

Perception of Executive Employees towards HRD Practices at Salem Steel Plant (SSP)

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Abstract

This Article entitled, “**Perception of executive employees towards HRD practices at Salem Steel Plant (SSP)**” depicts with general introduction on HRD and the importance of HRD towards industries. The present study is a micro level study confined to Salem Steel Plant only. The study of HRD practices in Salem Steel Plant can be attempted from various dimensions. The present study makes an attempt to examine the HRD aspects in terms of selected dimensions. Further, an in-depth analysis is confined to all categorical employees expect top level authorities. This study aims at finding out the executive employee’s perception towards human resources development activities / practices of study the unit. The scope of the study elicits the views of the employees on HRD subsystems and measures in the study unit. The awareness of HRD practice among employees is in absence. The employee’s satisfaction on HRD practices is differed from employee to employee. The employee’s expectations also differ from industry to industry. The researcher would like to study the perception of HRD practices steel industry with special reference to the select (Salem Steel Plant) steel plant of SAIL. The study has identified that, the employees have close association with the HRD measures provided by the management of the plant. The HRD practice in large organization is quite difficult in the competitive world. Hence, the management may provide suitable HRD measures to their workforce development as well as organization development.

Key words: HRD, Employees, Training and development.

Introduction

There are two prominent resources of production viz. material and human. The material resources are inert, where as the human resources are art. Human resource development (HRD) is a strategic approach of investing in human capital. It draws on other human resource. Processes including renouncing and performance assessment to identify actual and potential talent. HRD is the process of increasing the capacity of human resources through development. It includes development of people, organization development, training programmes and progression to meet the organizations future skill requirement.

Many dimensions of HRD have been integrated into research, training, and organizational design and change. The stupendous changes brought by the new scientific and technological revolution on one hand and the behaviour of the human resource on the other hand, HRD begin art becomes the prime mover of the entire industrial organization. As such the primary concern of the manager is how to get the peak performance from this predominant resource. The HRD measures are practical for sharpening the capabilities of the organizational employees.

Earlier, the only HRD practice was training and that was synonymous to HRD. But today organizations have realized that there are various tools available to them to tap the human potential.

With the advent of liberalization, privatization and globalization (LPG) of Indian economy, there is a tremendous pressure for change in Indian industries. These changes have enabled the global companies to develop their work force as worldwide knowledgeable employees. In the 21st century, an environment has been created that almost compels Indian industries to rethink their vision and mission about HRD processes, practices and perspectives. These industries have got awareness for developing their human resources to face the competition and marching towards prosperity and growth. The current trends of HRD in India would be dynamic and action oriented. Several organizations have inducted HRD heads in their boards recently. This shows the growing realization of the importance of HRD and it has come to stand on its own as a profession.

The Indian organizations could compete in the global market in which maximum utilization of human resource is possible by adopting the modern philosophy of HRD. Hence HRD system is becoming a critical success factor for an organization. It is a right time to study the HRD practices for this region-Tamil Nadu and the steel industry.

Importance of the Study

Public sectors occupy a key place in the Indian Economy in terms of employment and investment. Over a period, public sectors have grown both in number and size and spread to most of the vital sectors of the economy. These sectors are enclosed with several objectives, such as promoting industrialization, developing core industries, to fulfill social as well as workforce expectations, providing quality goods and efficient services to the customers, and reducing regional imbalance. Public sectors are expected to fulfill social as well as economic obligations to ensure all round development of the economy.

. Hence, an in-depth study on various aspects of HRD like human resource policy, recruitment, training and development, motivation, performance appraisal, promotion, industrial relations, safety measures and welfare facilities can throw light on HRD mechanism which may help in improving the overall performance of public sectors. Keeping this in view, a sincere attempt is made to study the various dimensions of HRD practiced in a public sector namely, Steel Authority of India (SAIL) with special reference to Salem Steel Plant.

Statement of the Problem

The awareness of HRD practice among employees is in absence. The employee's satisfaction on HRD practices is differed from employee to employee. The employee's expectations also differ from industry to industry. The researcher would like to study the perception of HRD practices steel industry with special reference to the select (Salem Steel Plant) steel plant of SAIL.

Scope of the Study

^ The present study is a micro level study confined to Salem Steel Plant only. The study of HRD practices in Salem Steel Plant can be attempted from various dimensions.

The present study makes an attempt to examine the HRD aspects in terms of selected dimensions. Further, an in-depth analysis is confined to all categorical employees expect top level authorities. This study aims at finding out the executive employee's perception towards human resources development activities / practices of study the unit. The scope of the study elicits the views of the employees on HRD subsystems and measures in the study unit.

