

Innovations

An Investigation of HRD Practice in Selected Private Sector Milk Processing Organisations in Nashik Region

Dr. Sambhaji V.Mane

* School of Management Studies, SRTMUN Sub Campus, Latur - 413 531.

*Corresponding Author: Email: dr_svmane@rediffmail.com

Abstract: *HRD practices in selected private sector milk processing organizations in Nashik region were investigated with 99 respondents, of which 29 from management and 70 from employee category and accorded to almost all the HRD practices at very poor, poor and fair level and neither of them were rated outstanding, excellent or good category; indicating the need for a drastic intervention to bring about a change in existing HRD policy for the better result and needed to be strongly re-designing the HRD policy in order to sustain in global competition.*

Key words: *HRD practices, HRD Climate, HRD, Policy, Private, Milk organizations, Pune*

Introduction:

In Second half of the 20th century, the concept of Human Resource Development evolved in Western Country. Indian management people were curious about this new concept; its adoptability and feasibility in Indian organizations and work environment. In 1974, Larsen & Turbo (L&T) introduced for the first time the concept of Human Resource Development in India in private sector. Indian business and Industrial Managers closely watched this experiment. A public sector bank, Bank of Baroda (BOB) in 1978, and State Bank of India (SBI) in 1979 adopted the concept of HRD. In the year 1980, Udai Pareek and T.V. Rao, Indian Institute of Management, Ahmedabad (IIMA) published their path breaking work "Designing and Managing Human Resource System", proposing an HRD model based on the original Western concept. With this began an era of HRD experimentation in India. The success reported in BOB, SBI and L&T, motivated increasing number of public and private sector organizations to come forward to implement HRD model in their organizations. Gordon L. Simpson, Toronto Managing Partner of the Mansis Development Corporation, (2004) in his article "Performance Appraisal- an Important Managerial Responsibility" quoted that performance appraisal should be viewed as a beneficial process in HRD. It should be accepted as a normal management responsibility to review the performance of all employees and should also discuss its results with them

regularly. Nourisha Wells (Jan.14, 2005) in his article “Continuing Education Best Route to Career Advancement” reported that, staying on current skill required to advance in your career has taken on new meaning in today’s tumultuous job market.

Many MNC’s in the world are doing one simple thing – concentration on HRD activities. USA based MNC General Electric Company not only concentrates on HRD and O.D. activities but also recruits psychologist in the company to take care of their valuable employee. Indian businesses need to accept and wel-come the concept of HRD and strongly implement. As private sector milk processing organizations have autonomy as compared to cooperative and public sector milk processing organizations, they need to implement it cent-percent. Thus attempt has been made to undertake an investigation of HRD practices being implemented in the private sector milk processing organizations to know about HRD practices. Accordingly present study is titled “*An Investigation of HRD Practices in Selected Private Sector Milk Processing Organisations in Nashik Region*”

Methodology Adopted

In Nashik region, among the 35 registered private sector milk processing organizations, 29 milk-processing organizations were actually functioning. Out of which, 4 organizations namely M/S S.R. Thorat Milk Products, Ltd., Sangamner; M/S. Vajreshwari Dairy Products Pvt. Ltd, Somthane Dist Nashik; M/S Shree Datta Milk Products Pvt Ltd, MIDC, area, Jalgaon and M/S Maitrey Services Pvt Ltd , Dairy/ Food Division, D-198, MIDC, Audan, Dhule were incorporated in the sample of the present study, by adopting following criteria as: well reputed organization, permission for research, daily milk collection minimum of 5,000 lit and plant handling capacity minimum of 20,000 lit/day.

In these milk-processing organizations in total 331 workforces were actually working, out of which 97 were from management and 234 were from employee category. As it was quite difficult to conduct the survey for the entire workforce, 30% of both the category i.e. 29 from management and 70 from employee category in total 99 respondents was selected for the present study by adopting proportionate convenience sampling technique to accomplish the

objectives of the study:

1. To know the existing HRD practices being implemented in the organisation
2. To investigate about present level of HRD practices in the organisation, and
3. To provide necessary recommendations for development of effective HRD system.

Researcher collected primary data through survey method, discussions and interviews, non-participatory observation method and secondary data through documentary research method and unstructured interviews to justify the set

hypothesis:

1. HRD practices in private sector milk processing organizations in Nashik region are implementing promptly.
2. HRD practices in private sector milk processing organizations in Nashik region are strong.

