

“A Research of Methods and Framework of Human Resource Sectors in India”

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Abstract – Various human resources advancement frameworks has started to be in the most recent ten years from different parts of the planet. Indian associations have started to utilize these for enhancing their HRD systems also their effect. An Integrated HRD Systems Approach was advanced for Indian associations at the Indian Institute of Management, Ahmedabad by Udai Pareek also T V Rao for L&t. This paper inspects the present status of organizing of the HRD capacity and HRD subsystems in India against this "Integrated HRD Systems" structure. The paper likewise remarks on the later methodologies to HRD. Data from HRD reviews of 12 Indian associations demonstrated that HRD capacity is not well organized, is insufficiently separated, defectively staffed, and neglects to meet the prerequisites of this structure. In the light of these encounters of Indian associations in actualizing this system, the paper brings up the requirements for accomplishment of other HRD frameworks in India.

OVERVIEW

Human Resource Development (HRD) as a capacity has developed in India indigenously from the year 1975 when Larsen&toubro (L&t) conceptualized HRD as an integrated system furthermore chose to divide it from the work force capacity. From that point forward, most associations have began new Hr departments or redesignated their staff and different departments as HRD departments. Today, there are exclusive standards from HRD. Great HRD obliges decently organized capacity, fittingly distinguished HRD systems, also skilled staff to execute and expedite the change process. This paper endeavors to:

- Examine the way the HRD capacity is organized in the Indian corporate sector.
- Highlight the present HRD practices in India in connection to different HRD systems.
- Examine the degree to which HRD implementation meets the criteria of the Integrated HRD Systems Approach of Pareek and Rao (1975, 1977), and utilizing this analysis, remark on the essentials for the triumph of other later HRD frameworks for Asian nations.

When entering into the 21st century numerous nations on the planet started reproducing their economies. India additionally consumed the process of reproducing through liberalization of the economy. The process was coupled

with the mechanical improvements and globalization. However the fortified need to analyze the monetary sector of our nation obliged a much deeper dip. Banking industry, being a necessary part of the monetary system, did not stay in separation. After a real venture of nationalization of 14 banks in 1969, changes in banking industry were late to attain operational adaptability and useful independence for enhancing their effectiveness, productivity, and productivity, to make them proficient, business situated, vibrant, alert and all inclusive intense. The Narasimham Panel in 1991 had put extraordinary accentuation on the steps required to enhance the fiscal soundness of Indian banks.

While the changes have been launched and pushed on all fronts, they have come to be more affirmed and speedier in the monetary sector. The way breaking changes have been made under stimulation of rivalry, presentation of prudential standards and infusion of vast capital into open sector banks. Extremely amazing in reality. Yet how for the general population sector banks have balanced themselves to these changes? Have these gints figured out how to change quickly enough and easily? What are the manageable reactions, exceptionally their work force approaches? To face the new challenges with certainty and readiness? Do the banks uncover any change in staff spirit? Have the position, exchange, and advancement arrangements come to be more destination? Do these banks empower work performance introduction? In perspective of new skills at the commercial center, has the

preparation structure been reinforced? Are the Indian banks sustaining specialization and finesse advancement at each level? At the end of the day what are the human resource advancement (HRD) measures, launched for organizational restoration? While changes have positive effect on the fiscal system, has been carried out in the circle what's more zone of HRD. The rivalry around the banks has changed the method for bank management capacities right away as contrasted with prereform days. People in general sector banks are at a disadvantageous position as contrast with private banks, remote banks in numerous zones and there is no level playing field, particularly in the matter of drawing in new abilities. With basically no opportunity accessible to enroll qualified experts at any stage, the created banks are vigorously hinging upon staff that have no proficient skills and proficient capabilities are really required in present day setting of complex money related and banking environment harboring of ability and exploration expertise goes affirming. Likewise, there is cerebrum empty from open sector banks to private and outside banks. Further, the variables like constrained profession chances, pitiful money related profits and absence of self-rule of top level management for organizing legitimate reward system are coming in the method for holding the existing ability and pulling in crisp abilities.

In a service industry like banking the crude material is men, human resources improvement develops as the absolute most vital variable of the Indian banks. The vast majority of the banks have HRD departments. in any case their capacities are just ritualized and they are not considered important. Vitality and criticalness of the human resource improvement remains unappreciable and it proceeds to accept nation cousin medicine. The centrality of a work in an association could be surveyed from the extent of high fliers the association chooses to utilize in that work. In this matter the HRD ranks in the scale of qualities of Indian banks self-evident, regardless of additional fiscal profits or intermittent splendid stars sparkle on the on the human resources advancement experience. There is misperception about the HRD. It is comprehended to be synonymous with preparing. Also the normal uneasiness and hesitant around bank employees about entering the preparation programme if as a coach or as a trainee, finishes the terrible picture of HRD in banking circle.

