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# HRD Effectiveness: A Comparative study between Pharmaceutical Industry and Automobile Industry

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*Abstract*- HRD can be instrumental in making people sufficiently motivated, trained, informed, managed and empowered. HRD is the process of improving and developing skill, knowledge, aptitude and values of the employees based on present and future organizational requirements. The present study aims at measuring the HRD effectiveness of manufacturing organizations.

Keywords- HRD effectiveness, Organizations, Competitive Advantage.

# I. INTRODUCTION

Human Resources has been and will be the most important of all resources. From the ages, and politicians have ruled but only those have succeeded who have tactfully used their available resources. Human resources in generic terms means the total knowledge, skills creative abilities talents, aptitudes, ethics, attitudes, approaches in a personnel. Generally some resources are developed while some are received through heredity. When these resources are used in a way such that maximum advantages can be taken out of it, then it is called human resource management.

H.R.M. is a dynamic term it should deal with different people in different ways, at different situation to carry out different results. In its simple term, HRM is the task of dealing with human relationship moldings and rising the human behavior & attitude towards the job & organizational requirements. The H.R. manager involves himself in administrating a social system. In this process, the manager has to view the satisfaction from three different angles viz. (1) Economic satisfaction for an average livelihood. (2) Social satisfaction of working together as members of different group and (3) Individual job satisfaction of a working are attained.

Human Resource like knowledge, skills, creative ability and talents play an important role in deciding the efficiency and effectiveness of an organizations work force. However, enhancement of utilization value of human resource depends on improvement of the human resource aspects like skill, knowledge, creative abilities and talents and molding of other aspects like values, believes aptitude and attitude in accordance with the changing requirements of groups, organisations and society at large. This process is the essence of human resource development. Developing human resources regarding their skills and intending their knowledge and competencies world lead to organizational development. Therefore, human resource development is the key to enhancing and effective utilization of intellectual technological and entrepreneurial skills of human resource.

Development of human resources is essential for any organisation that would like to be dynamic and growth-oriented. Unlike other resources, human resources have rather limitless potential capabilities. The potential can be used only by creating a climate that can continuously identify, bring to surface, nurture and use the capabilities of people. Human Resource Development (HRD) system aims at creating such a climate. A number of HRD techniques have been developed in recent year's to perform the above task based on certain principles. This unit provides an understanding of the concept of HRD system, related mechanisms and the changing boundaries of HRD. Historically, HRD has referred to developing human resources in order to increase financial productivity and therefore a nation's wealth, that is, very closely linked with economic outputs. However, within current definitions and discussions, especially in the context of developing countries, there is more emphasis on the human aspects of HRD. So, in the development context the meaning of the term's human resources development and human development are to much interconnected.

According to the American Society of Training and Development (ASTD), HRD is the integrated use of training and development, organizational development, and career development to improve individual group, and organizational effectiveness. Society 'is faced with innovative challenges and changes daily which increases the need to provide employees with appropriate learning experiences. Moreover, HRD helps organizations to provide learning related to the goals of the organization and to its employees.

In the words of **Prof. T.V. Rao**, "HRD is a process by which the employees of an organisation are helped in a continuous and planned way to (i) acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles; (ii) develop their journal capabilities as individual and discover and exploit their own inner potential for their own and /or organisational development purposes; (iii) develop an organisational culture in which superior-subordinate relationship, team work and collaboration among sub-units are strong and contribute to the professional well being, motivation and pride of employees." Human Resource Development being one of the most integral part of Human Resource Management explains the need that the workforce/employees should be developed in such a manner that they prove an asset to the organisation. With minimum resources and less wastages an optimum production can be carried out. HRD helps organisations to provide learning related activities to its employees.

HRD is needed by any organisation that wants to be dynamic and growth-oriented or to succeed in a fast-changing surroundings. Organisations can become dynamic and grow only through the efforts and competencies of their human resources. Personnel policies can keep the morale and motivation of employees high, but these efforts are not enough to make the organisation dynamic and take it in new directions. Employee capabilities must continuously be acquired, sharpened, and used. For this purpose, an "enabling" organisational culture is essential. When employees use their initiative, take risks, experiment, innovate, and make things happen, the organisation may be said to have an "enabling" culture. Most HRD literatures are performance-oriented or learning-oriented as pointed out by Simmonds and Pederson (2003). For instance, Sambrook (2004, p.611) defines HRD as "all those activities that seek to facilitate all forms of learning and development at all levels within organizations". On the other hand, Slotte et al. (2004, p.485) defines HRD as "covering functions related primarily on training, career development, organizational development and research and development in addition to other organizational HR functions where these are intended to foster learning capacity at all levels of the organization, to integrate learning culture into its overall business strategy and to promote the organizations effort to achieve high quality performance".