The geographical scope of the study covers the entire Nashik region, the topical scope covers the evaluation of HRD practices, the analytical scope covers the fulfilment of the set objectives and the functional scope is confined to offering meaningful recommendations for improving the HRD practices of the organizations.

Results and Discussions

The management respondents interviewed were males, mostly 18-55 years old, with an average service of 5-30 years. They have joined mostly supervisor/officer level in their 25 years of age after completion of diploma, graduation / post graduation and no one of them were members of employee association. The employee respondents were 18-45 years old, Under Graduate and below qualified majority males with a veteran of average 5 to 26 years. They invariably joined milk-processing organizations, as a worker and none of them were members of employee association. The average personal profile of the respondents is presented in

Table 1.1

Table No. 1.1 Average personal profile of the respondents:

Sr. No.	Respondents	Sex	Age Group	Service in years	Educational level	Employee Asso. Membership
1	Management	Male	18-55	5-30	Diploma(IDD), Graduation & Post Graduation	No
2	Employee	Male	18-45	5 to 26	Under Graduate and below	No

The opinions of both the respondents' group regarding existing HRD practices in milk processing organizations from private sector in Nashik region has been collected through "Five – Point Likert Scale with No Opinion" and interpret the data as given in **Table No.1.2**

Table No.1.2 Process of data interpretation for HRD Practices

1 HRD department carries Employees' development activities. <u>Level of Agreement:</u> 1: Strongly Disagree, 2: Disagree, 3: Partly Disagree Partly Agree 4: Agree, 5: Strongly Agree, 0: No Opinion.	1	2	3	4	5	0	--	Scale
	$\times 7$	$\times 6$	$\times 0$	$\times 6$	$\times 10$	$\times 0$	= 29	Respondents
$7 + 12 + 0 + 24 + 50 + 0 = 93$ Total Score								
$= 93$ Total Score / 29 Respondents = 3.2069 Mean Score Highest possible Mean Score is 5.00 = 100 % Hence 3.2069 = 64.14 %								

Mean scores above '4.5' (above 90.00%) indicate the respondents 'outstanding' rating of the HRD aspect; score between '4.5' and '4' (90.00-- 80.00%) indicate an 'excellent' opinion; '4' and '3.5' (80.00--70.00%) 'good'; '3.5' and '3' (70.00-- 60.00%) 'fair' opinion, implying that the particular HRD aspect may be improved through suitable methods and effort and between '3' and '2.5' (60.00-- 50.00%) 'poor' and 'Below 2.5' (Below 50.00%) 'very poor' opinion, indicating the need for a drastic intervention to bring about a change for the better.

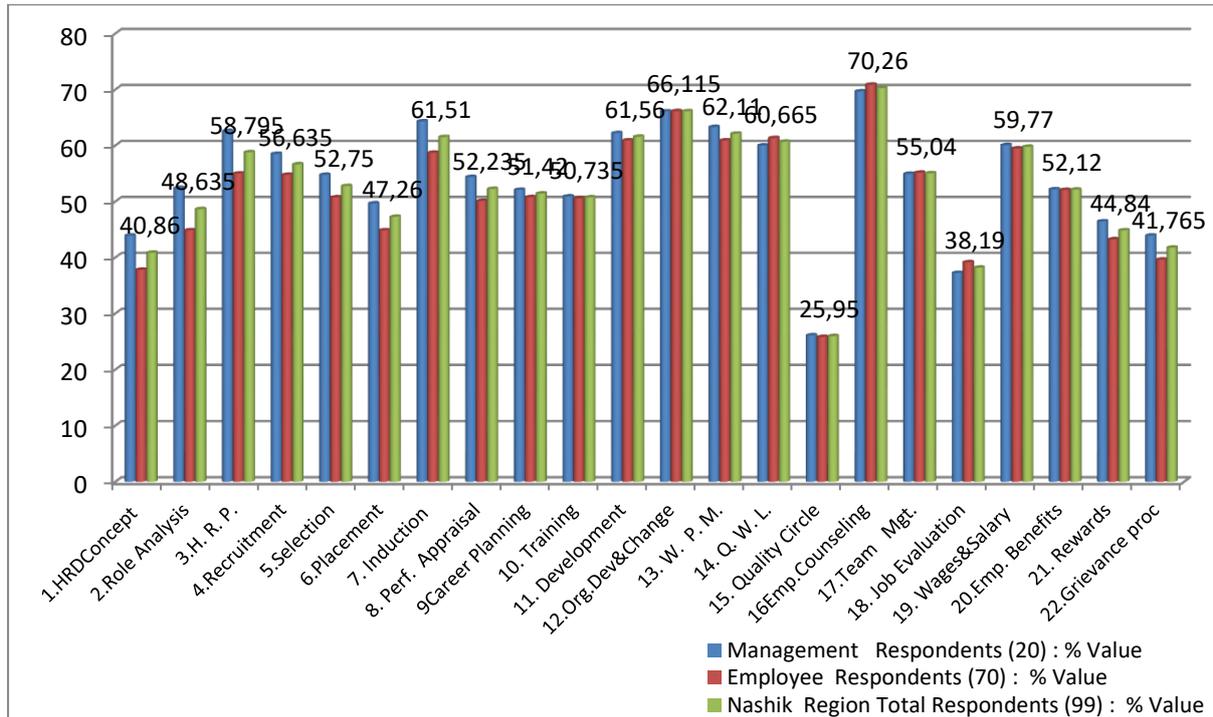
The HRD practices opinion survey data collected from the sample respondents (Management and Employees) of private sector, Nashik region has been interpreted in above manner and presented in Table No.1.3 and Graph No.1.1

