



Executive Development Practices in Indian Public Sector Enterprises-A Perspective

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ABSTRACT

Human Resource of an organization is an important component of competitive advantage in any business. The Training and Development practices sharpen the capabilities of Human Resources to come out successfully even at the bleeding edge of cutthroat competition. Every organization needs to have well trained and experienced people to perform the activities. With the increasing complexity of job, it is impossible for a person to learn a job today and have those skills go unchanged on his or her whole career. Executive Training and Development is an important event of Human Resource Development in any Organization.

Keywords : Executive Development, Training, Skills, Human Resource Development

Training and Development of Executives – A conceptual view:

Executives are those who work with and through individuals and groups to accomplish the organizational objectives. They are in practice the managers, possessing executive functions by virtue of the responsibility for authoritative decisions formally lodged in them. Their positions have a meaning in conjunction with the communication system and functions.¹ Their positions also imply a complex morality, high capacity of responsibility, technical and general abilities.² Their basic functions are planning, organising, staffing, leading and controlling.³ By performing these functions effectively, they are required to produce better economic, technical and other organizational results through individuals; to innovate, generate their own plans of action and finally to integrate, harmonize the individual's strategies, risks and goals with those of the organization. They ensure that the group as a whole in the organization operates on its own with clear direction over a period.⁴ Thus, in brief, they manage the work, workers, managers and the enterprise.⁵

In order to justify their positions in the organization, the executives require certain professional skills and personality traits. These include technical, human, social and conceptual skills, to enable them to deal effectively with the technological changes, employees and their behavior, social groups, organizational complexities and external environment. They are required to possess some ideal personality traits such as ambition, persistence, courage, faith, integrity, and creativity, sense of justice, objectivity, flexibility, self-discipline, decisiveness, memory and time-consciousness.⁶ An executive should possess all the leadership qualities, with physical and nervous energy at the top of the list.⁷

To help the executives acquire the required professional knowledge, skills, attitudes, habits and other personality traits and to facilitate them realize their potentials to the maximum possible extent the organization has to provide them the necessary training and opportunities for growth and development. Thus, the need for training in the organization arises for unfolding the skills hidden in the executives and provide them with the new skills required for discharging their functions more effectively and efficiently. Training is defined as 'the use

of specific means to specific learning, often with the use of techniques that can be identified and continually improved.⁸ It is known as 'a sequence of experience or opportunities designed to modify behavior in order to attain a stated objective.'⁹ Thus, training is an intentional act, to guide individual's learning with a view to bring about desired change in their behavior. Training assumes greater importance in improving the individuals learning level and thereby their behavior. Un-guided learning or experience is proved to be costly, slow, fumbling and likely to teach individuals both bad and good. Such a trail and error learning can be completely fruitless in improving men and even harmful in sophisticated field such as engineering, medicine and management. Training assists the individuals in choosing, utilizing and evaluating their experiences. It ensures that the learning is quick, sustained, and right kind of inputs are acquired, assembled and internalized in the personality.¹⁰

Training is recognized as a very important function in the field of management wherein the knowledge is changing fast. The contemporary executive training activities go beyond improving the performance of the executives on the job. They are now based on psychological assumptions of personality, man-oriented rather than job or task-centered and aim at maximizing managerial effectiveness in the long-run. The ultimate objective of training is to facilitate the process of integrated development of the executive, which after a certain stage becomes self-initiated, self-directed and self-regulated.¹¹

Today, we find a greater realization among the top managers for introducing in their organizational structure, a formal, structured manpower training function in order to achieve and overall development in the individual managers and other personnel and thus the organization as a whole.¹² Training has now come to be realized as an integral part of all other planned developmental activities at the organizational level because it brings about an overall development. Executive development in any organization is generally backed by an adequate on the job training within and/or outside the organization.

'Executive development' refers to a unique personal process or experience of the executives in which they unfold their

capacities or abilities, get freedom from constraints that hinder their progress and advance to a higher state of growth.¹³ Therefore, executive development is essentially a complex process of raising, on a continuous basis, their effectiveness in decision making and actions. It includes all activities aimed at improving the learning process, intellectual conditioning and growth process of all executives.¹⁴ Thus, the output variables of executive development efforts are improved level of knowledge, intellectual and interpersonal abilities and motivation, emotional or intellectual makeup to enhance their effectiveness.¹⁵

