

Chapter - III

CONCEPTUAL BACKGROUND AND TRAINING NEEDS

A) CONCEPTUAL BACKGROUND

a) CONCEPT OF TRAINING

After the selection and induction of employees the next function of personnel management is to provide them proper training. Training function is the corner stone of the sound management. The complexities of modern industrialisation and technological changes have very much increased the need of training.

Training is the systematic development of knowledge, skills and attitudes required by an individual to perform adequately a given task or job.

The essential purpose of training is to develop that knowledge and those skills and attitudes, which contribute to the welfare of the institution and its employees. Further all training programmes aim at making the employees more effective and productive on their present jobs and increasing their potential on higher level jobs.

In the words of "Campbell", "Training courses are typically designed for a short term, stated set purpose, such as the operation of some piece or pieces of machinery."

"Training is a widely accepted problem solving device."

"Training is an investment in people so it follows that systematic training is a sound business investment. Training helps employees to learn their jobs quickly and effectively and thereby helps to minimise the cost incurred during the learning period.

The term training indicates any process by which the aptitudes, skills and abilities of employees to perform specific jobs are increased. Through training old talents may be updated and new ones developed. Training refers to know-how and is concerned with behavioural change. Training is application of knowledge. It gives people an awareness of the rules and procedures to guide their behaviour, Training is a vital phase of management control. One of the means of reducing accidents, eliminating wastages and increasing quality is training in these areas.

Training aims at ensuring the effective use of people at all levels and in all types of employment and at creating such conditions that individually or collectively enable people to make their best contribution to the success of their organisation.

It is a continuous process of helping employees to be more effective in their present or future work. A well trained employee will not only do the job more effectively and efficiently but also get more satisfaction from his work.

Training is considered to be a normal function of personnel management after recruitment, selection and

placement. For the developed areas of business enterprises, the training an executives development function becomes a necessary requirement for training, the employees so as to develop their full potential for optimum efficiency in effective job performance.

b) OBJECTIVES OF TRAINING

Training has now clearly emerged as an increasingly influential part of management process; helping persons to apply and acquire knowledge, skills, abilities and attitudes, needed by organisation to its achievements.

1. To bring the current performance of each individual upto the highest attainable level and develop whatever potential he may have for growing into positions of higher responsibility.
2. To ensure the availability of qualified manpower as required to meet the organisation current and future needs.
3. To ensure consistantly high utilisation of individual managerial and administration capabilities.
4. To create a climate in which the individual can attain his own goals by directing his efforts towards attaining the goals of the organisation.

5. To increase productivity by conceptual skill, imagination and judgement in individuals as the chief concern of the organised behaviour of tomorrow.
6. To increase abilities of employees to learn from experience.
7. To acquire intellectual knowledge.
8. To acquire manual skills.
9. To acquire problem solving skills.
10. To inspire confidence to learn and perform the job.
11. To solve managerial problems.

The requirements of a developing society impose a significant responsibility upon the training function for increasing the output and effectiveness of mind is largely a matter of training.

Generally, training objectives and policy formulation must be able to provide answer to the following questions :

1. What do you want and hope to accomplish through training?
2. Whose responsibility is training?
3. Is training to be formal or informal?
4. What are your priorities in training?
5. What types of training do you need?
6. When and where shall training be given?

7. Shall training be continuous or continual?
8. How much do you wish to pay employees in training?
9. What outside agencies will be associated with training?
10. How is training related to your labour policy?

c) AIMS OF TRAINING

The training programme in any large scale organisation should have five main aims as follows :

- i. Attainment of precision and clarity in the transaction of business.
- ii. Continuing adjustment of the employees outlook and methods as new needs of new times.
- iii. In calculation of broad views to counteract the tendency towards road like efficiency and mechanisation by the machines.
- iv. Vocational training not merely to fit the individual to his present work, but also develop his capacity for higher work and greater responsibility.
- v. The payment of special regard to staff morale in order to offset the adverse effects of routine work.

d) PRINCIPLES OF TRAINING

A sound training programme must be based on the following basic principles.

1. Training programme must be based on the principles of individual differences.
2. The need for and the depth and nature of training to be provided should be worked out from the job analysis.
3. Suitable incentives must be provided for effective motivation of trainees.
4. Both the executives and supervisors as well as the trainees must take active part in the training activities, so that all concerned evince, genuine interest in the training.
5. The trainers must be trained. The teachers selected for imparting training should undergo special training for the purpose.
6. Training activity should be such as the trainee must be eager to undergo training,
7. Training will more effective where there is reinforcement in the form of rewards and punishments.
8. Reward will encourage good performance and hence due importance to reward is necessary.
9. The important step in training is to determine needs and objectives.
10. Training is properly the responsibility of any one in the management who wants to attain a particular objective.

