

HRD PRACTICES IN SMALL-SCALE INDUSTRY

(A Study with Special Reference to Kalaburagai District of Karnataka)

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ABSTRACT:

The real strength of the country lies in the development of the human mind and body. McGregor observed, people have got a large amount of creativity, imagination, ingenuity to solve the problems of organization. But often these potentials are not fully utilized by management through appropriate and systematic efforts. As has been observed: "Each human being is born as some thing new, something that never existed before. Each is born with the capacity to win at life.... Each has his own unique potentials, capabilities and limitations". The HRD is multidimensional concept. Basically, HRD is three pronged focusing on: People the human aspect where people are seen as having skill, having potentials and ability to grow, changes and develop; the resource aspect where individuals are considered resources rather than problems; and the development aspects where there is an emphasis on the discovery and maturity of their potential. It has rightly remarked that HRD is the process of increasing knowledge, skills, capabilities and positive work attitudes and values of all people working at all levels in a business undertaking. No nation can become strong if it ignores its most precious natural resources i.e., its people. It is clearly said by the eminent economist Adam Curie that the development of the organization as well as the nation lies in the development of their individuals⁵. India is a large country and has vast potential to become a strong and modern nation with its huge natural resources and sizeable population. It is the third largest body of scientific and technical manpower. Every human being has the ability and potentials to do remarkable things if they are provided with opportunities and congenial climate to understand, develop and utilize his or her potential. The present paper highlighted the human resources development practices in small-industry of Kalaburagi district in Karnataka.

Key words: Human Resource, Small Scale, Industry, Development

INTRODUCTION

Human Resources Development (HRD) played key role in manufacturing and non-manufacturing industry, because, the rich physical resources alone cannot help the industry to achieve the over all objectives of organization. The development of human resources facilitates to transformation of physical resources into productive resources. And the difference in the level of economic development of the industries are largely a reflection at the difference in the quality of human resources. The factors like knowledge, value, attitudes and general orientation and quality of the employee of the industry that determine the overall competitive ability of the organization. In view of this human resources are assuming

increasing significance in modern small-scale industry. Obviously, majority of the problems in manufacturing industry are human and soil rather than physical, technical or economic. The failure to recognize this face cause immense loss to the industry, nation and society. Dew to this reason at the enterprise level, there is urgent need for effective utilization of human resources to attain organizational objectives. This can be accomplished by understanding limitations of human resources and developing in order to face the challenges of globalization. However the Human resources development is a dynamic process, which facilitates to continues evolving out new knowledge and practices, necessitated by the exigencies of the situation challenges, fuelled by human idealism, supported by a growing knowledge base about human system and chiseled by pioneering practitioners. It is very important not only point of administration but also for corporate world. The globalization and technology charge have opened up many new opportunities and threats. In view of this human resources development is a key factor for utilizing available opportunity fully and tacking threats without fail. Rao, T. V. (1999) argues that human resources development is continues process to ensure the development of employee's competencies, dynamism, motivation and effectiveness in a systematic and planned manner. Tiwar, T. D. (1999) The objective of human resources development is to prepare people for performing task which they may be require to perform in future as they go up in the organizational hierarchy and it also required to develop competencies, knowledge, attitudes, skill to meet the requirement of organization.

SIGNIFICANCE OF THE STUDY:

The small-scale industry sector (SSI) over the years has grown steadily and occupied an important place in the India economy. Contribution of the sector in terms of generation of employment, out put and export is quite significant. The sector currently account for 95% of the industrial units in the country and contributing 40% of the manufacturing sector. However at present most of the SSI not increases their core competency due to many reasons such as inadequate policy regarding human resources, inadequate training, lack of motivation, lack of sound organizational culture, lack of ethical practices towards human resources, lack of sincere effort to satisfy the needs of human resources etc. In view of the small-scale industry not able to get competitive advantages over competitors. Hence the study assumed great importance to know the plight of human resources development practices in small-industry of Kalaburagi district.

REASONS RESPONSIBLE FOR HUMAN RESOURCES DEVELOPMENT

The different reasons which is responsible for HRD in business organization such as need to increases the capabilities, competencies, efficiency and effectiveness of human resources, needed to achieves the objectives, goals and targets of organization, need to motivation the employees in order to use their hidden talents for higher production, need to build-up good relationship between management and workers, needed to increases employees moral, needed to create sense of belongingness in the mind of employee's about organization, needed to increases the growth and prosperity of organization, needed to proper man power planning and training, needed to encourage employees to take active part in

decision making, needed to get competitive advantages over competitors, needed to sound corporate culture for individual excellence, needed to optimum utilization of available resources in organization, needed to reduces management turnover, needed to strengthen team spirit among different teams and needed to strengthen superior subordinate relationship.