It is a general thought in the brains of banks' executives that HRD is the authority of just the HRD departments of the banks. This reasoning develops when the executives are asked to record out the capacities they anticipated that will perform, improvement of their employees does not figure in the agenda and assuming that it does, it is far down in the necessity perspective. Indeed as the imperativeness of human variable is underscored or re-

accentuated in all structures and on all stages. The right position of HRD is an extremely paramount, basic and sensitive management capacity which each bank manager needs to perform to acquire best comes about because of their staff. The part of HRD department is essentially of launch, aid mindfulness, era co-appointment and follow-up.

THEORETICAL SYSTEMS OF HRD

In 1975, L&t — a conspicuous building organization in India — had selected two experts (Udai Pareek and Tv Rao) from the Indian Institute of Management, Ahmedabad to study the performance examination system and make suggestions for enhancing it. They (Pareek also Rao, 1975) mulled over the system through meetings also proposed another system. They proposed that "... Performance Appraisal, Potential Examination, Feedback and Counselling, Career Advancement and Career Planning, and Training and Development get dissimilar consideration as special parts of an integrated system which we call the Human Resources Development System" (see Pareek and Rao, 1998, p 24). This system was proposed as a divide system with solid linkages with the staff (human resources) system.

In their second report on the human resources system in L&t, Pareek and Rao (1977) suggested that the faculty function be saw as Human Resources Function (HRF) and inferred a trifurcated capacity: Personnel Administration, HRD, and Worker Affairs. Including Association Development (OD) likewise to the HRD capacity, they prescribed that "... Since OD is, no doubt included now, it is important to fortify that part of HRD. We, thusly, prescribe that the organization might delegate a Manager (OD) with two officers to do a great deal of research work which will soon begin" (p 139).

The advisors separated HRD from different parts of HRF and additionally integrated structurally and system-wise. Structurally, HRD is to be a subsystem of HRF and mix of this with the other two subsystems (Personnel Organization and Worker Affairs) is to be carried out by an individual at the Director level for instance, Vp — Personnel & HRD), through teams and subsystem linkages. Between system linkages were delineated between different HRD subsystems to have an integrated system. Pareek furthermore Rao likewise illustrated a rationality for the new Hr system, which incorporated 14 standards to be remembered while outlining the HRD system.

These standards manage both the reason for HRD system and the process of its usage.

Fundamentally, the Integrated HRD Systems Approach of Pareek and Rao (1975) has the emulating components:

- A differentiate and separated HRD withdrawal with full time HRD staff.
- Six HRD subsystems incorporating OD.
- Interlinkages between the different subsystems.
- Designed on account of 14 standards.
- Linked to different subsystems of HRD.

After L&T acknowledged these proposals in full and began executing them, the State Bank of India (the single biggest Indian Bank) furthermore its Associates chosen to utilize the Integrated HRD Systems Approach and made another HRD Department. By mid-80s, a vast number of associations in India had built HRD departments.

The Integrative Framework : The integrative skeleton offered by Yeung and Berman (1997) recognizes three ways through which HR practices can help business performance: (1) by building organizational proficiencies; (2) by enhancing employee fulfillment; and (3) by molding client and shareholder fulfillment.

Yeung and Berman (1997) contended for dynamic changes in HR measures to refocus the necessities what's more resources of the HR capacity. They contended that HR measures ought to be business-driven instead of HR-driven; sway driven as opposed to action determined; forward looking and imaginative instead of retrograde looking; and rather than keeping tabs on singular HR practices might as well centering on the whole HR system, considering cooperative energies existing around all HR practices.

Human Capital Appraisal Approach: This approach sketched out by Friedman, James, and David (1998) of Arthur Andersen counseling organization is dependent upon the conviction that there are five stages in the management of human capital: illumination arrange, evaluation organize, outline stage, usage stage, and following stage. There are five territories of human capital management: recruitment, maintenance, and retirement; rewards and performance management;

profession improvement, progression arranging, and preparing; organizational structure; and human capital empowering influences. A 5 X 5 framework utilizing these five stages and five territories could be utilized to assess and administer the human capital well.

For instance, in the illumination organize, the managers inspect their human capital programmes to fit into their

procedure and generally society. They might likewise inspect each of the territories to fit into the strategy.

STRUCTURING OF HRD

The above portrayal of the HR capacity demonstrates that the HR departments in Indian associations (counting one multinational spotted in India and one Indian organization spotted in an alternate nation) don't have generally separated structures proper for HRD.

They have generally separated parts in staff at the same time not in HRD. Regarding the matter of HRD, it appears that they structure the part in such a way that it is stirred up with other staff capacities.

As the structures are blended and accommodation based, the HRD exercises additionally get blended consideration and are frequently accommodation based. As a consequence, different sub-systems of HRD don't get the consideration they merit. Our reviews have demonstrated that even those designated as HRD managers are unable to commit full opportunity to HRD as they are included with other staff capacities and managerial exercises.