11. To be effective training must use the tested principles of learning.
12. Training should be conducted in the actual job environment to the maximum possible extent.

e) ESSENTIALS OF TRAINING

The requirements of any training programme may be conveniently grouped into eight heads which may be considered as essentials. These may be tailor made according to the circumstances of a particular organisation.

1) Knowledge

Every person should be adequately knowledgeable about the men and materials of the organisation concerned. The success of organisation depends most merely on handling of machinery and equipment but also, rather more importantly on contact with people and on human relations. Knowledge in this regard is what the worker needs to know. It may be professional, technical or commercial knowledge, or it may be about the commercial, economic or market environment, the machines to be operated, the materials or equipment to be used or the procedure to be followed, the customers, clients, colleagues and subordinates he or she is in contact with the factors that affect their behaviour; or it may refer to the problems that will occur and how they should be dealt with.

2) Attitude

Knowledge is not an end itself. It must be

directed towards creating the right attitude on the part of staff, so as to identify themselves with the policy of the management. Therefore, the creation of the right attitude is very essential in development of people after the routine knowledge has been acquired. The objective of directing the training towards attitude is to make the trainee self-confident, influencing, inquisitive and responsive in the work process.

3) Skill

If the knowledge is to be used effectively and results are to be achieved the worker needs skill. Skills are built gradually by repeated training or other experience. They may be manual, intellectual or mental, perceptual or social.

4) Active Participation

Training gives satisfaction if the trainee takes an active part in the work in which he is trained.

5) Training for all

Training is a process which never ceases until the day of final retirement. It is not simply a treatment given once to new employees only and then dropped until a promotion or transfer is about to occur.

The continuence process of direction, correction and improvement in performance at every level of employment; is one of the chief characteristic of training.



f) BENEFITS OF TRAINING

The following benefits can occur from well designed training programme.

i. Increased Productivity

Increased productivity is possible only when there is increase in quantity in output. Training programmes by increasing skill, aptitude and abilities of workers, results in increased productivity.

ii. Improved Performance on Present Job

Training applies not only to new employes but to experienced people as well. It can help employees, increase their level of performance on their present job assignments.

iii. Heightened Morale

Possession of needed skills helps to meet such basic human needs as security and ego satisfaction. Elaborate personnel and human relations programme can make a contribution towards morale.

iv. Reduced Supervision

The trained employee is one who can supervise himself. Both employee and supervisor want less supervision, but greater independence is not possible unless the employee is adequately trained.

v. Dissatisfactions, Complaints, Absenteeism and Turnover can be Greatly Reduced

When employees are so well trained that they can experience the direct satisfactions associated with a sense

of achievement and knowledge that they are developing their inherent capabilities at work.

vi. Wastage are Minimum

Accidents, spoiled work and damage to machinery can be kept minimum by well trained employees.

vii. Fill Manpower Needs

When skills are required, the most practical thing is to select and train from within the organisation rather than seek the skilled personnel from outside labour market.

viii. Benefits to Employees

Employees acquire knowledge and job skills, they increase their market value and earning power. The possession of useful skills enhances their value to their employer and thereby increase their job security. Training may also qualify them for promotion to more responsible jobs. This of course, increase their pay and status.

ix. Increased Organisational Stability and Flexibility

Stability, ability of an organisation to sustain its effectiveness despite the loss of key personnel, can be developed only through creation of a reservoir of trained replacements.

x. Continued Training Makes the Employee

more valuable for the enterprise and develops him for promotion.

- xi. Training ensures job satisfaction of the employee.
- xii. Other benefits
  - a. Improvement in quality and quantity of goods produced.
  - b. Economical use of resources and consequent reduction in the cost of production.
  - c. Improved morale and loyalty.
  - d. Promising men can be easily spotted out.
  - e. Introduction of new technique into the working of the enterprise is made possible.

g) SCOPE OF TRAINING

The scope of training depends upon the types of employees who are to be trained.