Objective of the Study

To analyze the perception of executive employees with regard to HRD practices at SSP

Sample

The main Focus of the study will be HRD practices with a special reference to executive employees' perception on HRD systems of SAIL -SSP. There are 300 executives are working in Salem Steel Plant. A stratified random sampling method was adopted for the purpose of the study. The sample respondents consisting of middle level executives of 73.

Methodology of the Study

The validity of a research depends upon the method of collecting the data and analyzing the same. In the present study, extensive use of both primary and secondary data was collected systematically. For collecting primary data, field survey technique was employed in the study unit. The primary data have been collected by means of a well-designed questionnaire with particular attention to employees' perception on HRD systems at SAIL-SSP. Secondary data are also collected from the sources such as Annual Reports, Journals, Magazines, and various records of the company.

Tools of Data Collection

By virtue of a mass data obtained from the research survey through questionnaire, as well as data from secondary sources collected and presented in this report, descriptive and analytical research was considered the most appropriate for this study. The research problem and the questionnaire were all framed accordingly.

Limitations of the study

The researcher could apply a few statistical tools due to qualitative type of data with different scales while analyzing the primary data. The middle level executives have back of interests to encourage this type of research and fillup of questionnaire.

Review of Literature

Trimurthi Rao (2008)⁷³ in his article on "strategic HRD practices for organizational Excellence" limelight's that human resource development is not only an organisation's function but also a business strategy of the organisation. Organisation have to device appropriate HRD Strategy in conjunction with its business strategy, which leverages individual goals and aspirations with that of the organisation resulting in maximization of business impact for corporate success and excellence. Senior leadership must understand people side of the business and treating people as a strategies resource of the organisation with limitless potential.

Mahadeva (2008)⁷⁴ in his article entitled “Emerging Trends of HRD” opined that the HRD climate is good in the private sector organisation under his study. The managerial personnel’s showed favourable attitude towards HRD policies and practices. At the same time the junior employees and workers expect innovative HRD practices, and freedom to participate the HRD policy formation. He also suggested from his study that the management should ensure the employment programmes to their workforce, motivate to learn and utilization of available human resources.

Sellappan and Krishna Kumar (2008)⁷⁵ in his article entitled “human Resource Development” in Banking Paradigm” concludes that innovative approaches like participatory banking were necessary to bridge gaps in human resources development to bring overall peace, security and progress. HRD is quite different from management of physical assets. Human brain has its own peculiar chemistry. The workforce constituting all levels of employees is constantly thinking in many dimensions. They think of their long run goals and objectives. Managing this educates, skillful and trustworthy workforce is not an easy job.

Suresh (2008)⁷⁶ in his article entitled “HRD a management skill” reveals that, human resources development is a part of human resource management aimed at developing the competencies of people and to bring out the behavioural change. Though training is an important tool for HRD, human resource development is more important than organizational development. The management follows its own principle in the process of managing people at work and such principles which are conceptually considered to be sound from the point of management’s value system. The core management practices which are determined by other peripheral factors are not considered to be part of the principle of management.

Dharma Rao (2008)⁷⁷ in his article on “Performance Appraisal and its negative feedback” highlights that performance appraisal is a strong tool and if it is wrongly rated, the results may spoil. It printed on the format a flow chart with full details goes to appraise who write down. Then the rates his immediate boss, puts his remarks on this and rates the appraise by ticking outstanding, good, fair and unsatisfactory on the columns. The reviewer thoroughly reviews column by column and gives his own opinion. The rating should be objective to help the appraise to improve his performance. Performance appraisal has been in vogue and generally satisfies all levels of executives and employees. The management takes pride in this system which results to retain the employee.

The various studies relevant to the HRD practices were reviewed and observed that there are many researchers contributed to HRD and HRM but none of the study has been conducted focusing with HRD practices in the field of steel industry. Hence, the researcher has found this as research gap and to fulfill the same, he has selected this topic and carried out this study.

Salem Steel Plant (SSP)

Salem steel plant was commissioned on scheduled date i.e. September 13, 1981 by Shri A.S Gill. Secretary, department of steel, ministry of steel and mines, government of India and production of commenced. The plant was formally inaugurated on March 13, 1982 by Shri Narayan Dutt Tiwari, The Honourable Minister for industry, steel and mines, government of India.