OBJECTIVE OF THE STUDY

1. To study the significance of human resources in small-scale industry
2. To identify the possible reasons which is responsible for HRD
3. To examine critically human resources development practices in SSI
4. To study the satisfaction level of employees towards their job.
5. To suggest suggestions in the light of the findings of the study to ensure effective human resources development practices in SSI.

Sample Design

In Kalaburagi district the size of registered small-scale industry is very large. Since detail study of all registered small industry regarding human resources development practices is very difficult and time consuming. And in order to keep the enquiry within manageable but reliable limits, the convenient sampling method adopted and 150 sample small-scale units selected, for in-dept study. Hence the effective size is 150 units.

SOURCES OF DATA

The study based on both primary and secondary data. Primary data collected from the sample small-scale entrepreneurs and employee of organization by adopting convenient sampling method through pre-tested questionnaire. The secondary data collected through sources like, Director of Industry and Commerce, government of Karnataka, Ban galore and DSO etc.

SCOPE AND LIMITATION OF THE STUDY

The scope of the study is limited to small-scale units where the investment in plant and machinery is Rs. I crore. In other words the study does not cover the tiny enterprise. A tiny unit is very small and is managed by owner himself and therefore does not need maintenance of record systematically. Moreover, the owners of the tiny units do not appreciate. That is why the tiny units will be excluded from the ambit and scope of the study.

PLIGHT OF HRD PRACTICES IN SSI

Human resources Development is an emerging field in the area of personnel management. Although, the human resources development practices has exist since the beginning of civilization. The main aim of HRD is to prepare employees for performing the job according to need of the business organization

HUMAN RESOURCES PLANNING

Human resources planning are a key factor in any organization to ensure right number and right kind of people at the right place at the right time. The organization has no clear cut human resources planning, the organization not able to estimate required human resources and it is not facilitates to organization to discharged organization functions effectively.

Table 1. Human Resource Planning

Types of Industry	Responses		Total
	Yes	No	
Agro-bas Industry	9(26.4)	25(73.3)	34(22.6)
Electronic and Electrical	18(72)	7(28)	25(16.7)
Foundry Units	28(87.5)	4(12.5)	32(21.3)
Building Material	19(63.3)	11(36.7)	30(20)
Other Industry	22(75.8)	7(24.2)	29(19.4)
Total	96(64)	54(36)	150(100)

Sources: Field survey

Table I reveals the types of industry and human resources planning. Among 150 sample respondents 96 units have clear cut human resources planning and 54 units constituting 36 percent have no clear cut human resources planning. Further it reveals 34 sample units selected agro base industry amounting (22.6%), 1.3% of the units belong to foundry units and 30 units belong to building material industry

TABLE 2. Sex of the Entrepreneur and Human Resources Planning

Sex	Responses		Total
	Yes	No	
Male	89(68.4)	41(31.6)	130(86.7)
Female	7(35)	13(65)	20(13.3)
Total	28(87.5)	4(12.5)	32(21.3)

Sources: Field survey

Table 2 reveals the sex of the entrepreneurs and HRP. 130 sample units amounting 86.7% were male and 20 entrepreneurs constituting 13.3% were female. It shows female citizen do not find the environment favorable for them to become entrepreneurs due to many reasons such as lack of family support, male dominant society, lack of adequate education and information, low risk bearing capacity, lack of general management skill and responsibility to look after the children and other house hold activities. As the calculated value of chi-square value is 90.7. The table value of Chi-square at 5% level of significance for I degree of freedom is 3.84.

Table 3 gives information about earlier occupation of the entrepreneurs and HRP. The success of economic activities depends upon the occupation before they turned entrepreneurs and the entrepreneurial development in any Country of the world, naturally is based on to a large extent on the trading culture of the nation.

Education is recognized as a great motivating factor and an agency of social change and it is a key factor for the prosperity of industry. However here an attempt is made to study the relationship between level of education and human resources planning.