- 1. Rank and file - i.e. employees who have no administrative or supervisory work.
- 2. Supervisory Employees i.e. The first line foreman, supervisors and their immediate supervisors.
- 3. Staff - i.e. specialised personnel such as technical and professional persons attached to the line organisations as advisers.
- 4. Middle Management - It includes all the managerial personnel holding positions between the first line supervisors and top management.



5. Top Management - This group includes all the executives who holds major responsibility for overall planning and control of entire operations.

#### h) METHODS OF TRAINING

Some common methods of training are as under :

##### 1. Induction Training

Initial training may take the form of an induction course. Induction training is carried out in order to help recruits to an organisation to overcome their sense of strangeness, secure their acceptance by existing employees and develop in them a sense of belonging.

This type of training is an introduction to the organisations purpose, policies and practices, seeking to establish the right links between each individual, his work, and his outside life in the community.

In small organisation this introduction has to be done informly, largely by the recruits immediate supervisor. But in a large organisation a planned induction programme is generally given.

##### 2. On-the-Job-Training

This method of training is the most widely prevalent as it requires no special space and equipment. In this training the employee produces and earns while he learns. All jobs in industry and commerce demands the exercise of certain skill, and the application of

different forms of knowledge and they will not be carried out very effectively unless these skills and knowledge are properly imparted in the first place.

Under job training methods training is most commonly done on the job. It trains the worker while he is engaged in the work by utilising the actual work situation for the purpose. It requires no special school, the student is being trained at a point where no change over will be required and his output adds to the total of his department.

### 3. Apprenticeship Training

This is important method of training. Under this method the new employees are required to work as apprentices to the experts. They are required to gain actual work experience on the job as well as attend classroom lectures, for the theoretical knowledge. These lectures may be organised in a part of the plant only; or arrangements may be made with specialised institutes. Many progressive firms are known as to have established well equipped schools for training their apprentices.

This method of training is widely in use in those trades in which long period is required for gaining all round proficiency. It is particularly desirable in industries such as metal trades, printing trades and building constructions which require a constant flow of new employees who expects to become all round craftsmen.

#### 4. Internship Training

It is a joint programme of training in which school and business cooperate. Selected students carry on regular studies for periods ranging from 3 to 9 months and they work in some factory or office, for a designated period of time, alternatively in this fashion until this student is ready to take up permanent employment. This training is usually conducted in connection with highly skilled or professional type of work. Trade and high schools cooperate with industry in this way to offer various vocational help. This training helps to gain a good balance between theory and practice. The disadvantage of the system is that it is such a slow process as to try the patience of the student as well as the instructor. It takes such a long time that the parties involved may become discouraged.

#### 5. Learner Training

A large number of employees are recruited for semiskilled jobs. These employees, at the time of their recruitment do not possess any knowledge of even the elements of industrial engineering. Therefore, they need an effective programme of education and training. Usually such employees are first sent to the vocational schools for some time. There they acquire the knowledge, the knowledge of arithmetic, workshop mathematics and learn machine operations. After they complete such vocational school training they are put on the regular work assignments in the factory.

6. Outside Courses

A number of agencies have cooperated with industry in the solution of its training problems. Vocational correspondence trade and evening schools have always been a source of supply on semiskilled, skilled and technical workers. This is a method under which training to the new employees is given in a separate training centre within the plant itself. Machines and tools are arranged in a separate in a separate room of the plant. An experienced workman is entrusted with the task of imparting training. Efforts are made to keep the same work environment as in the workshop proper. The whole process is learnt in this way by the new employee before he is put on the job for actual production.

7. Company Schools

When a large number of workers are to be trained the training can be given in a school specially designated for the purpose. The two main types of company schools are found i.e. the vestibule school and the company school. Vestibule training has already been discussed above so we shall discuss the other type.

8. Retraining and Upgrading :

When demands for skilled and semiskilled labour for exceed the supply industry must introduce retraining and upgrading of its workers.

B) TRAINING NEEDS

A) MEANING OF TRAINING NEEDS

A training need is really an appraisal of the gap between actual and expected performance. This gap holds up the realisation of optimum productivity and the organisation feels it worthwhile to bridge this gap through training.

Training programmes should be undertaken only where the need for training is apparent. If there is no need, there is no point in training. One obvious source of sound information of a training need is to be found in the job descriptions secured through job analysis. The job analysis reports clearly show what each employee ought to know and what skills he should have. If they are checked against the qualifications of applicants for job, they must help to identify and ascertain the needs for training. Training may also be defined by reference to interviews and questionnaires directed to executives, supervisors and employees and intended to discover what they think and what they need to learn. Further records of comparative performance may show the need for training.