Certified for,

- ISO 9001:2000 Quality Assurance
- ISO 14001:1996 Environmental Management Systems

Salem Steel plant is one of the India's leading producers of quality Stainless Steel. Salem Steel Plant was a long cherished dream, Govt. of India decided in May 15, 1972 to setup an integrated special steels plant at Salem, for the production of sheets & strips of electrical, stainless and other special and mild steels on the basis of sound techno-economic consideration. The plant is capable of rolling 186,200 tonnes of hot rolled carbon stainless steel flat products and 70,000 tonnes of cold rolled stainless steel sheets or coils annually. The plant has gone beyond its designed capacity in producing thinner gauges and supplies valve-added 0.13 mm thick stainless steel, as well as hot rolled carbon steel in thickness of 1.5, 1.4 and 1.25 mm. SSP's blanking line has an annual capacity to produce 4000 tonnes of ferritic grade coin blanks (or) 3600 tonnes of utility blanks. Industrial segments using "Salem Stainless" include hi-tech areas like atomic power stations, heavy engineering, chemicals & fertilizers, railways, automobile, power, etc.

Applications

- LPG tanks for automobiles
- S.S. ceiling fans
- Exhaust fans
- Corrugated sheets
- Water tanks etc.

HR in Salem Steel Plant

SSP believes that its greatest assets are its human recourse. The human resources team is grappled with enormous task of recruitment, training retaining, retraining the H.R for the survival of the organization. The HRD function in Salem steel plant was conceived at the project stage of the plant itself. The primary task of the organization by way of recruiting the right talent ,framing of rules and policies, administering welfare, developing the individual employees by training etc, the personnel department was therefore charged with responsibilities of recruiting the right talent for achieving the goals of the organization and developing them.

Designation wise classification of the respondents

The following table shows the designation wise classification which has been classified into four categories namely Junior Manager (E1), Asst/DY Manager, Senior Manager and AGM/DGM.

Designation wise classification of the respondents

Designation	Position in the Organization				Total	
	Middle level Executive		Officer level		N	%
	N	%	N	%		
Junior manager (E1)	16	21.92	9	12.33	25	34.25
Asst/DY Manager	14	19.18	5	6.85	19	26.03
Senior Manager	2	2.74	15	20.55	17	23.29
AGM/DGM	2	2.74	10	13.70	12	16.44
Total	34	46.58	39	53.42	73	100

The Table shows that out of 34.25% of the Junior manager (E1) 21.92% of the respondents are Middle level Executive & 12.33 % of the respondents are Officer level. Similarly out of 26.03 % of the Asst/DY Manager 19.18 % of the respondents are Middle level Executive & 6.85 % of the respondents are Officer level, out of 23.29 % of the Senior Manager 2.74 % of the respondents are Middle level Executive & 20.55 % of the respondents are Officer level. Similarly out of 16.44% of the AGM/DGM 2.74% of the respondents are Middle level Executive & 13.70% of the respondents are Officer Level. It is concluded that the majority of the respondents are junior manager (E1).

Factor Analysis

Factor analysis attempts to identify underlying variables, or factors, that explain the pattern of correlations within a set of observed variables. Factor analysis is often used in data reduction to identify a small number of factors that explain most of the variance observed in a much larger number of manifest variables. Factor analysis can also be used to generate hypotheses regarding causal mechanisms or to screen variables for subsequent analysis.

The factor analysis procedure offers a high degree of flexibility:

- Seven methods of factor extraction are available.
- Five methods of rotation are available, including direct oblimin and promax for non orthogonal rotations.
- Three methods of computing factor scores are available, and scores can be saved as variables for further analysis.

Our study consisted of 73 respondents who were asked to indicate on a five point scale, their agreement or disagreement with the set of 18 statements relating to their perceptions and attributes towards **HRD in General**. The output of the factor analysis is obtained by using principal component analysis and specifying the rotation. There are two stages in factor analysis. Stage one being the factor extraction process, wherein the objective is to identify how many factors are to be extracted from the data.

The Kaiser-Meyer-Olkin (KMO) measure is indicator of how well suited the sample data are for factor analysis. It is the ratio of the sum of the squared correlations for all variables in the analysis to the squared correlations of all variables plus the sum of the squared partial correlations for all variables. The denominator of this ratio increases with variation that is unique to pairs of variables (partial correlations), making the value of KMO less than one. Small values of KMO indicate that factor analysis may not be appropriate for the data. Kaiser (1974) suggests that values of .9 or higher are great and values below .5 are unacceptable.