Executive development does not take place in vacuum or by chance. The whole complex process has to be well-planned and organized, because in the process of learning and applying the knowledge, insights and skills in the actual work situation, the innate capabilities of individuals may or may not be realized, depending on the environment in which they are working. Development is the result of an interaction between the inherent factors, i.e., the growth potential of the individuals and environmental conditions.¹⁶ Growth potential refers to the sum of capacities and abilities of the individuals. It influences the direction, pace, pattern and extent of development. Environmental conditions include overall organizational and day-to-day job environment, viz., organizational policies, procedures and practices; how the individuals are assigned tasks, delegated powers, communicated and treated by superiors apart from the model set by superiors, behavior of peers and subordinates, opportunities provided and interest shown for the development of individuals.¹⁷ The organizational environment may thus, stir, stimulate, direct and mould the executives or may restrict, inhibit, divert and even destroy the process of the actual realization of the growth potential of individuals. Therefore, executive development effort is concerned with preparing the individuals with high, desirable growth potentials and creating and maintaining desirable interaction between personalities and organizational environment for bringing about their maximum development.

From the concepts of growth potential and favorable climate for its development of the executives. An organization may evolve and adopt suitable plans tailored to suit its specific needs, but the following basic requirement should be satisfied in any executive development programme.

1. It should provide a means for determining the growth potential.
2. It should provide a best environment for the development of potential in all members of the management team.
3. It should integrate these processes with the needs of the organization so that the organization operates more efficiently.¹⁸

Executive development is thus, not merely giving promotions or introducing management succession schemes. It is a broad-based, comprehensive, organization-wide well-planned activity aimed at their overall development. It is a spirit built-in thinking, philosophy and practices of every executive and a way of life of executives, in which everybody strives whole-heartedly to grow himself and to develop others. In the process of their development, executives acquire the necessary abilities and shape the environment, rather than being shaped by it. Successful executive development effort in any organization essentially requires increased personal involvement and commitment of top management, greater use of improved professional staff service, more sophisticated information system, more effective integration of manpower planning with organizational plans, improved selection, placement, appraisal and training systems.¹⁹

EXECUTIVE DEVELOPMENT IN PUBLIC ENTERPRISES

Public Enterprises recognizes human resources as their prime asset. Furthermore, in view of the fact that India is engaged in the task of bringing about a basic transformation in its industrial and economic structure, training assumes greatest purpose and urgency, both at the central and state levels. Success is possible only when personnel enjoy a

professional status not only according to the standards that the organization lies down, but also in the estimation of the public. Therefore, to personnel at all levels. Top, middle, and lower/supervisory -training goes a long way in enhancing much-needed self confidence, authority and respect. Training becomes particularly vital when we think of the future needs of an organisation, as a paucity of trained men may hold up its development. Training not only paves the way for growth and development of an organisation but also goes a long way towards placing management in this country on a sound professional basis. In order to ensure the availability of properly qualified and trained personnel in the required numbers for various levels of management- technical as well as non-technical, it is necessary to institute training programmes at different levels in the organisation. Training and development of executives is thus the direct responsibility of management in all organisations- public or private, large or small, industrial or non-industrial. Whatever the system of recruitment, there is always a need to improve the capability of employees through training. In real organizational terms, training has been found to have a high correlation with improved employee productivity and performance, and creation of a favorable organizational climate.

Bottlenecks in Management

While discussing the problem of management development and training in enterprises, we should first of all examine the bottlenecks that come in the way of efficient management. Although public sector undertakings have gone a long way towards development of personnel by establishing formal training departments and budgets towards them, it is necessary to review the training objectives, training policies and training programmes in the light of the changing technologies and environment. Moreover, effective adoption of management development and training orientation, and the concomitant emphasis on specific development and strategy, would evolve depending upon the type of pressures the organization takes from its internal and external environment. Hence, planning (both short-term and long-term) at various levels and a co-ordinated effort on the part of the public enterprise management and the government would help promote management development in public enterprises. The public sector has now entered a new phase of its development/disinvestments. As such, the policies pursued in all the functional areas of the management should aim at improving the competitiveness of this sector. The aim should be to infuse greater professionalism in management so that the public sector continues to be the catalyst for economic and industrial development. The public sector is one of the major sources of Employment in the country. Training of employees of public sector undertakings will have to have. The two fold objective of getting the necessary number of employees of requisite qualifications, as well as enhancing the skills of those personnel already in service. Training and development of personnel is not a choice of top management, a luxury of profitable enterprise, a fringe benefit of large enterprises. It is a necessary requirement of the socio-economic system, a process imposed on the enterprise as a result of organizational growth, changing technology, and the changing competitive environment. Today, planned development of executives as well as workers and administrative staff at lower levels is one of the main tasks of any public enterprise to ensure its very survival.