Frank Cushman has mentioned a number of indicators of the need for training. Some of these indicators are a large number of accidents, carelessness on the part of the employees, excessive gossip, absence of pride in job, ignorance of broad objectives and policies of the concern, defective quality of the product, excessive production cost,



unsatisfactory promotions, etc.

Training needs are those improvements which should be brought about in employees to contribute their best to the success of their organisation. Training needs are the skills, knowledge and attitudes which individuals require for the efficient and successful working of the organisation.

Locating, identifying and determining the training needs of the employees of a particular department in an organisation is largely the responsibility of the foreman supervisor under whom they are working. The supervisor is in close contact with them and should know their strong points and weaknesses. Supervisors should constantly analyse situations and decide -

- i. The area of training,
- ii. The time of training,
- iii. The employees for training.

For identifying and determining training needs :

- i. The researcher must find out what is required or expected in the job.
- ii. He must find out the extent to which this need or expectation is being met.
- iii. He must find out the reasons if it is not met.

Training of some kind is necessary in situations where -

1. An employee is given a new or different job.
2. A new employee joins the organisation
3. The methods of doing job are changed.
4. The duties of an employee are substantially<sup>b</sup> changed.

In other cases, training needs are to be discovered through careful analysis based on existing or expected problems in work situation such as :

1. Excessive rejects
2. Sub-standard quality of work.

B) INVESTIGATION OF PROBLEMS AND TRAINING NEEDS :

Before determining the causes of training needs, investigation regarding the problems of the employees is to be done in the following cases :

1. Labour Turnover - Is labour turnover excessive? If it is, why? Either due to poor selection or due to poor training? or whether new personnel are unable to earn average bonus?
2. Present Age-group - Whether the employees have got less experience due to short-service or because of those who are about to retire?
3. Pay Scales - Whether the pay of the experienced workers match with that of workers working in other firms in the same area?

4. Scrap/Rework - Whether scrap or rework is high in relation to total production? If it is, what are the possible causes of it? Whether scrap or rework is due to a lack of quality specification or whether inspection vary subjective as opposed to objectives?

5. Present Training - Whether the present training is planned and controlled and whether it is given by people? The total period which is essential to train a person under present arrangements? Whether systematic, analytical training reduce this time? Whether training is given in a schedule time?

6. Product Range - Whether the common basic skills exist in the employee and if not, whether such common skills are taught?

7. Lost Time - Whether bad planning, shop loading, production, control supervision cause to lose time or whether accidents, absenteeism are responsible for excessive to lose time?

8. Future Work Load - Whether it is anticipated that expansion or contraction will take place? If it is so, on what scale?

C) ANALYSIS OF TRAINING NEEDS

1. Aims

The analysis of training needs aims to define the gap between what is happening and what should happen. This is what has to be filled by training.

What is (Training Gap)

What should be

Functional Results Knowledge and skill possessed Actual Performance of individuals
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Functional standards
Knowledge and skills required
Targets or standards of performance.

The gap consist of the difference between -

- a) how the function within the organisation is being performed and how it should be actually performed.
- b) What people know and can do and what they should know and do.
- c) What people actually do and what they should do.