Table No.1.3 HRD practices opinion survey data

HRD Practices	Management Respondents (29)		Employee Respondents (70)		Nashik Region Respondents (99)	
	Average Mean Score	% Value	Average Mean Score	% Value	Average Mean Score	% Value
1.HRDConcept	2.1954	43.91	1.8905	37.81	2.04295	40.86
2.Role Analysis	2.6207	52.41	2.2429	44.86	2.4318	48.63
3.H. R. P.	3.1293	62.59	2.7500	55.00	2.9396	58.79
4.Recruitment	2.9253	58.51	2.7381	54.76	2.8317	56.63

5.Selection	2.7379	54.76	2.5371	50.74	2.6375	52.75
6.Placement	2.4828	49.66	2.2429	44.86	2.3628	47.26
7. Induction	3.2155	64.31	2.9357	58.71	3.0756	61.51
8. Perf. Appraisal	2.7184	54.37	2.5048	50.10	2.6116	52.23
9Career Planning	2.6034	52.07	2.5384	50.77	2.5709	51.42
10. Training	2.5448	50.90	2.5286	50.57	2.5367	50.73
11. Development	3.1103	62.21	3.0457	60.91	3.078	61.56
12.Org.Dev&Change	3.3046	66.09	3.3071	66.14	3.3058	66.11
13. W. P. M.	3.1655	63.31	3.0457	60.91	3.1056	62.11
14. Q. W. L.	3.0000	60.00	3.0667	61.33	3.0333	60.66
15. Quality Circle	1.3046	26.09	1.2905	25.81	1.2975	25.95
16Emp.Counseling	3.4828	69.66	3.5429	70.86	3.5128	70.26
17.Team Mgt.	2.7471	54.94	2.7571	55.14	2.7521	55.04
18. Job Evaluation	1.8621	37.24	1.9571	39.14	1.9096	38.19
19. Wages&Salary	3.0031	60.06	2.9740	59.48	2.9885	59.77
20.Emp. Benefits	2.6092	52.18	2.6032	52.06	2.6062	52.12
21. Rewards	2.3218	46.44	2.1619	43.24	2.2418	44.84
22.Grievance proc	2.1954	43.91	1.981	39.62	2.0882	41.76

Graph No.1.1 HRD practices opinion survey data



Researcher has used the **Kolmogorov – Smirnov’s ‘D’ test**, to test the set Hypothesis.

Hypotheses:

1. HRD practices in private sector milk processing organizations in Nashik region are implementing promptly.
2. HRD practices in private sector milk processing organizations in Nashik region are strong.