Factor Analysis - KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.701
Bartlett's Test of Sphericity	Approx. Chi-Square	594.03
	df	153
	Sig.	0.000

Bartlett’s test of Sphericity evaluates the null hypothesis that the correlation matrix is an identity matrix (all the values in the diagonal are 1 and all the off-diagonal values (correlations) are zero), which would indicate no relationships among the variables, and thus no basis on which to proceed with factor analysis. A significant test result allows us to reject this hypothesis.

The table shows the communality values. Communality can be defined as the proportion of variance in any one of the original variables, which is captured by the extracted factors. The history of the derived components is outlined in the Total Variance Explained table. Note that the first component accounts for the most variance (17.39 %), the second accounts for the second greatest amount (16.95 %), the third accounts for the second greatest amount (15.73 %) and the fourth accounts for the second greatest amount (13.54 %).

Communalities

Variables	Extraction
Management treats human resource as an asset	0.461
Organization encourages individual initiatives	0.548
Have informed well in advance about new change to be introduced	0.475
Organization follows a suggestion scheme effectively.	0.738
Have been given an adequate training facilities by organization	0.578
There is an effective performance appraisal system in organization	0.597
There is a greater scope for counseling in problem solving	0.507
There is a greater scope for workers' participation in management	0.617
Human needs are sufficiently satisfied	0.668
There is no fear of punishment while performing job	0.754
There is a scope for career advancement in organization	0.660
There is more confidence and trust with you by superiors	0.701
There is close co-operation and a mutual understanding among employees themselves	0.672
There is close co-operation and a mutual understanding among employees themselves between the management and employees	0.645
There is an informal communication system in the desired direction	0.680
There is an adequate employee's welfare health and safety measures in organization	0.606
There is an effective grievance redressal machinery in organization	0.767
There is a close co-operation between trade union and the management in organization	0.775

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.78	26.54	26.54	4.78	26.54	26.54	3.13	17.39	17.39
2	2.77	15.39	41.93	2.77	15.39	41.93	3.05	16.95	34.34
3	2.30	12.75	54.68	2.30	12.75	54.68	2.83	15.73	50.07
4	1.61	8.93	63.61	1.61	8.93	63.61	2.44	13.54	63.61
5	0.86	4.80	68.40						
6	0.80	4.45	72.85						
7	0.73	4.08	76.93						
8	0.67	3.73	80.66						
9	0.65	3.60	84.26						
10	0.56	3.10	87.36						
11	0.48	2.67	90.03						
12	0.42	2.33	92.36						
13	0.39	2.15	94.51						
14	0.29	1.61	96.12						
15	0.23	1.30	97.42						
16	0.20	1.13	98.54						
17	0.14	0.79	99.33						
18	0.12	0.67	100.00						

Extraction Method: Principal Component Analysis

Four components are extracted because Eigen values greater than 1. Together they account for approximately 63.61 % of the variance. The history of the derived components is outlined in the Table

Friedman Test- Factors influenced towards Workers participation

Factors	Mean	SD	Mean Rank	Reliability
There is a greater scope for workers' participation in management	3.49	1.12	2.73	0.767
There is close co-operation and a mutual understanding among employees themselves	3.32	1.17	2.54	
There is close co-operation and a mutual understanding between the management and employees	2.95	1.19	2.18	
There is a close co-operation between trade union and the management in organization	3.22	1.24	2.55	

It could be noted from the above table that among the five factors “There is a scope for career advancement in organization” was ranked first. It is followed by the “There is a greater scope for counseling in problem solving”. “There is an adequate employee's welfare health and safety measures in organization” was ranked third and the reliability is 0.768.

Assessment of HRD in general

Area wise distribution of mean, SD and mean percentage of HRD in general

Area	Mean	SD	Mean (%)
Training & Career development	3.4	0.92	67.67
Communication	3.3	0.94	66.30
Workers participation	3.2	0.90	64.86
Performance Appraisal system	3.2	0.99	64.60
Overall HRD	3.3	0.62	65.89

Area wise distribution of mean, SD and mean percentage of HRD in general shows that among four areas, the highest mean score (1.31 ± 0.64) which is 65% was obtained for the area “**Introduction of dietary pattern**” reveals good knowledge, whereas, the lowest mean score (4.5 ± 1.25) which is 32% was obtained for the area “Dietary pattern of pregnancy induced hypertension” revealing poor knowledge. However, for all the other areas the mean percentage varies from 36% to 41%. Further, the overall mean was 15.3 ± 3.09 which is 38 % of the total mean score (Table 4.3).