Table 3: Earlier Occupations of the Entrepreneurs and HRP

Earlier occupation	Responses		Total
	Yes	No	
Business	35 (77.7)	10 (22.3)	45 (30)
Industry	20(83.3)	4(16.7)	24(16)
Unemployed	10(33.3)	20(66.7)	30(20)
Employment in Private factory	19(76)	6(24)	25(16.7)
Other Industry	12(46.1)	147(53.9)	26(17.3)
Total	96(64)	54(36)	150(100)

Sources : Field survey

TABLE 4: Level of Education of Entrepreneurs and HRP

Level of Education	Responses		Total
	Yes	No	
SSLC	10(40)	15(60)	25(16.3)
Graduate	25(62.5)	15(37.5)	40(26.7)
Post graduate	14(70)	6(30)	20(13.3)
Technical	47(72.3)	18(27.3)	65(43.3)
Total	96(64)	54(36)	150(100)

Sources: Field survey

. The table 4 reveals that the level of education and human resources planning. 25 entrepreneurs educated up to SSLC, out of that 60% of them have no human resources planning, 40 entrepreneurs educated up to graduate among 40, 25 entrepreneurs constituting nearly 63% have human resources planning. 65 entrepreneurs belong to technical education, out of that 47 entrepreneurs have human resources planning amounting 72.3% and 70% of post graduate entrepreneurs have clear cut human resources planning

RECRUITMENT AND SELECTION

After knowing the actual requirement of manpower on the basis of job description and specification next step is to recruit right person for right job. (Edwin B Fippo). Recruitment is the process of searching for prospective employees and stimulating them to apply for jobs in the organization.

TABLE -5. Source of Recruitment and Selection

Sources	No. of Respondents	Percentage
From the existing Employees	95	63.3
Advertising Vacancies	49	32.6
Employment Exchange	12	8
Direct recruitment from Colleges and universities	8	5.3
Application at the Factory Gate	40	26.7

Other source	37	24.7
Total	-	-

Source: Field survey

Note: The responses more than 150 because of multiple answer and percentage calculated on 150 sample respondents.

Through this process employer able to searching a right person for the right job for the organization by devising an appropriate application format for the job requirement. The main aim of this process is to select, develop and maintain correct size of human resources to perform organization activities in order to perform organization activities in order to achieve the organization goals. Table 5 reveals that the sources of recruitment. Among different sources, prominent sources are to get manpower through existing employees amounting to more than 63.3%. 49 sample units recruit manpower through advertising the vacancies constituting nearly 33% and usually this method used by small-scale units to recruit the skilled workers and clerical staff. Application at factory gate is third popular method, which used by the units to obtain the required manpower (26.7%). The source may be tapped to recruit causal and unskilled workers.

Table 6. Procedure Followed to Recruitment and Selection

Procedure	No. of Respondents	Percentage
Interview	120	80
Written Test	20	13.3
On the Job Test	65	43.3
No. Procedure	20	13.3
Total	-	-

Sources: Field survey

Note 1: The response more than 150 because of multiple answer and percentage calculated on 150 sample respondents.

Table 6 reveal the information about procedure to followed to recruit and selection of manpower. The small-scale units in Kalaburagi district followed different procedure to get potential employees, the exact procedure depends upon nature of job. Among different method the interview method is more popular (80%). This may be because of, it facilitates to test the potential employees mental and social make-up. Above all it helps to recruitment authority to judge whether the candidate eligible to perform the job according to the need of the organization or not. 65 units followed on job test to recruit manpower, and 20 units constituting 13.3% not followed and method to recruit manpower.

TRAINING AND DEVELOPMENT

The efficiency of an organization purely based on training and development of personnel. The globalization exposes many opportunity and threats to business organization, therefore, the organization required to develop their employees properly to utilization of available opportunity and to tackle the threats without fail. The training is a key factor in any organization because, training brings about an improvement in quality and quantity of out put by increasing the skill of employees.

Table 7 reveals the training

Training Method	No. of Respondents	%
Induction Training	30	20.0
Off the job Training	4	2.7
On the Job Training	25	16.6
Supervisory Training	21	14.0
No Training	70	46.0
Total	150	100

Source: Field survey

Table 7 reveals the training method used by the SSI to increase their employee performance. 70 units not under taken any training to their employees constituting 46.7%, 30 units amounting 20% offering induction training, 25 units provide on job training and negligible percentage i.e. 2.7% offered off job training.

FACTORS CONSIDER FOR PERFORMANCE APPRAISAL

Table 8. gives information about factors considered for performance appraisal for measuring the performance of their employees. Among different factors, production of output is one of the prominent factor which taken by all SSI to measure the performance of employees (100%), 120 sample units constituting 80% considered punctuality and regularity among different factors to take decision regarding employees. In addition to above factors some of the units have taken factors like loyalty to employer, acceptance of responsibility, and general co-operation and 38 units not taken performance appraisal to judge the performance of human resources.

