

TRAINING AND DEVELOPMENT SCENARIO OF VARIOUS SECTORS IN INDIA

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ABSTRACT

Indian Industry is presently on a fast development track, improved technology and techniques are being imported from developed countries. In the context of globalization, human resource development with proper training to the workforce is required to meet the challenges in future and to win the global competitive advantage. Most of the Indian Companies now a day's rely on training and development to bridge the skill gaps. The role of training is going to be very different from what it was in the past. Intellectual capital is becoming main generator of wealth both for individuals and for the organization, as the economy is shifting towards knowledge economy. Training has become a major tool to retain employees. Well designed training program with clear career path, increases the job satisfaction among the young professionals and help them in becoming efficient and effective at the work place. Companies are now aligning business goals with training costs. But what is more important is the development of the skills of middle management. The objective of the organizational policies, process and programmes for the delivery of training is to achieve its HRD strategies by ensuring the availability of skilled and competent employees to meet its present and future requirements. Training & Development is essential to remove performance deficiencies. There are two ways in which T & D influences performance. First, they improve the skills of the people for specific job requirement and secondly they add to the job satisfaction. Employees have to adapt to technological changes, improve product and service quality and boost productivity to stay in competition. Therefore it is more imperative for the organizations which are adopting proactive HRM approach to display a culture of right attitude and behavior in order to achieve desired goal. Training policies are becoming more sophisticated and comprehensive containing all the ingredient that go in making the organizations world class.

KEYWORDS: *Intellectual Capital, Business Environment, Globalization, Liberalization.*

Introduction

Training & Development in India

The business environment in India has gone through many rapid changes in the recent past. The Government of India has brought about these changes in the form of globalization liberalization and privatization. Organizations not willing to change may not survive in the fierce competition. Imparting training to the employees is important to organizational development In India, attention has been given by the industry, government as well as training institutes towards a systematic development of their employees. As a consequence of the awareness of management training in the country, there has been growing need to find ways and means to determine the efficiency and effectiveness of training activity, from the point of view of organizational improvement. Indian Industry is presently on a fast development track, improved technology and techniques are being imported from developed countries. In the context of globalization, human resource development with proper training to the workforce is required to meet the challenges in future and to win the global competitive advantage. Khanna S describes that the Indian Corporation for the first time realized the importance of people in their new paradigm of business. Indian corporate can achieve the competitive edge over rivals through innovation in the market and in depth understanding of customers' needs. The quality of service component, and instrument to generate customer value, is naturally determined by the people delivering it.

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Indian companies have become innovative not only in how they recruit but also in whom they recruit and where they look for talent. Most of them have developed a recruitment philosophy to hire for overall skill and aptitude rather than specialized domain and technical skills. They rely on training and development to bridge skill gaps. Instead of hiring only from top engineering universities, technology companies recruit from second- and third-tier colleges all across the country and also in arts and science schools. Similarly, companies in the banking and hospitality industries hire from call-centers and the information technology sector. Diversity programs are also being implemented, both out of necessity and social purpose. Women and older workers in particular are being targeted by technology companies and call centers, which are also reaching out to rural and disadvantaged communities. In the technology sector, new-recruit training programs typically span two to four months. In other industries programs range from two to four weeks. The training curricula are generally highly sophisticated and teach not only the required technical skills but also the basics of topics like industry operations, customer management, communications, and team building. Formal induction training is typically followed by on-the-job training programs in which employees are assigned specific tasks under the supervision of trainers and managers.

National Training Policy

In the light of the development in the area of training, A National Training Policy has been developed in 1996 by Government of India. The Policy was necessitated because of the lag between expectation from the society and orientation of civil service system. The change has occurred from civil service regulatory oriented to development oriented task and responsibilities in addition to regulatory functions it has traditionally performed. Apart from being an important component of HRD, training is most cost effective method or improving effectiveness of personnel in an organization. The NTP covers employees directly working under both Central and State Government.

