

IMPACT AND SIGNIFICANCE OF TRAINING OF EXECUTIVES IN AN ORGANIZATION : A STUDY ON MUNICIPAL CORPORATION OF DELHI

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Introduction

According to Nadler who coined the term” HRD is defined as organized learning experiences in a definite time period to increase the possibility of improving job performance and growth.” McLean and McLean (2001) have offered the following global definition of HRD after reviewing various definitions across the world: “Human resource Development is any process or activity that, either initially or over the longer term, has the potential to develop adults’ work based knowledge, expertise, productivity and satisfaction, whether for personal or group/ team gain, or for the benefits of an organization, community, nation or ultimately the whole humanity.”

Another popular definition of HRD given by Patricia McLagan of ASTD is “HRD is the integrated use of training and development to improve individual, group and organizational effectiveness.”

Literature Review

Arthur, J.B. (1994) conducted cross sectional study of 30 US steel mini mills taking 10 variables – decentralization, participation, general training, skilled workers, level of supervision, social events, due process, wages, benefits, bonus,, percentage unionized as HR measures clustered into two systems: control and commitment. Outcome measures were taken manufacturing performance (labour efficiency, scrap rate) and employee turnover. Using Regression methods he found commitment based HR systems associated with lower scrap rates and higher labour efficiency than control-based systems.

MacDuffie, J. (1995) conducted cross sectional study taking 62 automotive assembly plants in 16 countries (volume plants).HR measures were identified as HR policies (index of four items - hiring criteria, incentive pay, presence of status barriers and level of training), Production organisation measures were use of buffers (3 items) (e.g. incoming and work in progress inventory), work systems (6 items – including employment involvement (production-related suggestions, job rotation and quality tasks), total automation, production scale, model mix complexity, parts complexity, production design age and Outcome measures were taken as labour productivity (hours of actual effort to build a vehicle), quality (consumer perceived, defined as defects per 100 vehicles). He used hierarchical regression and found that innovative HR practices affect

performance not individually but as interrelated elements in an internally consistent HR system and these systems contribute most to plant productivity and quality when they are integrated with manufacturing policies of a flexible production system.

Huselid, M.A. (1995) also conducted cross sectional study of 968 US-owned firms with over 100 employees. The HR measures taken were high performance work system scale. 13 items elicited two factors (i) employee skills and organisational structures – items: formal job design, enhanced selectivity, formal training, quality of work program, quality circles, labour-management teams, information sharing programmes, formal grievance procedures, profit and gain-sharing plans, enhanced communications, (ii) Employee motivation – items: formal appraisal, linked to compensation, merit in promotion decision rules; outcome measures were taken as turnover, productivity (log of sales per employee), corporate financial performance – market based measure Tobins’ q, and accounting based measure – gross rate of return on capital employed (GRATE).;controls variables were taken as firm size, capital intensity, firm and industry levels of union coverage, industry concentration, growth in sales, R&D intensity, firm-specific risk, industry levels of profitability, net sales and total assets. Using Regression analysis he concluded that high performance work systems have an economically and statistically significant impact on turnover, productivity and corporate performance. One standard deviation increase in HPWS is associated with a relative decrease of 7.05% in turnover, and on a per employee basis, a \$27,044 more in sales and \$18,641 and \$3,814 more in market value and profits respectively.

Delaney, J.T. and Huselid, M.A. (1996) conducted cross sectional study of 727 organizations taking HR measures: Staffing selectivity index (3 items), training index (3 items), incentive compensation (3 items), grievance procedure, decentralised decision making, internal labour market index (5 items), vertical hierarchy; Outcome measures: Perceptual measures of organisational performance assessing organisational performance over the last three years relative to similar organisations (on product quality, customer satisfaction, new product development) and on perceived product market performance (profitability, market share) over three years relative to product market competitors and Controls: profit/not-for-profit, subsidiary, number of employees, form age, market competition, union

pressure, percentage of managers, he also used regression analysis and found that progressive HRM practices are positively related to perceptual measures of organizational performance, but do not support the assertion that complementarities among HR measures enhance performance.

Objectives of the Study

- To study the HR
- To analyse the impact and significance of training in executives of Municipal Corporation of Delhi
- To analyse the various variables to gain the objectives

Research Methodology

Accordingly the present research has been segregated into two parts- the first part involves critical study of various HRD practices followed in the plant and measurement of HRD climate prevailing in the organization and the second one is directed towards finding relation between various independent and dependent variables. Since the two parts of the research entails two approaches, the research methodology has been segregated into two parts and discussed separately.

Studies shall be empirical in nature. Different tables shall be prepared to ascertain the trend and impact. Various statistical tools shall be applied such as:-

- Ratios
- Average
- Coefficient of correlation
- Chi² test etc.

Sources of data

Data would be collected through different primary and secondary sources like:

PRIMARY SOURCES:-

1. Questionnaire
2. Interviews

SECONDARY SOURCES:-

1. Publications
2. Internet
3. Annual reports
4. HR and Corporate bulletins
5. Journals etc.

Sampling Plan

The sampling size will be 500 employees of Municipal Corporation of Delhi.

Hypothesis of the Study

1. There is no significant difference by using the training program to develop the executive in an organization.
2. There is no significant difference with the use of training program and increasing the profitability of organization.

Expected Outcomes of the Study

The expected outcomes of the study will be based on the various training program to develop the executives in an organization. It provides the framework model which help the organization for sustaining and making the profitability of Municipal Corporation of Delhi.

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