD function tends to be linked quite closely with the senior or top levels of management is an encouraging sign. If, as suggested earlier, top management commitment is critical to the effectiveness of HRD departments, being linked with the upper echelons of management would facilitate the translation of such commitment into concrete action. Also, it ensures that even when top management change, the mechanisms for ensuring the continuation of HRD remain. Even a casual glance at some of the organisational innovations in India indicate that they are often shortlived simply because they depend almost entirely on the passing fancies of whichever Chief Executive happens to be in power. The presence of some structural linkage with top management in the form of top level HRD rules would lend some performance to HRD.

There is, however, a negative side to this picture, which is that the structural linkage appears to be entirely based towards the top side of the organisational hierarchy. In 10 of the 12 organisations which have separate HRD functions, the responsibility for HRD is entirely a corporate level function. There appears to be practically no decentralisation of HRD to the unit levels even in the case of multi-divisional organisations with geographically dispersed units. Consequently, with the exception of training and some other traditional functions, most other activities connected with HRD remain confined to the managerial, or at best the supervisory levels, of the organisations. One is inclined to ask, from this, whether the HRD destined to be the privilege of a favoured few? It is not surprising, therefore, that in some of the organisations which have introduced HRD, the function is viewed with considerable scepticism by the lower levels of the organisations. A critical drawback has been the failure to involve employee unions in HRD related activities. Given the often uneasy relationship between management and labour in India, it is of course understandable that managements are often apprehensive about extending such HRD mechanisms as open appraisal or counselling to unionised employees. Nevertheless, if HRD is to make a significant impact in Indian organisations, it is inevitable that labour and unions should be involved.

# UNIT 18 EMERGING TRENDS AND PERSPECTIVES

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## Objectives

This is the concluding unit of the course on Human Resource Development. This unit aims at integrating some of the critical learnings from the earlier units. The integration is not intended to be a summary but is intended to build on the precious units and lead the leader into future. As previous units have presented sufficient information on the trend of HRD practices, this unit intends to present only the trends in perspectives and issues. The reader will get some insights into the complexities involved in effectively implementing the HRD function, the roles needed to be played by different agents in HRD and some lessons from the past for the future.

## Structure

- 18.1 Introduction
- 18.2 HRD for large Industrial Organisations
- 18.3 HRD Priorities for Large Organisations : Lessons from the past
- 18.4 HRD for Small Scale Sector
- 18.5 HRD for Service Sectors
- 18.6 Organisational Outcomes of HRD Systems
- 18.7 References and Suggested Readings

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## 18.1 INTRODUCTION

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HRD has become a movement in country. Ten years ago hardly any organisation had HRD departments or talked about it. Today it is difficult to find organisations that employ large number of people that do not talk about HRD. Several of them even have HRD departments or HRD Managers. A few years ago HRD meant a new name for training. Today most organisations talk in terms of HRD Climate, Performance Appraisals, Potential Development, Performance Counselling, Career Development, Organisation Development and the like. Thus HRD has come to stay and has become an important dimension of modern management language as well as technology. In spite of this popularisation of HRD in the last few years, success experience of HRD is limited to a few organisations and many others are yet to translate their goodwill into action. Organisations in the small scale sector have not even thought about it and those in the service section continue to neglect it.

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## 18.2 HRD FOR LARGE INDUSTRIAL ORGANISATIONS

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Concern for developing employees and their competencies existed in several organisations and their top management much before the HRD departments got started and the term HRD got popularised. If organisations did not invest in their people, they would not have grown and expanded. However top management of each organisation found their own ways of developing employee competencies. Most organisations in the past focused on developing and maintaining the motivation of employee through welfare schemes, salary and perks, promotions and punishments. In the feudal atmosphere, a few of the employees always had the opportunity to be spotted and developed faster than the rest. Now-a-days organisations and their top management have recognised that HRD cannot be limited to a few employees in an organisation. It is also recognised that HRD is too important to be left for informal

## Size

The mere size of the organisation (e.g. in the banks, the number of officers to be covered is in several thousands and highest being the SBI with about 40,000 officers, other public sector units like SAIL has also in thousands) makes the introduction and monitoring of any sub-system difficult as any new sub-system introduced requires orienting all the employees through orientation programmes. Circulars are ineffective and employees do not have a culture of finding time to read booklets and manuals prepared by the organisation. Even two-day/three-day orientation workshops seem to influence only the 'faithful'. Others either pay lip sympathy during the workshop and forget it later or oppose the sub-system due to their own personal frustrations and past negative experience and spread their "managerial atheism" to others in the organisation, or want all problems to be solved either by the sub-system or before the system is introduced.

## Geographical Spread

Most of these organisation are spread out geographically all over the country making monitoring of implementation a very difficult task by a central department.

## Distortion in Messages

The scope for rumours and distortion in communications is very high in large organisations. One bad experience somewhere in the organisation between an appraiser and appraisee during review discussions is enough to provide data for rumour-mongers to exaggerate and send wrong messages around. There is limited scope to clarify such wrong communications. Larger the organisation more the scope for negative experiences to be thrown up and in our culture negatives are shared quicker, faster and intensely.