The NTP Outlines a common thrust of training objectives that covers all the organisation, service and functional groups. The NTP is firmly a declaration of training and spells out the objectives, strategy, contents and modality to be followed in the field of training. The NTP's emphasis on the position of training manager in each government department for training of the employees is expression of the practical situation of the recognition of the training needs to meet the specific goals and objectives of T&D in each department or organization. According to Saxena & Kakkar, the salient features of NTPs are:

- **Training for all:** Training would be imparted to all range of civil services starting from lowest and cutting edge to highest in policy making.
- **Integrated Approach:** If training is to improve organizational effectiveness, it is necessary that institutional departments are set up within each organization for overseeing the training function as an integral part of the personnel management system. For this purpose, each department can have an officer designated as training manager, whose job it will be to ensure an integrated approach to training. Training manager will be actively involved in various activities leading to organizing of training programs such as analysis of training requirements, the design of training program, the selection of training institution and evaluation of training.
- **Once a Trainer, Always a Trainer:** The expertise of such person should be available even after he leaves the training institutions and goes back to his line department. He can be used as resource person in a network of training institutions.
- **National Training Council:** A National Training Council headed by the minister in charge of personnel, public grievance is set up for advising the government on training policy as well as issues concerning implementation.
- **Coordination Committee of Directions:** A high powered committee headed by secretary (Personnel) will assist the national training council. The committee will generally oversee operation of training policies.
- **Earmarking of Budget:** Each department attached office as well as other organizations, funded by public exchequer, to set apart minimum suitable percentage of budgetary provision for training purpose.
- **Human Resource Development:** Members of the civil services shall be encouraged to undertake research and consultancy activities by availing study leave.

Vocational Training in India

Ever since India achieved liberty, the country has been busy in a progression of planned industrialization. In order to bridge the gap of more than 200 years of stagnation, the nation decided to achieve industrial development through five-year plans. But industrial development does not happen by itself. A multitude of other socio-economic problems have to be solved before any concrete results are achieved. The most far-reaching of these problems is that of human resources development. Process of education and training is both time-consuming and arduous.

With the changing needs of industry, the skills developed by trainees in the Industrial Training Institutes (ITI) were not adequate and a great need was felt for on-the-job training. The Apprentices Act was therefore adopted in 1961 with a view to meeting the requirement for skilled workers in industry. The Act makes it obligatory for employers in both the public and private sectors to engage a prescribed proportion of apprentices. The duration of training for apprentices varies from six months to four years, depending on the trade. In the case of trade apprentices, training consists of basic training followed by on-the-job or shop-floor training with related instruction throughout the period of training. During the whole period of training, apprentices are paid prescribed stipends. Enterprises employing more than 500 employees cover all the expenditure for apprenticeship training, including the stipend. For enterprises with fewer than 500 employees, expenditure for apprentices is shared between the concerned government and the enterprise. The cost of instruction is reimbursed to enterprises which provide it themselves, or is covered by the relevant government at its own cost. An apprenticeship contract is registered containing the obligations of the employers and apprentices. After the completion of training, a trade test is conducted for trade apprentices and the National Apprenticeship Certificate is issued to all apprentices who pass the test. The basic training is the same as the training provided in ITIs. Enterprises which do not wish to recruit trainees educated in ITIs take on - fresher apprentices and set up their own basic training centers (BTCs).

Education is the foundation of a civil society. It is an instrument for providing access to opportunity as well as for maintaining that competitive edge which makes a nation prosperous. Whether it is industrial development, health care or emergence of a knowledgeable society, education is an essential input. Further, for sharing of information and creating awareness of their rights and responsibilities for an effective participation in the socio-economic development of the country, a scheme for workers' education was conceptualized. Accordingly, the Central Board for Workers' Education (CBWE), Nagpur, in the Ministry of Labor, Government of India, was established in 1958 to implement the scheme at national, regional and at village levels. This massive task is being ensured since then through a tripartite mechanism which the CBWE has adopted for its functioning.

Training existed in India in the companies owned by foreigners by around 1930. university system did not offer any management training and the training was scattered. There were few subjects related to management like, accounting, finance, economics and it was a part of commerce stream. The beginning of management education in India was when Indian Institute of Social Welfare and Business Management was established in 1945. This institute started diploma in Social Work (Labour Welfare). It was pioneering institute to start management courses in personnel as well as industrial management. . In 1950s with the recommendations of ILO and the Urwick Orr Mission to India, the government founded a Productivity center in Bombay which since then runs training courses in management. Then number of universities in India started part time and full time courses in management.

Universities including Calcutta, Bombay, Delhi and Andhra, started three year part-time diploma courses in industrial management. Now several universities run 2 years masters course. Calcutta University has recently introduced MBM and Burdwan University has come up with DIRPM. Indira Gandhi Nation Open University (IGNOU) is way ahead in offering number of management courses through correspondence. National Productivity Council established by Ministry of Industrial Development, runs number of management courses with the help of local councils.