According to Hatcher; Kalra (cited in Hatcher 2003), HRD has been attacked for treating human as resources which to be manipulated or used to achieve organizational goal. The authors further argued that the HRD definition emphasis too much on "resources" while overlook "potential" (Hatcher, 2003, p.1). According to the Hatcher (2003), there are potential in each employee which exceeds the economic value. Therefore, treating human as resources "places them in a subservient and compliant position to organizational goals and limits our ability to be in harmony with nature (Hatcher, 2003, p.1).

On the other hand, Sambrook (2004) added to the critiques of HRD by arguing that most HRD literatures generally emphasis on performance outcome and neglect the organizational issues concerning the marginalized populations. According to Bierema (2002, p.245), the issues of "diversity, equality, power, heterosexism, discrimination, sexism, racism, or other issues of oppression in organizations" are ignored by current HRD literatures. Bierema and Cseh (2003) further argued that these "undiscussable" issues are ignored but yet, have significant impacts on both individual and organization. To address such issues, Rigg et al. (2007) had argued that it is necessary to think HRD from a critical stance. They argued that there is a need for "critical turn in HRD" (Rigg et al., 2007).

### II. THEORETICAL FRAMEWORK OF HRD

The Human Resource Development as a Function has evolved in India very indigenously from the year 1975 when Larsen & Toubro Company conceptualized HRD as an integrated system and decided to separate it from Personnel. Since then, in the last 25 years most organizations have started new HR Departments or re-designated their Personnel and other departments as HRD Departments. Today there are high expectations from HRD. Good HRD requires well structured function and appropriately identified HRD systems, and competent staff to implement and facilitate the change process.

HRD systems should help the company to increase enabling capabilities. The capabilities outlined in their report include: development of human resources in all aspects, organizational health, improvements in problem solving capabilities, diagnostic skills, capabilities to support all the other systems in the company, etc;

HRD systems should help individuals to recognize their potential and help them to contribute their best towards the various organizational roles they are expected to perform;

HRD systems should help maximize individual autonomy through increased responsibility;

HRD systems should facilitate decentralization through delegation and shared responsibility;

### **III. REVIEW OF LITERATURE**

- 1.) Dharm Vir (1992), in his article "Co-operative HRD Indian Perspective" has shared his views about co-operative education and training activities. Therefore HRD may be considered as an important part of the co-operative value system. He has attempted to describe HRD activities in the dairy sector of Indian co-operative movement He adds that the National Dairy Development Board of India has achieved a great success and has got a world wide attention.
- 2.) Pareek Udai (1997) in his Book "**Training Instruments for Human Resource Development**" has given information of various HRD instruments related to personal orientation and behavior. He has given instruments for personal interpersonal styles, their roles in organizations and non-corporate sector. He further explained satisfaction schedules, role efficacy, organizational learning, role satisfaction and isolation, trainer's style, consulting style, life styles and aspect of motivation and personal effectiveness. The author provides various need based training instruments for HRD professionals.
- 3.) More B .D. (1997) in his Ph.D. Thesis "A Study of HRD vis-à-vis The Changing Scenario with Special Reference to Police Department in Maharashtra" suggested HRD instruments and models for effective functioning of police department. He expressed need for periodic survey of HRD climate, training to police personnel, meaningful performance appraisal system, purposeful career planning system consisting of central career counseling andtraining information cell, restructure the compensation system, sufficient welfare facilities, set-up regional police preparatory schools for future human resource, recruit HRD Professional and one-day work shop for all policemen on continuous basis. Researcher had suggested models for HRD activities.
- 4.) Chavare D.T. (2001) in his Ph.D.Thesis "A Study of HRD in Vocational **Education Institutions in** Western Maharashtra" suggested uniform policy for recruitment in Western Maharashtra. He suggested that, advertisement should be given in Marathi newspapers, vocational education staff selection commission should be formed and vocational education based training should be arranged. The Researcher had discussed some training, development, organization development, aspects of HRD such as recruitment. selection, reinforcement and career planning
- 5.) Rao, T.V and Rao Raju (2002) in the publication "HRD in Asia –Trends & Challenges" have published their article titled as "A study of Leadership Roles, Styles, Delegation and qualities of Indian CEOs". In this article they have attempted to identify the impact of three different Leadership styles on the learning climate generated in the organization as perceived by 48 top level managers in a company. The leadership styles studied is: benevolent or paternalistic style, critical style, and developmental style. The impact variables studies include the extent to which they produce loyalty and dependence, resentment and counter dependence and learning, job satisfaction and morale. The study indicated that while benevolent style creates dependence and resentment, critical style creates resentment and it is developmental style that tends to create learning and job satisfaction. The findings are in expected directions. The implications of these findings for change in leadership styles using 360 degree feedback are
- 6) Gupta, V.K. (2003), has published his study entitled as "HRD and Training in a Corporate Enterprise (A case study of Bharat Electricals Ltd.)" and has revealed that executives have not been given adequate formal training. They do not find the training interesting. But workers are fairly satisfied with the training. Author further observed that the good work needs to be rewarded and hence reward system requires to be reviewed. He finds that adequate delegation of authority is necessary in the organization. The author has attempted to analyze the training and development activities of the organization and tried to know the view-point of executives as to HRD programme of the company. discussed in this article.
- 7) R. Rani Geetha Priyadarshini & Venkatapathy R. (2003-04) have published their article titled as "Impact of