2. Reasons

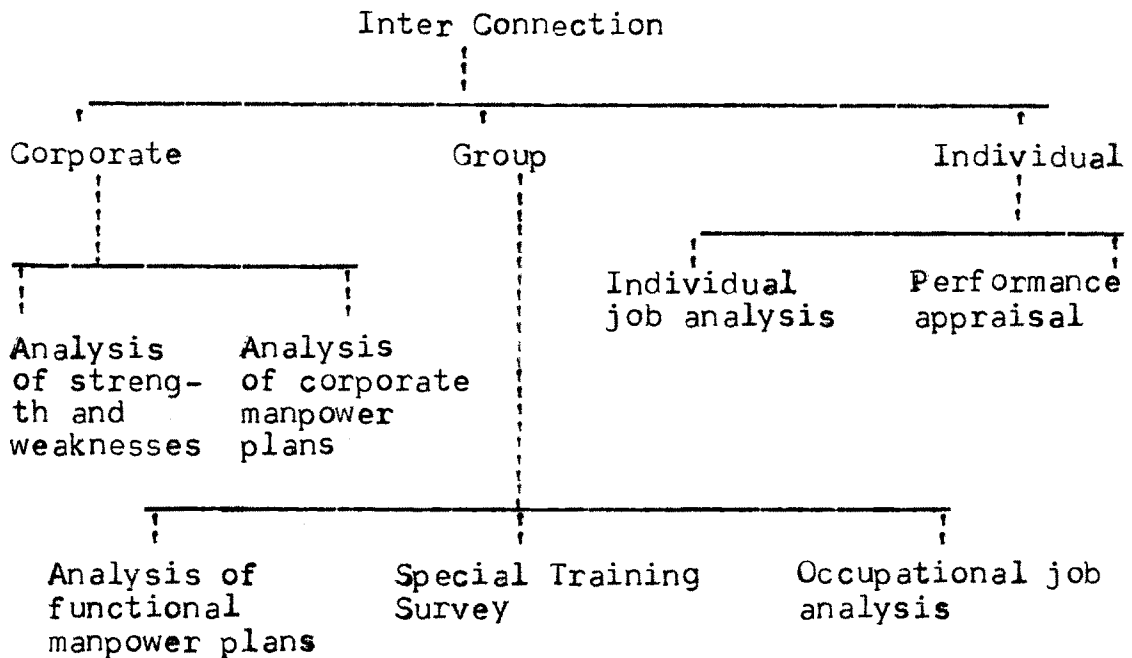
The reasons why we need to determine and analysis training needs may as given below -

1. That everyone perform at his optimum level.
2. For people will be more productive on their present jobs and be ready for advancement.
3. For all good people will do a good job if they are given a chance.
4. For there is a earnest need to save money, time and efforts.

### 3. Areas

Training needs should be analysed first for the organisation as a whole for organisational needs. Secondly, for departments and thirdly for individuals.

These three areas are inter-connected.



The analysis of organisation needs will lead to the identification of training needs in different departments or occupations, while these in turn will indicate the training required for the individual employee.

Organisation needs can be determined by analysing its strength and weaknesses examined in each of the main activity areas e.g. development, production, marketing, finance, personnel and management services. The aim should be to identify those problems that can be attributed to weaknesses or gaps in the knowledge, skill and capacities

of managerial, technical, clerical and production staff.

Organisation training needs should also be recorded by the manpower plan which will indicate the number and types of people required in the future. In fact, the manpower planning process should provide a major source of information on longer term training requirements.

Group needs can be identified by analysing functional or departmental manpower plans or by conducting special surveys using questionnaires and interviews. Job analysis can be used to determine the knowledge and skill required in specific jobs and the information can be supplemented by analysing the results obtained from the assessment of individual needs.

#### 4. Methods -

Surveys to identify training needs can be conducted by questionnaire or by interview or by a combination of these two methods. They may use job analysis on a comprehensive or sample basis. Training surveys may complement more analytical investigation by seeking to identify general training needs. They may also provide a framework for training plan and the more detailed studies that follow. Their aim should be to define manpower problems that can be solved by training. Training is always more relevant and therefore, more effective, if it ensures that trainees understand and take the action required to overcome the actual problems they meet. Training should be problem based and action oriented.

The simplest method of conducting training surveys is to go around asking managers and supervisors what they think are the training priorities in their departments. The result obtained may be subjective but, as long as the surveys are comprehensive and the answers are analysed carefully, they will provide a useful starting point for more detailed analysis. They will also ensure that management and supervision feel involved from the beginning they are more likely to help with job analysis and to support the training programme if they have been consulted about their requirements.

If a general survey is being carried out for the first time and in the absence of any other information, it should obtain details of :

- a) Numbers and types of employees.
- b) Future manpower requirements
- c) Any difficulties experienced or anticipated in obtaining adequate staff in sufficient quantities.
- d) Any operating problems which can be attributed to shortage of manpower or poor quality performance.
- e) Specific jobs or occupations where gaps in knowledge or lack of skill are producing unsatisfactory results.
- f) High labour turnover, absenteeism or

grievance rates which may indicate that employees have not been properly trained or that additional training for managers and supervisors is required.

- g) Present training arrangements and their adequacy.
- h) The priorities for improving or instituting training schemes.

Follow up surveys, which aim to audit training arrangements. They should concentrate on analysing the effectiveness of training schemes in solving management's problems.

The results of the training surveys should be used to define objectives, priorities and the likely pay-off of any proposed schemes.