IIMs

When IIMs were established, the management education took new turn and these institutes became hall mark in the management education.. IIM Calcutta had a tie up with MIT of USA where as JIM Ahmadabad had with Harvard University. These institutes also conduct short term management development programs which is useful for the industries and corporate. Later on JIM Bangalore was established in 1972. It caters to manage rntt education for public sector. At present there are 9 IIMs as follows- Ahmadabad, Bangalore. Kolkata, Indore, Lucknow, Kozhikode, Shillong, Rohtak, and Ranchi.

NITIE

National Institute for Training in Industrial Engineering was established in 1963. Though catering to the studies in Industrial engineering, it caters to management courses as well.

Banks

In 1961s NIBM was established to train bank personnel. It has carried considerable research in banking sector and banking services. The Institute of Financial Management was established then in Madras mainly to cater to the training in the developmental banking. Later on all the nationalized banks established their own training centers to cater to the training needs of their personnel. The 8131 has two training centers, one at Mumbai and other at Chennai.

Defence

The Defence Institute of Work Study was established in 1960 at Mussorie. It has short term programs for defence personnel. The institute of Defence Management was established in 1960 at Hydrabad. Over the last few years, management courses are taught in the College of Military Engineering in Pune and Defence Staff College at Wellington, in Nilgiris.

IIPA

Indian Institute of Public Administration at Delhi runs number of short term management courses in addition to its main course of Public Administration.

SIETI

The Small Industries Extension Training Institute was established in 1950 at Hyderabad. It conducts large number of short management courses useful for small industries.

- **Sectoral Institutes:** In numbers of sectors, the institutes run number of specialized management courses. To name a few (1) Ahmedabad Textile and Industrial einldiu 3st(ria)lv Racikseuanrichha Association (ATIRA), (2) Sri Ram Center of Industrial Relations, Delhi, Mehta National Institute of Cooperative Management, Pune, (4) National Institute of Labour Management, Mumbai
- **Industrial Enterprises:** Short term courses in management come from industrial sector. Many industrial houses have their own staff colleges. VIAL at Bangalore, Hindustan Steel Staff College at Ranchi, HLL Staff College at Mumbai, BHEL Staff College at Tiruchirapally, Tata Management Training Centre(TMTC) at Mumbai, etc. Number of private organizations like Bharatiya Vidya Bhavan, Davar's College and Datamatix Corp. cater to evening classes in management. Professional bodies also offer such management courses. They are- The Indian Institute of Industrial Engineers, National Association of Material Engineering, The Computer Society of India, The Institute of Production Engineers, The Indian Institute of Personnel Management etc.

Training and Development in Retail-FMCG Sector

Retail/FMCG Sector is the most booming sector in the Indian economy and is expected to reach US\$ 175-200 billion by 2016. With this rapid expansion and coming up of major players in the sector, the need of human resource development has increased. Lack of skilled workers is the major factor that is holding back the retail sector for high growth. The sector is facing the severe shortage of trainers. Also, the current education system is not sufficiently prepared to address the new processes, according the industry majors

Training Programs in Retail/FMCG Sector

Some of the training programs that are given in the retail sector are:

- Sales Training
- On-the-Job Training
- Seminars/Workshops
- Customer Relationship Management
- Online Course
- Group Study
- Computer-Based Training
- Self-Directed Training

Training & Development in Banking and Insurance Sector

Favorable economic climate and number of other factors such as, growing urbanization, increasing consumerism, rise in the standard of living, increase in financial services for people living in rural areas, etc has increased the demand for wide range of financial products that has led to mutually beneficial growth to the banking sector and economic growth process. This was coincided by technology development in the banking operations. Today most of the Indian cities have networked banking facility as well as Internet banking facility. In the Insurance sector also, rapid expansion has created about 5 lakh job opportunities approximately in the past five years. These openings are mainly in the field of insurance advisors or marketing agents. The eligibility criteria for these jobs are graduation with some experience in marketing or become insurance agents after completing school but this needs some training.