In a later experience one of the creators of this paper had with a senior HR Manager of an IT organization, he was told that there were in excess of a hundred HR experts working in that organization and 25 of them were in the Visa segment. This demonstrates the straightforwardness with which Indian partnerships incorporating the IT organizations utilize the HRD term to blanket each one of the aforementioned included in different manifestations of disconnected HRD exercises.

Indian associations have not yet arrived at the development level to separate the human capital duplication capacity from expected welfare furthermore organization capacities.

In the event that one needs to take after the definitive organizing inferences by Pareek and Rao, there might as well be independent functionaries accessible for taking care of performance evaluation, reaction and guiding, potential evaluation and improvement, OD, preparing, and profession arranging and improvement. The HRD capacity is likewise deficiently spoke to. On a normal, while there is one individual to care for the work force management needs of each 100 employees, there is not exactly one full time individual to care for the HRD needs of each 1,000 employees. This can be recognized as insufficient. The existing HRD faculty are likewise not overall qualified in wording Vol. 26, No. I, January-March 2001 56 of studying procedure, human improvement, what's more such other specialized skills needed to handle the competency

building, responsibility building, what's more society building capacities of HRD.

HRM DEBATE AND HR MODELS

The debate about HRM could be regarded as an outcome of the current interest in corporate and business strategy. Strategic management has assumed an overwhelming significance among practitioners partly as a result of being heavily promoted in the management literature (Peters, 1988; Peters and Waterman, 1982). Mintzberg (1978) and Porter (1985) have also contributed to the populism of the concept of strategy in the HR lexicon.

A number of researchers abroad (Ichniowski, Delaney and Lewin, 1989; Ichniowski, 1990; Huselid, 1993) and in India related a comprehensive measure of HR practices to the firms' financial performance (Rao, 1982; Rao and Pereira, 1987; *Business Today*, 1996; Singh, 2000). The impact of HR practices on organizational level outcomes such as productivity, turnover, performance, and profitability was an important research issue in the early nineties. Most of the work was undertaken to study the relationship between HR practices and firm level outcomes like productivity, turnover, and market value (Becker and Gerhart, 1996; Becker *et al.*, 1997).

In the US, there are two opposing models of HR: the Harvard model (Beer *et al.*, 1985) which stresses on the developmental aspects of HR and the Michigan model or the 'matching model' (Fombrun, Tichy and Devanna, 1984) emphasizing its utilitarian/instrumental functions in the achievement of managerial objectives. Arguments made in related research are that a firm's current and potential human resources are important considerations in the development and execution of its strategic business plan. This literature, although largely conceptual, concludes that HRD practices can help create a source of sustained competitive advantage.

The Harvard model is conceived as an analytical framework which is premised on the view that if general managers develop a viewpoint of how they wish to see employees involved in and developed by the enterprise, they would solve most of the problems of HR. Compared to the matching model, this model is termed as the 'soft variant.' It stresses on the human aspect of HR and is more concerned with employer-employee relationship.

It also highlights the interests of different stakeholders in the organization. This model allows for multi-level analysis of these outcomes. It can provide a useful basis for comparative analysis of HRM (Poole, 1990). Such an approach is completely missing in the matching model. The main criticism of this model is that it does not explain the

extensive relationship between strategic management and HRM (Guest, 1991).

The Michigan model is based on the paradigms developed by Chandler (1962) and Galbraith and Nathanson (1978). It is argued that an organization's structure is an outcome of its strategy (Chandler, 1962).

This argument was extended by linking different personnel functions such as career paths, rewards, and leadership styles to the organization's mission (Galbraith and Nathanson, 1978).

The matching model has been criticized as being too prescriptive by nature mainly due to the fact that its assumptions are too unitarist (Boxall, 1992). It emphasizes a 'tight fit' between organizational strategy and HR strategies and, while doing so, completely ignores the interest of employees and hence considers HR as a totally passive, reactive, and implementationist function. The model's emphasis on tight fit makes the organization inflexible and incapable of adapting to the required changes and hence is a 'misfit' in today's dynamic business environment. The very idea of the model to consider and use human resources like any other resources in an organization seems unpragmatic as it misses the human aspect.

CONCLUSION

This survey indicates that the HRD function is not well structured as envisaged in mid-70s. The function seems to be convenience-driven rather than systems-driven. It does not have all the systems ideally it should have as envisaged in the 70s. The systems are not well integrated. The integration mechanisms are stronger but the specialization does not get the attention it deserves.

The structures and competencies are not fully in tune with the Integrated HRD Systems Approach offered by Pareek and Rao. The HRD subsystems, however, have evolved and matured to a substantial degree, specially the performance management system, and training and development system. OD and feedback and counselling are in the next level of maturity. Potential appraisal and career planning and development are the least developed and used subsystems. The HRD departments need to have professionally trained and competent staff. If they have to make an impact, they should enhance the maturity levels of all the above subsystems. These subsystems have a lot of potential for giving competitive advantage through the development of employees and their competencies.

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