D) DESIGN FOR THE STUDY OF TRAINING NEEDS

The data needed for analysis of training need must include -

1. Background data of the employees relating to place of origin, education, father's occupation, how was choice of occupation made by the employee, aspects about the work liked and disliked by the employee.
2. Job experience prior to joining the organisation.
3. The expectations from the supervisor at work.
4. How does the responsibility, knowledge, skills



change, from one level to another? How easy or difficult is transaction between levels?

5. What are the major institutional forces influencing behaviour of employees such as unions, power groups, temporary or permanent groups of employees, within the organisation.

#### FRAME WORK AND METHOD OF STUDY

Training has ideally to watch the individual employees requirements to the particular job assigned to him. If the individual and the job could be matched the training needed would be minimum. If everyone were open to change keen on experimenting with ideas environments would ensure that no extensive formal training is actually needed. In most organisations these conditions do not exist, they are much desired but scarecely a reality.

So training in one sense at least, bridge the gap between self-motivated behaviour and the needed requirements of the task. More trust and confidence among people within an organisation lesser the need for formal training. In appropriate administrative system and constant disbelief on the part of a large number of employees in the fairness of administrations processes reduces the effectiveness of training.

#### E) KINDS OF TRAINING NEEDS

Training needs may be categorised in terms of those which -

1. An individual has
2. A group has
3. Must be met immediately
4. Can be met in the future
5. Call for formal training
6. Call for informal training activities
7. Call for on the job instruction
8. Call for the job instruction
9. The company can meet best within itself.
10. The company can meet best through outside resources.
11. An individual can meet in concern with others.
12. An individual can meet only by himself.

F) METHODS OF DETERMINING TRAINING NEEDS

A. Analysis of activity -  
(Process, Job-Operation)

One way to increase productivity is to keep to a minimum the number of steps which must be taken to produce a product or service, then make sure that each step is handled with the least amount of time, effort and money.

The procedure is list as steps in a logical sequence the activities involved in producing a product or service. Question, each step Is the step ~~wx~~ still needed? Can it be combined with aother? Can it be simplified? Is a new machine or less expensive material or a new process or procedure available? What activity can change from time to time? These changes can produce

training needs. What need knowledge or skill is called for? Should present knowledge or skill be modified? To what extent, when and by whom?

#### Analysis of Equipment

A new piece of equipment or modification of present equipment may call for new skill, knowledge or understanding on the part of the foremen and 1/2 or operators. Therefore, to get answers to questions such as these -

1. In what way will the new or present equipment be different?
2. What new skills and knowledge will be needed?
3. Who will need it?
4. When will they need it?
5. What new attitudes may be desirable for all concerned?

The answers to these will provide clues to training needs.

#### Analysis of Problem

To analyse a problem for training purposes, just ask some questions : What exactly is the problem? Why is it problem? Who is involved? When was it triggered? What kind of knowledge, skill, insight or attitude required?

#### Analysis of Behaviour

Typical behaviour of individuals or groups, chronic absence, spoilage of work, carelessness, accidents, irritability, continuousness, resistance to direction, resentments towards instruction etc. are symptoms of

conditions which may call for corrective action involving training.

### Analysis of an Organisation

Failure to meet goals, confused planning, sloppy delegating, weak discipline, capricious rewarding, unclear goals, absence of standards of performance, and favouritism, uneven work load etc. can lead to low morale and marginal organisational performance.

### Brain Storming

Some training practitioners find brains forming a helpful way to determine training needs, especially of a group. The procedure is simple.

1. Being together a homogeneous group  
(clerks, engineers, supervisors, executives).
2. Place in front of them on a blackboard or flip chart, a question of common concern.
3. Ask individuals in the group to call out any ideas they have for answering the question.
4. Identify items which call for additional knowledge, skill or attitude. These are training needs.

### Checklist

A job, process, programme, activity or area of responsibility is broken down into a list of detailed parts arranged in logical sequences. A copy of this list is given to each person whose ideas are sought. He checks off the

items about which he feels he would like to have more skill or knowledge. Thus, the training needs of person or group are identified.

#### Committee

An advisory committee composed of persons responsible for, or with a direct interest in, an activity can identify training needs with considerable accuracy some organisations have a committee for each area of training orientation, apprentices, sales, clerical, technical, presupervisory, supervisory, management executives.

#### Interview

To get information training practitioner arranges a formal meeting with the person or group concerned. In preparation for this meeting, he uses pertinent questions. Referring to this list of questions he asks each in turn, writing down the answers for future study.