Earlier there were no training programs as such for insurance agents but on-the-job training only that was given once the new agent was appointed. But now the scenario has changed, with the coming up of big players like ICICI Life Insurance, ICICI Lombard, I-IDFC Life Insurance, Tata AIG General Insurance etc in this sector, people who have had some formal training are preferred while recruiting because it can be helpful in the insurance field. However, only the insurance degree in this field does not guarantee success. To be successful an agent must have strong interpersonal, networking, and communication skills.

Training and Development in Automobile Sector

The Indian automobile sector is growing at a rate of about 16% per annum and is now going to be a second fastest growing automobile market in the world. The sector is going through a phase of rapid change and high growth. With the coming up of new projects, the industry is undergoing technological change. The major players such as, Honda, Toyota, Bajaj, Maruti are now focusing on mass customization, mass production, etc. and are expanding their plants.

According to National Development and Reform Commission (NDRC), India's auto making capacity was 20 million units by the end of the year 2011 exceeding the yearly demand of about 8 million units. This rapid expansion is because of growing urbanization, rise in the standard of living of consumers, easy availability of finance, liberalization, privatization, and globalization of Indian Industry. This rapid expansion has created lots of job opportunities. Interested one in this sector has to specialize in automobile/mechanical engineering.

Currently, Automobile in India is retaining around 10 million employees and is expected to employ more people in near future. Unorganized sector is employing 67% people while, organized sector is employing only 33% people, which is a major drawback for automobile-sector.

With this rapid expansion and coming up of major players in the sector, the focus is more on the skilled employees and the need of human resource development has increased. The companies are looking for skilled and hard working people who can give their best to the organization. Various companies are opening training institutes to train interested ones in this sector, like Toyota has recently opened Toyota Technical Training Institute (TTTI) near Bangalore that will offer 4 courses in automobile assembly, mechatronics (a combination of mechanical and industrial electronics), automobile weld and automobile paint. TTTI will provide both a high standard of education and training in automotive technology as well as employment opportunities.

Training and Development in Telecom Sector

Telecom is one of the fastest growing sectors in India. With increase in competition between the major players like BSNL, MTNL, Hutchison Essar, BPL, Idea, Bharti Tele services, Tata, etc, the requirement for mobile analysts, software engineers, and hardware engineers for mobile handsets has increased. However, holding an engineering degree is not enough to sector. There is constant need of updating of knowledge, skills and attitudes. With this rapid growth in Telecom Sector, the need for trained professionals in bound to rise and so is the training need. The total training market in Telecom Sector is estimated to be Rs 400 crore.

Many top players are spending a huge amount on training and development, for example BSNL alone spends more than 100 crore on training and development of its employees through the Advanced Level. Telecommunications Training Centre (ALTTC) and 43 other regional training institutes. Reliance has also established Dhirubhai Ambani Institute of Information and Communication Technology. In addition to that, Bharti has also tied-up with fir Delhi for the Bharti School of Telecommunication Technology and Management. With the increase in competition, availability of huge amount of

information through internet, magazines, newspapers, TV, etc, and increased awareness among customers, the demand to impart proper training in non-technological areas like customer care and marketing has increased too. Rapid technological changes, network security threat, mobile application development, growing IP deployment in the sector have brought back the training and development in the priority catalog.

Training and Development in Pharmaceutical Sector

India Pharmaceutical market is valued at about US \$8 billion and reached to US \$12 billion by 2010. Indian pharmaceutical market is 2% of world's pharmaceutical market. In the last two years, 3900 new generic products have been launched because of which its market value has been increased to about US \$355 million. This rapid growth has also increased the training need of the sector.

- Training Areas
 - Brand Protection
 - Contamination Control
 - Drug Verification
 - Supply Chain Visibility
 - Recall Management
 - Shrinkage Reductions
- Preferred Training Methods Some of the preferred training methods are:
- Web based training
 - Class room training
 - Workshops
 - On-the-job training

Training and Development in Hospitality Sector

Hospitality sector is growing at a very fast rate in India. The sector is growing at a rate of approximately 8%. This sector can be classified into hotel industry, travel and tourism, restaurants, pubs, clubs and bars, contract catering, and aviation. Other than that, opportunities also exist in universities, sporting venues, exhibition centers and smaller events management companies.

The major challenge of this sector is shortage of skilled employees along with the challenge of attrition rate. Skilled chefs and managers are in great demand. Managers require huge range of competencies such as, people management, viable skills, business insights, analytic skills, succession planning, and resource development in order to get success in this sector. In addition to that, employees are not enough trained on Business Etiquettes, Courtesy, and Business Communication. Hospitality is all about handling people. So an employee must have right attitude, tolerance, and listening skills in order to move up the hierarchy. There is still a long way to go to inculcate good public relation, interpersonal skills.