Average Score Analysis between Personal Profile Factors and Overall HRD in general

An attempt has been made to study the level of HRD. After converting the qualitative information into a quantitative one using a five point scale, the average score were obtained from the respondents on various factors to determine the level of HRD. The level of HRD has been made as a dependent variable. The independent

variable which affects the dependent variable was studied with various factors like Age, Gender, Education, Designation, Experience (in yrs), and Gross salary per month (Rs.)

HRD Practice:

The opinion about HRD Practice in Specific to HR planning and Recruitment and Selection is analyzed in this section.

HRD Planning:

The opinion about HRD Practice in Specific to HR planning which involves Systematic human resources planning system (X₁), effective contribution of HRP in organization (X₂) is analyzed in this section.

Opinion regarding HR planning

Factors	Not at all		Lowing		Neutral		To a large extent		To a very large extent		Total
	N	%	N	%	N	%	N	%	N	%	
(X ₁)	10	13.70	11	15.07	19	26.03	26	35.62	7	9.59	73
(X ₂)	11	15.07	12	16.44	24	32.88	15	20.55	11	15.07	73

It is clear from the table that 13.70 percent of the respondents are stated as Not at all, 15.07 percent of the respondents are stated as Lowing, 26.03 percent of the respondents are stated as Neutral, 35.62 percent of the respondents are stated as To a large extent and remaining 9.59 percent of the respondents are stated as very To a large extent regarding the factor ‘Systematic human resources Planning system in organization’. Similarly 15.07 percent of the respondents are stated as Not at all, 16.44 percent of the respondents are stated as Lowing, 32.88 percent of the respondents are stated as Neutral, 20.55 percent of the respondents are stated as To a large extent and remaining 15.07 percent of the respondents are stated as very To a large extent regarding the factor ‘HRP in organization Contributes to effective HRD’.

Recruitment and Selection

The opinion about HRD Practice in Specific to Recruitment and Selection which involves satisfied about employee’s recruitment and selection procedure (X₃), internal and external sources of recruitment (X₄), Employee selection is purely based on merit (X₅), existing system is considerable to an effective HRD system (X₆) is analyzed in this section. It is clear from the table that 12.33 percent of the respondents are stated as Not at all, 28.77 percent of the respondents are stated as Lowing, 31.51 percent of the respondents are stated as Neutral, 21.92 percent of the respondents are stated as To a large extent and remaining 5.48 percent of the respondents are stated as very To a large extent regarding the factor ‘Satisfied about employee’s recruitment and selection procedure in organization’. Similarly 6.85 percent of the respondents are stated as Not at all, 27.40 percent of the respondents are stated as Lowing, 23.29 percent of the respondents are stated as Neutral, 38.36 percent of the respondents are stated as To a

large extent and remaining 4.11 percent of the respondents are stated as very To a large extent regarding the factor ‘Organization following both internal and external sources of recruitment’.

Opinion about Recruitment and Selection

Factors	Not at all		Lowing		Neutral		To a large extent		To a very large extent		Total
	N	%	N	%	N	%	N	%	N	%	
(X ₃)	9	12.33	21	28.77	23	31.51	16	21.92	4	5.48	73
(X ₄)	5	6.85	20	27.40	17	23.29	28	38.36	3	4.11	73
(X ₅)	5	6.85	12	16.44	13	17.81	26	35.62	17	23.29	73
(X ₆)	6	8.22	12	16.44	14	19.18	23	31.51	18	24.66	73

Regarding the Employee selection is purely based on merit 6.85 percent of the respondents are stated as Not at all, 16.44 percent of the respondents are stated as Lowing, 17.81 percent of the respondents are stated as Neutral, 35.62 percent of the respondents are stated as To a large extent and remaining 23.29 percent of the respondents are stated as very To a large extent. Regarding the Feel that the existing system is considerable to an effective HRD system in organization 8.22 percent of the respondents are stated as Not at all, 16.44 percent of the respondents are stated as Lowing, 19.18 percent of the respondents are stated as Neutral, 31.51 percent of the respondents are stated as To a large extent and remaining 24.66 percent of the respondents are stated as very To a large extent.

Conclusion

The overall performance of HRD practices in the study unit is good. The development of workforce (employees) is continuous and essential process and it is realized by the top management and workforce of the plant. The HRD measures like HRD Policy, Recruitment, Training and development programmes, Performance appraisal, Promotions, Rewards and Compensation, Allowances and benefits, safety measures, workers participation, Industrial relations are the important aspects which are known by the employees’ response and analysis of the available information. The employees have close association with the HRD measures provided by the management of the plant. The HRD practice in large organization is quite difficult in the competitive world. Hence, the management should provide suitable HRD measures to their workforce development as well as organization development.

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