## Change of Chief Executives

Most of the large organisations are from the public sector. In public sector every time the Chief Executive changes there is a threat of organisational priorities changing. Quits often HRD staff wait to understand the HRD philosophy and priorities of the new Chief Executive. A lot of time and enthusiasm gets lost in the transition period as normally HRD is not the priority of most Chief Executives in their first year of office. In some cases the role of the HRD Manager itself may undergo change to suit the priorities of the Chief Executives.

The above mentioned factors cannot for the sake of HRD. Therefore, it is useful to concentrate on other ways that can be useful in strengthening HRD. I am giving below some of the priority focal points for strengthening HRD.

## Monitoring is very important

A large part of HRD staff's work should be that of monitoring the implementation of HRD sub-system or mechanisms. This monitoring is not merely statistical monitoring but more of "spiritual monitoring" that requires dynamism on the part of HRD staff. For example, if a development-oriented performance appraisal system is being introduced, the HRD staff should be spending a large part of their time contacting line managers, interviewing them to find out the way they are implementing, understanding their problems, giving them guidance, helping them to do a good job and ensuring support for strengthening the implementation.

## Structural changes are required

In large organisations a small number of HRD staff only will not be able to monitor implementation. Good monitoring involves availability of a friend, philosopher and guide in closer proximity to the implementor. For an effective implementation of a performance appraisal system, every 50 employees require someone to help them and someone who can keep reminding them of their responsibilities. Hence it is advisable to develop HRD facilitators in large number in the organisations. Line managers could be developed into HRD facilitators with some minimum training. Each line manager chosen as a HRD facilitator should be able to spend at least 10% to 15% of his time in HRD facilitation and it should be made as a part of his job (one of his key performance areas) and his own performance appraisal should give

### **Frequent get-togethers of HRD Staff is useful**

In large organisations with decentralised set-up mechanisms should be evolved for HRD staff and facilitators to get together frequently and exchange notes. They should keep on examining the roles they are performing and create self-renewal processes in the HRD function itself. It is useful for the HRD developments to undertake OD work for improving their own functioning.

A point that should be examined in each of these get together is the way the HRD staff is spending their time. If more than 25% of their time goes in routine administration it is indicative that the HRD department is beginning to cease functioning as a change agent.

### **Periodic surveys are useful**

The HRD climate survey of XLRI Centre for HRD has been found to be a useful instrument. It is advisable to make annual surveys on this instrument or a similar instrument and make the data available to line managers. Departmentwise analysis could be done and feedback given to each department. In fact the survey feedback charts on the HRD climate could be displayed by each department and departmental staff could get together to discuss methods of improving the HRD climate.

### **Process orientation should be strengthened**

Where employees are encouraged to express their ideas and opinions freely, encouraged to be pro-active and somewhat risk-taking; where people are authentic and trust each other; where people try to help each other and have concern for their team and their organisation and other larger goals there HRD is likely to take place better and well. For such a culture to be generated a high degree of process sensitivity is required. Process sensitivity consists of a quick and ready recognition of various human process dynamics that occur in organisations as various employees work together to accomplish organisational goals.

Most of the time employees are so much concerned with accomplishing results they tend to neglect the human process means that are being adopted to achieve these goals. The leadership styles, 'We' feeling, initiative, team spirit, work-motivation, decision-making styles, management of mistakes, management of conflicts, goal setting, job-involvement etc. constitute human processes in organisations. Unless every organisation and its sub-systems become sensitive to these processes, they cannot be strengthened. HRD managers need to develop such process-orientation in managers as that HRD implementation is facilitated.

There are two pre-conditions which are essential for effective implementation of the HRD function. These are "top management commitment" to HRD and "HRD staff's dynamism and personal example". Without these two no HRD will take place in any organisation. The top management should believe in HRD and communicate their belief in HRD by providing the necessary support to HRD staff. The support needed is not merely in terms of budget and staffing of the HRD department but also in terms of communicating to line managers the importance of HRD, releasing their time for HRD and making demands on them to develop their subordinates. The HRD departments should practice themselves what they expect other line managers to do. They should have a high degree of initiative dynamism and creativity. When these two pre-conditions are met and if the priorities outlined in this paper can be taken up the HRD dream is likely to be fulfilled.

## **18.4 HRD FOR SMALL SCALE SECTOR**

Developing competencies of employees is very much needed in the small scale sector. Setting up a small scale industry is relatively easy for an enterprising individual. However, managing it well and making it grow is much more difficult. There is some research evidence to suggest that small scale entrepreneurs who fail to make a mark so because they fail to change or develop themselves and their competencies with changing needs of their enterprise. Entrepreneurs normally have a high degree of perseverance, risk-taking achievement/business motivation, self-respect, confidence

A few suggestions are given below to initiate and strengthen HRD in services sector :

- 1) Every institution/department should be treated as an independent unit for HRD purposes. Separate financial allocations for HRD should be built into the budgets of these institutions.
- 2) The service sector institutions/departments should be encouraged to plan their own activities every year including the HRD activities.
- 3) New competencies to handle the HRD function should be developed among these institutions/departments at appropriate levels (institutional, district or state levels).
- 4) Service sector should explore the use of various mechanisms in developing service and managerial competencies of their staff.