**HRD on Organizational effectiveness in the Banking Industry**" in which they have concluded that a) the HRD practiced in the banks have strong influence on their performance; b) greater the association between HRD practices and organizational effectiveness, greater is the performance of the banks; c) private banks have placed low emphasis on HRD practices in their organizations, which may be due to lack of adequate orientation and resource allocation towards developing their human factor. d) top performing banks have a higher extent of HRD practices in their organizations, which influences the effectiveness of their organizations and e) HRD practices in the organizations have impacts on the effectiveness of organizations and hence on their performance irrespective of their size and ownership. They concluded that high extent of HRD practices and better performance go hand-in- hand and vice-versa which explicitly implies that HRD positively impacts organizational effectiveness and hence performance of banks.

- 8) Rao, T.V. Rao, Raju & Dixit, Soumya (2005), have attempted to identify the effectiveness with which various leadership and managerial roles are performed by Indian CEOs, in chapter 10 of the book titled as "HRD Challenges & Opportunities" edited by Dr. Neelu Rohmetra. In a case study of leadership roles, styles, delegation and qualities of CEOs across 26 firms, the results suggest that the Indian CEOs perform transactional roles more effectively than the transformational roles. The effectively performed transactional roles relate to managing impressions on their seniors, and not with juniors and unions .These CEOs follow a developmental style, characterized by consultative and transformative empowerment. Authors highlight how the development style of the Indian CEOs is oriented towards transformative empowerment of their subordinates, where the subordinates are encouraged to learn from their own experiences.
- **9)** Reddy A. Jagan Mohan (2006) in **"HRD : Origin, Concept and Future"** has dealt with origin, concept of HRD, emerging challenges and the right steps to be taken so that employees can contribute their best for achieving organizational as well as individual goals. He concludes that change is here to stay and we need to understand that all the practices that are working today may not necessarily work tomorrow. Customer's expectations, market changes and strategic decisions will drive the management of human assets.
- **10**)Pillai Prakash R. (2008) in his article entitled **"Influence of HRD Climate on the Learning Orientation of Bank Employees"** has attempted to analyze the influence of the HRD climate existing in banks on the learning orientation of the employees. The overall analysis indicates that the level of learning orientation of the employees working in the banks is highly influenced by the learning and development climate fostered by their organizations.
- 11)Mr. S. Sundararajam (2009), in "Emerging Trends of HRD Practices in Cooperative Sector-Perspective Approach" has observed on the basis of survey of employees working in a few cooperative organizations located in the south west part of Tamil nadu, that overall HRD climate in the cooperative sector organizations appeared to be neither good nor bad. The senior employees perceived that the HRD climate should be improved in the present competitive environment. In general, the employees showed unfavorable attitude towards, HRD policies and practices. The author gives overall conclusion of his study that the development of human is a specialized operative function of personnel department. Lastly he says that we cannot prepare the future for the next generation, but we can prepare the next generation for the future.