The top management of the enterprise should extend full support and participation in the training programmes designed by their organizations. It is their responsibility to see that the organizations climate is conducive to training. By showing interest in long range planning, the progress of training and the development of sound plans and procedures, the top management can play a big role in cost-effective training.

Existing Training and Development Practices

Training and Development increasingly occupies a significant position within central enterprises, as a result of the growing interest in the training and development function. A number of training and Development colleges/institutions have also cropped up, courses have been rationalized and training and

Development capacities are effectively utilized. At present, the external training institutions and in-house training departments offer courses of a general nature. Specific courses include the areas of marketing management, production management, general management, design and development, financial management, etc. Occasionally, seminars and workshops on planning, management, information system, etc. are also organized. In spite of all these laudable achievements, much remains to be done. The quality of training and development remains uneven, and courses are not geared to the changing needs of the environment. Management at the policy, strategic and operational levels have been slow to install adequate manpower planning and to back it with properly designed programmes of training and development for rigorous implementation. Though considerable improvement has been achieved in the quality of the faculty attached to colleges and external training and development institutions, it is not sufficient to meet the needs of the situation. Follow-up measures have not been taken to ensure that the trained manpower is appropriately used. There is no well-designed system to obtain feed back from operational departments regarding training and development needs, so that training and development can be matched with specific needs. Thus, by and large, training and development has remained in isolated activity and an artificial dichotomy between theory and practice has been created. The present system of training and development reveals the following problem areas. There is an urgent need to address the training and development need gaps of individual employees and to depute such employees for adequate training and development. Care should be taken to ensure that every individual requiring training and development receives it. There are cases of some personnel receiving many training and development programmes and some none. There is a significant gap in respect of training and development of decision-making skills and analytical abilities, which can be achieved only through scientific method, and appreciation of modern quantitative techniques and tools. Training and development is not integrated with subsequent career paths of the trainees. There is no systematic procedure to link performance in training and development to the trainees' future prospects. This has led to the training and development program being taken lightly. Proper post-training and development utilization of trained personnel in enterprises does not exist. Systematic and continuous assessment of the training and development needs, adaptation of the system to these needs by suitable modifications and monitoring the quality of training and development with a view to initiating further improvements is lacking. Identification of Training and development Needs Before going into treatment of a patient, a doctor will always. Diagnose the illness. Thus the job of a training and development officer is to first identify what exactly is the training and development needs. In this process, many approaches may be followed. To accomplish the overall objectives of improved public enterprise performance, management training and development has to be designed in terms of both organizational requirements and individual needs. Individual public sector undertakings are made responsible for identifying the training and development needs and providing the training and development facilities to their managers. Several public enterprises have introduced the scheme of training and development known as "Training and development with Industry". The objective of such training and development programmes is to fully prepare the middle management to function as organizers, managers, and instructors of their working group, whose coordination they have to ensure. This scheme aims to inculcate skills and "Keep skills going" performance. Management training and development has to:

- ◆ Ensure development of adequate number of all-rounders / generalists;
- ◆ Professionalize the skills of existing generalists;
- ◆ Be oriented to achieving the objectives of the enterprises;
- ◆ Be designed, based on a survey of target of the enterprise, with a view to identifying its most critical problems;
- ◆ Sharpen the employee professional and technical skills;

- ◆ Bring about changes in the employee attitudes and behavioral patterns;
- ◆ Expose the managerial personnel to modern management techniques and practice;
- ◆ Ensure continuous availability of trained power to cope with plans of development and diversification of activities;
- ◆ Prepare employees at the lower and middle levels for assuming high-level assignments;
- ◆ Facilitate improvement of skill and knowledge among the workers and qualify them for higher posts;
- ◆ Improve employee effectiveness in handling various operations; and
- ◆ Enhance, increase the level of production and productivity while securing reasonable returns on the investment, keeping in view the larger interests of the public.

Since the executives in public enterprises belong to junior, middle and top senior management levels, the objectives of training and development could be as follows: "

Junior-Level Managers: The supervisory managers are responsible for the day to-day operations of the enterprises and getting things done from their subordinates'. The objectives of training and development should be to develop in them knowledge and understanding of,

- ◆ 'The rationale and role of public enterprises and commitment to enterprise goals;
- ◆ Basic management concepts, techniques of leadership and basics of decision making;
- ◆ Tools and techniques relevant to their particular functional areas; and
- ◆ Organizational problems and ways and means to solve them.