## 18.6 ORGANISATIONAL OUTCOMES OF HRD SYSTEMS

Recently in a training workshop the HRD Manager of a Nationalised Bank described very proudly the new HRD system his bank was introducing to develop their employee competencies. After listening carefully to his narration one of the participants from another organisation remarked "how is it your services are so poor in spite of your bank having HRD. That means HRD has failed in your bank!" Interestingly enough, a few months before that in the same bank when a fraud case came to light, one of the senior officers blamed HRD (still in its infancy in that bank) for not doing enough to prevent frauds. He even suggested a curtailment in HRD activities for some time.

Another executive of a company that has introduced HRD system a few years ago remarked to a HRD consultant, "your HRD had very little impact in my company. Look at my case I have not been promoted so far. Only those who butter the boss continue getting promotions and HRD does nothing about it" Another executive asked a consultant once, "Tell me Sir, those companies that are using HRD, are they doing better than those that don't use HRD? How are their balance sheets?"

All these concerns and questions are indicative of high expectations managers have from a new management system like HRD. In fact, whenever a new management concept, theory or technique starts getting popular and talked about, we have a tendency to look for solutions to all our organisational problems in that.

It happened with PERT, MICS, MBO, Sensitivity Training, TA, etc. and it is happening now with HRD, computers, Japanese Management and so on. We treat them as Panacea for all ills. It is this tendency on the part of our enthusiastic executives and top management that kills the utility of the concept, theory, practice or technique in spite of its inner worth. These expectations go to the extent that Chief Executive of some companies want "results" on parameters that can be shown on the balance sheets. In a year or two (some cannot even wait that long) if "results" are not good the manager in-charge of the new system/practice has to carry all the curse and criticism and soon the system may be discontinued or at least put in cold storage. This is the fate most management practices that found way into our organisations have met.

In the more fortunate organisations where the practices continues under the leadership of persistent and perceptive top management, these systems are continuously under fire by the line managers who are supposed to implement them. For example, the budgeting system in some companies where it is intended to be bottom up but turns out to be top down (partly due to top managements 'style' and partly due to line managers' dependence or incompetence).

One can visualise very clearly HRD meeting the same fate in the years to come. Comments like those cited above made by executive of some organisations are indicative of this possibility. To some extent this can be prevented if both the top management and line managers understand what is involved in practicing or implementing a management system, concept or method, what it can

by line managers about the HRD System of figures in the balance sheet. Unfortunately the top management of very few organisations are willing to use these indicators. Even in these few that are willing to use these indicators, measurement and consequent demonstrability of changes in these dimensions become very difficult.

For example how can the HRD manager demonstrate to the top management that as a result of the new HRD processes followed in that company managers are taking more initiative than before, collaborating more, generating new ideas, solving problems at their own level, more involved in their jobs etc. If he uses Questionnaires, finally he is told it is "academic research" and top management wants "concrete results". If he gives instances, he is told "but these are some instances and these people are initiative takers any way from the beginning". If he asks line managers to speak-out, the human tendency is normally to speak loudly about "what good things are not taking place in the company" rather than "what good things are taking place" or alternately to credit themselves for all good things and discredit the systems for all bad things.

For example, in one organisation some time after introducing an open appraisal system a Questionnaire survey was conducted. About 45% of the executives felt that the communication and understanding between them and their bosses improved. Another 50% or so reported no change. But about 5% reported some deterioration in relationships due to poor counselling skills of some senior executives. The Questionnaire study had to be nearly ignored by the top management as some among the 5% having disturbed relationships started accusing the new system and sending complaints to top management. In another organisation a sizeable number of line managers did not take the system seriously and the top management started pulling up the HRD department alone instead of pulling up both the HRD staff and line managers.

Thus in a number of ways HRD could be in trouble like many other-management systems. Therefore, it is important for the top management to keep the purposes of HRD in mind and evaluate its impact in terms of these purposes. The ideal situation would be when the Balance Sheets of companies go beyond financial statements and include human resource statements. This complex change may not take place for year to come. Therefore, our organisations should think of preparing Human Resources Accounting report giving various details of its human resources competencies, utilisation, needs, deficiencies, morale, motivation, team work, organisational health, stress levels, etc. annually. These could be used as internal documents for human resources planning, development and administration decisions. These reports should be presented to the Boards and should be discussed and decisions taken every year to improve situation. The HRD departments should undertake this task.

Unless this is done HRD and such other systems aiming at human processes will find it difficult to proceed.

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## 18.7 REFERENCES AND SUGGESTED READINGS

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