### **IV. OBJECTIVES**

To study the HRD effectiveness and its dimensions of pharmaceutical industry To study the HRD effectiveness and its dimensions of automobile industry To compare HRD effectiveness and its dimensions of pharmaceutical and automobile industries

### V. RESEARCH METHODOLOGY

The present study is a descriptive investigation to explore the HRD effectiveness of the two manufacturing industries viz pharmaceutical and automobile. A sample of 150 respondents was collected using survey technique. The respondents were approached through convenience method at different organization of pithampur (Medicaps, Cipla, ZYG pharma, Mahindra, Eicher, Force motors) The data was collected by using the standard instrument developed by R. Krishnaveni. Its reliability and validity were high.

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### FINDINGS:

H1: There is no significant effect of type of industry on role analysis dimension of HRD effectiveness.

H2: There is no significant effect of type of industry on performance planning dimension of HRD effectiveness.

H3: There is no significant effect of type of industry on performance appraisal dimension of HRD effectiveness.

H4: There is no significant effect of type of industry on performance review and feedback dimension of HRD effectiveness.

H5: There is no significant effect of type of industry on potential appraisal and succession planning dimension of HRD effectiveness.

H6: There is no significant effect of type of industry on induction dimension of HRD effectiveness.

H7: There is no significant effect of type of industry on training need analysis dimension of HRD effectiveness.

H8: There is no significant effect of type of industry on training program dimension of HRD effectiveness.

H9: There is no significant effect of type of industry on training evaluation dimension of HRD effectiveness.

H10: There is no significant effect of type of industry on career planning and development dimension of HRD effectiveness. H11: There is no significant effect of type of industry on of HRD effectiveness.

### **T-Test**

Table 1: Independent Samples Test												
	industrytype	N Mean		Std. Deviation	Std. Error Mean							
role_analysis	pharmacy	75	14.0667	3.72839	.43052							
	automobile	74	14.9189	2.80292	.32583							
perfor_plng	pharmacy	74	14.4189	3.82138	.44423							
	automobile	74	14.7027	3.20842	.37297							
perfor_apprs	pharmacy	74	23.3378	5.47542	.63650							
	automobile	73	22.4658	4.14019	.48457							
perfor_rev_feedb	pharmacy	75	23.2000	3.96948	.45836							
	automobile	71	22.3099	4.15277	.49284							
pot_apprs_succ_plng	pharmacy	75	15.0133	2.89218	.33396							
	automobile	65	14.3231	3.41919	.42410							
Induction	pharmacy	75	17.7467	3.33326	.38489							
	automobile	73	17.0959	3.01461	.35283							
trng_need_analysis	pharmacy	75	15.2000	2.91316	.33638							
	automobile	74	14.1892	3.30079	.38371							
training_progrm	pharmacy	73	26.7808	5.12956	.60037							
	automobile	75	25.0533	4.71883	.54488							
training_evaluation	pharmacy	75	12.3067	2.82830	.32658							
	automobile	75	11.4667	2.74272	.31670							
car_plng_dev	pharmacy	75	15.1200	4.06022	.46883							
	automobile	75	14.1333	4.69138	.54171							
Hrd	pharmacy	71	177.1690	19.06004	2.26201							
	automobile	59	171.6610	16.05552	2.09025							

Table 1: Independent Samples Test

					Table 2						
	Levene's				t-test for Equality of Means						
	Equali	Test for Equality of Variances									
			Sig.	t	df	Sig. (2- tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference		
									Lower	Upper	
	Equal variances assumed	5.945	.016	- 1.576	147	.117	85225	.54093	- 1.92126	.21676	
	Equal variances not assumed			- 1.578	137.367	.117	85225	.53992	- 1.91988	.21537	
perfor_plng	Equal variances assumed	2.490	.117	489	146	.625	28378	.58004	- 1.43014	.86257	
	Equal variances not assumed			489	141.754	.625	28378	.58004	- 1.43043	.86286	
perfor_apprs	Equal variances assumed	8.435	.004	1.088	145	.278	.87208	.80146	71197	2.45614	
	Equal variances not assumed			1.090	135.867	.278	.87208	.79997	70991	2.45408	
perfor_rev_feedb	Equal variances assumed	.069	.793	1.324	144	.188	.89014	.67220	43852	2.21880	
	Equal variances not assumed			1.323	142.568	.188	.89014	.67304	44029	2.22057	
pot_apprs_succ_plng	Equal variances assumed	2.721	.101	1.294	138	.198	.69026	.53340	36444	1.74495	
	Equal variances not assumed			1.279	126.059	.203	.69026	.53980	37800	1.75851	
Induction	Equal variances assumed	1.858	.175	1.245	146	.215	.65078	.52286	38257	1.68412	
	Equal variances not assumed			1.246	145.225	.215	.65078	.52214	38121	1.68276	
trng_need_analysis	Equal variances assumed	.944	.333	1.983	147	.049	1.01081	.50985	.00322	2.01840	
	Equal variances not assumed			1.981	144.265	.050	1.01081	.51028	.00222	2.01940	
training_progrm	Equal variances assumed	.076	.783	2.133	146	.035	1.72749	.80985	.12695	3.32803	
	Equal variances not assumed			2.131	144.243	.035	1.72749	.81077	.12497	3.33001	
training_evaluation	Equal variances assumed	.381	.538	1.846	148	.067	.84000	.45493	05899	1.73899	
	Equal variances not assumed			1.846	147.861	.067	.84000	.45493	05900	1.73900	
car_plng_dev	Equal variances assumed	2.445	.120	1.377	148	.171	.98667	.71642	42907	2.40240	
	Equal variances not assumed			1.377	145.014	.171	.98667	.71642	42931	2.40264	
Hrd	Equal variances assumed	1.516	.220	1.760	128	.081	5.50800	3.12897	68320	11.69919	
	Equal variances not assumed			1.788	127.971	.076	5.50800	3.07991	58614	11.60214	