The HRD practices data collected from 99 management and employee respondents from *private sector milk processing organizations in Nashik Region* have been presented in worksheet for the Kolmogorov–Smirnov’s ‘D’ test, to test the set hypothesis, as given in

Table 1.4

Table 1.4 Testing of hypothesis for the data collected from private sector of Nashik Region:

Degree of agreement	S c a l e	Observed Number	Observed Proportion	Observed Cumulative Proportion	Null Proportion	Null Cumulative Proportion	Absolute Difference Observed and Null C. P.
1	2	3	4	5	6	7	8
			(3)/ 98.999992	Sum of (4)	= 99 / (6 X 99)	Sum of (6)	(5 – 7)
Strongly Agree	5	29	0.292929317	0.2929293	0.166667	0.166667	0.126262317
Agree	4	25	0.252525273	0.5454545	0.166667	0.333334	0.21212059
Partly Agree and Partly Disagree	3	0	0	0.5454545	0.166667	0.500001	0.04545359
Disagree	2	21	0.212121229	0.7575758	0.166667	0.666668	0.090907819
Strongly Disagree	1	22	0.22222224	0.9797980	0.166667	0.833335	0.146463059
No opinion	0	2	0.020202022	1	0.166667	1	0
99					* Calculated D value = 0.2121205		
					* Critical D value = 0.136685		
*98.999992 (99) = 9.949874 X 9.949874							
* Kolmogorov –Smirnov’s Critical ‘D’ value = (1.36 /√n) = 1.36 / 9.949874 = 0.136685							
* n=no. of respondents							

This is a procedure for single statement, similar procedures have been carried out for the remaining 130 statements of 21 HRD activities and likewise, the calculated values and critical values for ‘D’ have been developed.

As the calculated D value **0.2121205** exceeds the critical value of **0.136685** in private sector of Nashik region, the null hypothesis that hypothesises 1.HRD practices in private sector milk processing organizations in Nashik region are implementing promptly, 2.HRD practices in private sector milk processing organizations in Nashik region are strong are rejected. Hence, **HRD practices in private sector milk processing organizations in Nashik region are poorly implementing promptly and HRD practices in private sector milk processing organizations in Nashik region are weak.**

Recommendations:

On the basis of data presentation, analysis and interpretation and testing of hypothesis, following recommendations have been made for the *private sector* milk processing organizations in Nashik region as:

HRD practices in Private sector Milk Processing Organisations of Nashik region:

In Private sector Milk Processing Organizations of Nashik region, the HRD practices namely, Role Analysis, Placement, Quality Circle, Job Evaluation, Rewards, Grievance procedure are at a 'very poor' level; H. R. P., Recruitment, Selection, Performance Appraisal, Career Planning, Training, Q. W. L., Team Management, Wages & Salary, and Employee Benefits are at 'poor' level indicating the need for a drastic intervention to bring about a change for the better; The HRD practices namely, Induction, Development, Organisational Development & Change, W. P. M., Q. W. L. and Employee Counselling are at a 'fair' level implying the HRD activity may be improved through suitable methods and effort. However, neither of the HRD practices found at a 'good', 'excellent' or 'outstanding' level.

Overall, an alarming situation indeed! An enlightened organization would initiate immediate drastic HRD interventions to prevent the situation from deteriorating further by designing / re-designing effective HRD policy and developing good HRD climate. Management of the milk processing organizations need to be design / re-design the existing HRD policy in line with standard with respect to the above majority of lagging areas so as to develop good HRD climate.

Along with the policy design / re-design researcher has recommended '**Kamal-Tuka**' model of HRD for each HRD activities practiced in private sector milk processing organizations. However, the generalized form of the model is as given below:

1. Establish HRM department. Appoint suitable candidate with MBA-HR as a HR/HRD officer/manager.
2. Top management should carry out deep analysis of each HRD practices /activities.
3. Encourage HR officer/manager to undertake HRD activities drastically in the organization.
4. Establish strong HR policies.
5. Find out/know and remove the structural and policy loopholes in the organization.
6. Create appropriate organizational culture.
7. Publicize each HRD activity widely in the organization.
8. Involve employees in the each and every activity.
9. Arrange for employee training, development and counselling.
10. Follow-up and successfully implement the every HRD activity.

Conclusions

Overall, HRD practices in private sector milk processing organizations in Nashik region are judged on the basis of theoretical presentation and the analysis of the empirical data. Accordingly, it is concluded that in milk processing organizations in Nashik region HRD practices were Very Poor, Poor and Fair, does not serve any purpose, *indicating the need for a drastic intervention to bring about a change for the better result* in order to sustain in global competition.

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