#### Observation

The training practitioner has freedom of movement throughout the organisation. During his travel, he can observe many things. Some of these may have value as indication of training needs, especially needs which are just under the surface or emerging.

#### Research

Many companies, industry, associations, universities and other organisations conduct research constantly.

Results may produce new product and material. As these new assets are phased into a company's planning implications for training and developments emerge. The training practitioner, as one of the planning group, recognises these implications and plans accordingly.

#### Self-Analysis

All good people constantly evaluate themselves. They want to do their best. They set high standards for themselves. They know what they need in the way of additional knowledge, skill or insight. Given an opportunity to express these thoughts, through a company programme of formal periodic self-appraisal for growth purpose, they give direct clues to training needs.

#### Studies

From time to time an organisation, under the impact of its long range planning, contemplates a change in pace or direction. To predict possible effects of such change, it undertakes a study in depth of all ramifications. Such studies can turn up training needs which will have to be met if the plans are adopted.

#### Surveys

Surveys can be used to make inventory of operations, employees attitude, implications of advanced planning etc. Like studies, surveys can be focused on a single activity or beamed at combination of activities. The findings of a survey can identify training needs.

### Testing

It is well established method of determining training needs. Tests can measure skill or knowledge. ~~These~~ Tests can require performance responses or can require a written or oral response. Results indicate gaps, if any, in the testees' skill or knowledge thus suggesting training needs.

### Questionnaire

Webster defines a questionnaire as " a written or printed form used in gathering information on some subject or subjects, consisting of a list of questions to be submitted to one or more persons."

A copy of a questionnaire is given to each person invited to help to determine training needs. He verifies out his answers to the questions and return the completed questionnaire to the training practitioner or to the chairman of the training advisory committee.

Responses on the questionnaire studied. If several questionnaires have distributed, a summary of responses is made. The pattern gives clues to training needs.

### G) NECESSITY OF TRAINING IN CASE OF COOPERATIVE ORGANISATION

In view of the fact that the cooperative sector proposes to expand its operations in various areas such as cooperative processing, marketing, banking, consumer

cooperative, the important factor that needs to be given urgent and serious consideration is that of men who are going to manage these organisations. In fact the success of the cooperative endeavour will largely depend on the kind of men who manage the cooperative enterprises. Without competent and professionally trained manpower the success of these enterprises will be put to jeopardy.

One of the central problems of cooperative development and the expansion of cooperative movement in the developing countries of the world is the problem of cooperative personnel, particularly the managerial personnel, men who manage the human, material, financial and other resources of the cooperative enterprises. When we think in terms of creating and developing a cooperative organisation, our attention is focused on cooperative membership, cooperative education, finding the financial resources and technical resources, etc. Not enough consideration and attention are paid to the problem of procuring and developing the right kind of personnel who can successfully and effectively manage the cooperative business. Now this problem becomes more acute, particularly in view of the central role that the state is offering to the cooperative system to promote socio-economic and politico-cultural development of the nation. The larger the size of cooperative organisations and the greater the number of cooperative organisations, the larger will be the problem of cooperative managerial



personnel, without whom the cooperative enterprises are not likely to succeed and would not contribute to the socio-economic development of the nation.

The All India Rural Credit Survey Committee in its report stated that "One of the very serious weaknesses of the cooperative movement was that the staff is inadequate, ill-qualified and poorly paid."

#### PROBLEMS OF COOPERATIVE MANAGERIAL PERSONNEL

A survey of the cooperative literature points out the following major problems in the areas of cooperative managerial personnel.

##### 1. Talent Crisis

One of the major problems of cooperative organisation is that they are facing a talent crisis. The high talent personnel are attracted to the private enterprises, public enterprises and the government, perhaps in that order. The cooperative sector attracts the remainder of the talent. Private sector, public sector and the government do offer a better compensation structure for their personnel and hence attract the cream of the managerial personnel to their fold.

##### 2. Poor Compensation Structure and Working Environment

Cooperative enterprises, for one thing, have not realised, in many cases, the importance of attracting the competent people and retaining them; for another, they

are unable to attract competent managerial personnel and retain them largely because they feel that they are not in a position to pay the kind of attractive compensation that business enterprises in other sectors offer. This is because they allege that their financial position does not permit them to pay a more attractive compensation structure "If this is not done, we will continue in vicious circle, where you say you cannot attract high talent because you do not make enough money, because you do not operate at maximum efficiency because you do not have high and competent talent."