# H1

Here t cal= 1.576 and t tab= 1.96 at 5% and so the null hypothesis is accepted.

Also it is observed that p value >0.05.

It is concluded that there is no significant effect of type of industry on role analysis dimension of HRD effectiveness.

# H2

Here t cal= .489 and t tab= 1.96 at 5% and so the null hypothesis is accepted. Also it is observed that p value >0.05. It is concluded that there is no significant effect of type of industry on performance planning dimension of HRD effectiveness.

# H3

Here t cal= 1.088 and t tab= 1.96 at 5% and so the null hypothesis is accepted.

Also it is observed that p value >0.05.

It is concluded that there is no significant effect of type of industry on performance appraisal dimension of HRD effectiveness.

# H4

Here t cal= 1.324 and t tab= 1.96 at 5% and so the null hypothesis is accepted.

Also it is observed that p value >0.05.

It is concluded that there is no significant effect of type of industry on performance review and feedback dimension of HRD effectiveness.

# H5

Here t cal= 1.294 and t tab= 1.96 at 5% and so the null hypothesis is accepted.

Also it is observed that p value >0.05.

It is concluded that there is no significant effect of type of industry on potential appraisal and succession planning dimension of HRD effectiveness.

## H6

Here t cal= 1.245 and t tab= 1.96 at 5% and so the null hypothesis is accepted. Also it is observed that p value >0.05.

It is concluded that there is no significant effect of type of industry on induction dimension of HRD effectiveness.

# H7

Here t cal= 1.983 and t tab= 1.96 at 5% and so the null hypothesis is rejected.

Also it is observed that p value <0.05.

It is concluded that there is significant effect of type of industry on training need analysis dimension of HRD effectiveness. Table 1 shows that Pharmaceutical industry having more mean value then Automobile industry.

# H8

Here t cal= 2.133 and t tab= 1.96 at 5% and so the null hypothesis is rejected.

Also it is observed that p value <0.05.

It is concluded that there is no significant effect of educational qualification on work dimension of work life balance. Table 1 shows that Pharmaceutical industry having more mean value then Automobile industry.

### H9

Here t cal= 1.846 and t tab= 1.96 at 5% and so the null hypothesis is accepted. Also it is observed that p value >0.05. It is concluded that there is no significant effect of type of industry on training evaluation dimension of HRD effectiveness.

### H10

Here t cal= 1.377 and t tab= 1.96 at 5% and so the null hypothesis is accepted.

Also it is observed that p value >0.05.

It is concluded that there is no significant effect of type of industry on career planning and development dimension of HRD effectiveness.

#### H11

Here t cal= 1.760 and t tab= 1.96 at 5% and so the null hypothesis is accepted. Also it is observed that p value >0.05.

It is concluded that there is no significant effect of type of industry on of HRD effectiveness.

#### VI. CONCLUSION

No significant differences were observed as overall HRD effectiveness and its dimension which clearly reveals that pharmaceutical and automobile industries are working in same way as per pithampur is concerned. On two dimension of training need analysis and training program differences were observed. The reason of this difference is as the technical requirements are more in pharmaceutical industry. The training is an important ingredient in pharmaceutical industry.

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