PROMOTION POLICY

Promotion played significant role in order to satisfy the need of the employee as well as it helps to get maximum work from the employee by the organization. Promotion concerned with advancement of the employees to a better and high position it.

TABLE 8. Factors considered For Performance Appraisal

Factors	No. of Respondents	%
Regularity and Punctuality	120	80
Production of out Put	150	100
Loyalty to employer	106	70.6
Relation With Subordinates	35	23.3
Acceptance of responsibility	50	33.3
General co-operation	41	27.3
Not under take performance Appraisal	38	25.5
Total	-	-

Source Field survey

Note 1. The response more than 150 because of multiple answers and percentage calculated on 150 sample respondents.

Involves higher responsibilities require a greater skill and command to perform the duty. Promotion may be horizontal or vertical. Horizontal promotion is a minor promotion with in the same classes of job such as from lower division clerk. Vertical promotion of a clerk to an office superintendent. Table 9. Reveals the opinions of respondents about promotion policies. 113 units (out of 150) have promotion policies and 37 units constituting 24.7 have no promotion policies.

TABLE 9. Opinions of the Respondents about Promotion Policy

Response	No. of Respondents	%
Yes	113	75.3
No	37	24.7
Total	150	100

Source Field survey

INCENTIVES

Incentives are very important in any organization to motivating the employees to out their full strength towards organization to increases the quality of product, increases the capacity of employees and increase the satisfaction level of employees.

TABLE 10. Information Relating to Incentives

Incentives	No. of Respondents	%
Increment	150	100
Merit Certificate	29	19.3
Cash Award	27	38
Production Incentives	120	80
Bonus	111	74
Promotion	117	78
Total	-	-

Source: Field survey

Note 1. The response more than 150 because of multiple answers and percentage calculated on 150 sample respondents.

Table 10. reveals the information relating to incentives. Among sample units 100% provide increment to their employees, 120 units offered production incentives, 111 units provide bonus, 113 units promoted their employees from lower position to higher position and only 57 units offered cash award to their employees for motivation.

TABLE 11 Opinions of the Respondents towards Working Condition

Working condition	No. of Respondents	%
Lighting: 1 Satisfactory	125	83.3
2 Unsatisfactory	25	16.7
Fans: 1 Adequate	106	70.7

	2 Inadequate	44	29.3
Ventilation:	1 Adequate	65	43.3
	2 Inadequate	85	56.7
Toilets:	1 Adequate	99	66.0
	2 Inadequate	51	34.0
Posture:	1 Adequate	107	71.3
	2 Inadequate	43	28.7

Sources: Field survey

Working condition played a significant role in order to create good working environment in organization and encourages the worker to contribute their fully capacity towards organization goal. In this study to take different variable to know the working condition of sample units like lighting, fans, ventilation, toilets and posture. For achieving this objective, each unit has taken a most senior employee in organization to know the working condition of the organization. Among sample respondent 83.3% opined organization provide adequate lighting facilities, 44 respondents constituting 29.3 percent opined that the organization not provide adequate Fan facilities, 85 respondents felt that the organization have no adequate ventilation, regarding toilet, 99 respondents stated the organization provide adequate toilet facilities and 107 respondents constituting 71.3% opined favorably about posture.

TABLE 12. Opinions of the Respondents Towards Wage and Salary

Response	No. of Respondents	%
Adequate	70	46.7
Inadequate	80	53.3
Total	150	100

Source: Field survey

Human resources played a significant role in any organization to transform physical resources into productive resources. And they have much expectation from the organization among different expectation one of the important expectation is adequate salary/wage for work. Table 12 reveals the opinions of respondents towards wage and salary. Among sample respondents 80 felt that the organization not provide adequate salary for work constituting 53.3% 70 respondent amounting 46.7% express favorable opinions about wage / salary.

CONCLUSION

Human resources played a strong champion role and have to lead from the front. This will means that all activities relating to employees as well as organization need to manage by human resources. This is only possible when origination available quality, knowledgeable, intelligent, satisfied human resources. So, every organization required ensuring sound human resources planning, acceptable polices regarding recruitment and suitable performance appraisal, sound motivation polices, sincere effort towards selection, proper training and development, adequate education, fair promotion policies.

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