Furthermore, it is found in many cases that the working environment or the picture of ergonomics in a majority of the cooperative organisations is not very bright and attractive. This also is a major disincentive to attract competent personnel.

3. Lack of Permanent Staff and the Problem of Deputation Personnel

It is said that in many cooperative organisations in the country there is a serious dearth of permanent staff, particularly at the top which is mostly filled by personnel on deputation from the cooperative department. While there are some competent officers from the department who can render very good service to the cooperative organisations there are many who cannot make the necessary judgement to deliver the goods to a particular cooperative enterprise.

Frequent turnover of the deputation personnel also contributes to the instability of policy making and planning and decision making. This is more so when this turnover is at the top.

4. Vested Interests and Interferences in Decision Making

It is commonly realised that the cooperative enterprises have a serious problem of the vested interests who constantly interfere in the management's decision-making in the enterprises. Even in those few organisations endowed with good and competent managers their role is neutralised to a large extent by the constant interference in decision-making by the vested interests. This cramps the style and the effectiveness of decision-making which ultimately has serious retarding effect on cooperative development.

5. Lack of Proper Understanding of the Role of Professional Managers

By and large the role of the professional manager in contributing to the success of cooperative business is not adequately appreciated. There is considerable centralisation of authority in part-time people and non-official leadership, who may not possess the required managerial expertise. It must be stated that managing cooperative business enterprises requires a certain special expertise and competence and this is the business of professional managers who have had the benefit of both professional

training and experience in business management. Without this expertise and this competence no cooperative business enterprise is likely to operate effectively and efficiently competing with the enterprises in other sectors in the market place. The need for professionalisation of managerial personnel is also a factor that has not largely received any attention from the cooperators.

All these problems of managerial personnel include the need and the importance of proper and effective personnel administration in the cooperative enterprises. So far this need for effective personnel administration has not received any consideration in most of the cooperative business enterprises in the country. Perhaps this is true in most of the cooperative enterprises in the developing economies of the world.

#### NEED FOR EFFECTIVE PERSONNEL ADMINISTRATION

The need and importance of effective personnel administration for the cooperative business enterprises cannot be overemphasized and the cooperative business enterprises will not be in a position to utilise their human resources to their maximum extent unless they develop sound personnel administration policies, practices and programmes.

#### X. Personnel Philosophy and Policy

Every cooperative organisation must ask itself the following questions and try to answer them with

concrete action -

- i. What is our personnel philosophy?
- ii. What are our personnel policies?
- iii. What are our personnel procedures to implement our personnel philosophy and personnel policies?
- iv. What are our personnel practices and how can we improve them?

In a study undertaken by the Vaikunth Mehta National Institute of Cooperative Management Pune it was found that none of the leading cooperative organisation covered in the survey had evolved a personnel philosophy that is the fundamental and basic approach to personnel, and their development. Many of them also had not carefully thought through and established personnel policies in the area of employment and selection, development of personnel, promotion of personnel, transfer, compensation structure, communication, employee-employer relation, employee discipline, employee grievance, employee benefits and services etc. Manpower planning, career development plans, motivational systems were not given much attention in any of the cooperative organisation.

H) IDENTIFICATION OF TRAINING NEEDS  
IN COOPERATIVE SECTOR  
Kx

In order to plan for an effective training programme for the cooperative sector it is, therefore,

imperative for the trainers to conduct detailed surveys in the following areas -

- i. A survey of different categories of personnel employed in different types of cooperative institutions and their exact job-description.
- ii. Study of management problems faced by those category of persons employed in cooperative for whom the institute is planning a training programme.

After these two areas are fully investigated and identified it may not be difficult to plan an effective training programme for the cooperatives. Otherwise, it may result in an un-realistic planning that a course may be planned for persons working in a particular category who may not be able to make use of the knowledge acquired when they return to their jobs. For instance, if all the decisions in particular type of institutions are taken by the chairmen and board members a course in decision making organised for the managers of those institutions may not be of much use.

Secondly, to implement any training programme successfully, alongwith planning of training programme it would also be necessary for the trainer to build an image about himself which would create confidence and trust in their (any training institution) programmes among the cooperative institutions. A certain degree of trust and

confidence by the deputing institutions as well as the participants in the training programme is an essential characteristics of a successful management training.

Ultimately a plan should be evolved which should objectively combine-in-service or on the job training with that of an advanced management training at a higher level training institution.