Middle Level Managers

- ◆ The middle level managers constitute the backbone in any industrial undertaking. With the rapid expansion of public enterprises, the work-load and responsibilities placed on middle-level managers have been increasing. They must be taught:
- ◆ To understand the role of public enterprises in the context of the national development strategy;
- ◆ To understand management concepts, tools and techniques, especially those related to conflict resolution, the organisation and control of work in different units and the use of quantitative techniques;
- ◆ To acquire specialize skills in functional areas of management like production, marketing, finance, total quality management, etc.
- ◆ To know the techniques of corporate planning project management, and understanding inter-personnel and inter-organisational relationships;
- ◆ To acquire skills of problem solving, communication, decision-making and delegation of power;
- ◆ To understand the current problems of the enterprises and abilities to solve them; and
- ◆ To develop an awareness of innovations this could be applied in their functional areas.

The Estimates committee of Parliament has suggested that early steps have been taken by public sector under takings to introduce regular schemes for training their supervisory and middle-level management personnel. In the light of this recommendation, a number of public sector under takings like nationalized banks, National Mineral Development Corporation, Steel Authority of India Ltd, Oil and Natural Gas Corporation Telephone Industries, Air-India, Bharath Heavy Electricals Ltd, Electronics Corporation of India Ltd, Bharath Dynamics Limited, Midhani and several others have introduced regular schemes for training their supervisory and middle-management personnel. The bulk of the undertakings utilise the services offered by other professional institutes and training collages in this respect.

Senior Top-Level Managers

Senior/top level managers are concerned with the total work-

ing of the organisations and its future. Their function relates to designing and implementing the policies. The objectives of training for them should be to:

- ◆ Develop leadership skills and understand problems concerning linkages within and outside the enterprise, and be able to participate in their solutions;
- ◆ Develop deep knowledge of government and business affairs, both in the national as well as international contexts, and the interrelations of social and individual values;
- ◆ Gain thorough understanding of concepts, tools and techniques in the areas of enterprise planning design, control and coordination, group dynamics and systems concepts; and
- ◆ Develop an awareness of latest decision-making techniques, and current developments in organisational change and management.

Programmes for training the technical personnel abroad require approval of the government. A number of engineers/managers in the senior cadres have been sponsored for foreign training. The management of public sector undertakings are required to ensure that foreign training is restricted to specialised subjects only for which requisite knowledge is not available in the country. Persons selected for training abroad are usually required execute a bond to render services for minimum period after the completion of the training. This varies from enterprise to enterprise and is directly related to the period of their stay abroad for training purpose. With a view to discourage the flight of technical/managerial personnel from the PE's, the Administrative Reforms Commission

Of the Government of India has suggested that any advanced training program given during the course of period of services should be linked to condition "Ladder of Promotion", so that technical personnel after such training can look forward to operatively early promotions.

Senior level executives are also deputed for specialised, short-term training programmes organized by well-established training institutes like the Administrative Staff Collage of India, Indian Institute of Public Administration, Institute of Public Enterprise, National Productivity Council, Indian Institute of Management, etc.

Large-scale public enterprises have established their own management development/executive development and technical training institutes with a view to providing effective training to their staff. These training centers have emerged as major training institutes with full-time faculty and regular calendar of programmes. The department of Public Enterprise acts a nodal agency for coordinating training and development of managers in central public enterprises. Training efforts organised by public enterprises are supplemented by courses offered by premier management and training institutes which provide specialised training facilities that are generally not available with public enterprise. The building up of infrastructure for expansion of training facilities has been given increasing importance by the management of public enterprises. An important milestone in the development of training has been the setting up of separate training department in public enterprise to identify the training requirements, specify the object of training, and ensure laying down of goals in regard to improving necessary knowledge to keep pace with change in the external environment. Within the organisation, a public enterprise must re-design its training plans and objectives, care must be taken with regard to the method of objectives, provisions of training schemes for groups with common needs, assessment of external training facilities, methods of implementation and evaluation procedures and achieving better results.

CURRENT SCENARIO

In the current scenario products and services offered should be of good quality at a better price. To achieve these, unless the executives are properly trained purpose cannot be achieved. The emerging trends in the world or the business like WTO, ISO and Qualities Consciousness are warranting the training and development programmes as statutory and to be more frequent. Training and development can be provided in a number of ways through lectures, demonstrations, case studies, and films. Various governments and other public institutions, number of schools and centers have been established to impart training and development in specific trades. Corporate training and development is another areas where the managers or trainees are facilitated with various kinds of training and development needed by the organization depending upon the situation.

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