With the increase in competition due to the coming up of major players like Four Seasons, Shangri-La, Aman Resorts, etc the need to train employees has increased more than ever before. The major players are now strategizing to increase the turnover of the customers by training their employees on Communication, Dining and Business etiquettes, etc. Some of the essentials required by this sector are:

- Good infrastructure
 - Trained trainer
 - Quality of content
 - Certification of training course
 - Effective Training evaluation
- Training & Development programs are available for the following areas:
- Food Production
 - Food and Beverage Service
 - Front Office
 - House Keeping

Training and Development in I.T. Industry

The Indian IT sector is growing at a very fast pace and has generated a revenue of US \$97 billion by 2010. In 2006, it has earned revenue of about US \$ 40 billion with a growth rate of 30%. IT sector had generated 2.3 million jobs by 2010, according to NASSCOM (National Association of Software and Service Companies). With this rapid expansion of IT sector and coming up of major players and new technologies like SAP, the need of human resource development has increased. There is a direct link between training investment of the companies and the market capitalization. Those companies with higher training investment had higher market capitalization. It clearly indicates that the companies which have successfully implemented training programs have been able to deliver customer goals with effective results. It shows that good training results in enhancement of individual performance, which in turn, helps the organization in achieving its business goals. Training is a tool that can help in gaining competitive advantage in terms of human resource.

With the growing investment by IT companies in the development of their employees many companies have now started their own learning centers. As an example, Sun has its own training department. Accenture has Internet based tool by the name of —My Learning that offers access to its vast learning resources to its employees. Companies are investing in both the technical training, which has always been an essential part in IT industry, as well as in managerial skills development. Companies now keep aside 3-5% of revenue for training programs. As an example, some of the major players like Tata Elexi and Accenture are allocating 7% and 3% respectively of the company's overall revenue.

Training and Development in BPO Industry

The various reasons behind the increasing training need in the BPO SECTOR are:

- BPO industry has generated 1.10 million jobs by 2010, and is expected to generate 6 million jobs by 2015, which is why training need has increased more than ever before.
- High attrition rate in this sector reason being unsatisfied employee, monotonous work, neglected talent, inadequate know-how etc. (3) Coming up of high profile BPOs.

People working in BPO sector face the problem of night shift, job stress that results in de motivation. Well designed training program with clear career path increases the job satisfaction among the young professionals and help them in becoming efficient and effective at the work place. Therefore, organizations have to handle such challenges of meeting training needs, although, the sector is taking a lot of initiatives in conducting training for new joiners. Companies are now aligning business goals with training costs. But what is more important is, is the development of the skills of middle management. Various BPO's have an elaborate training infrastructure that includes computer-based Training rooms, and specially trained and qualified in-house trainers. The companies are now buss' designing training programs for their employees. These companies try identifying the strengths and weaknesses and are emphasizing more on their personalities. problem-solving. With constant change in processes. Technologies, techniques, methods etc, there is a constant need of updating T&D for the BPO employees to consistently deliver customer goals.

Conclusion

People want value for money that they spend and want great service. If they do not get it, they will not give second chance as they have wide scope. A high quality service depends upon how human resource is trained and developed to handle the competition in the emerging market. It is, therefore imperative to have different methods of training in corporate sectors. This helps employee socialize into their profession via formal and informal process that shapes how they see themselves and how their employers, peers and customers see them. The various corporate sectors in India could shed light on the training & Development atmosphere prevalent in their areas. Training is essential because technology is developing continuously and at a fast rate. Employees have to adapt to technological changes, improve product and service quality and boost productivity to stay in competition. The importance of training as means of improving productivity is readily recognized. Skills required for one job can be transferred to another job: it can be modified and supplemented. Training plays large part in determining the effectiveness and efficiency of the establishment.

The role of training is going to be very different from what it was in the past. Intellectual capital is becoming main generator of wealth both for individuals and for the organization, as the economy is shifting towards knowledge economy. Training has become a major tool to retain employees. Well designed training program with clear career path, increases the job satisfaction among the young

professionals and help them in becoming efficient and effective at the work place. Companies are now aligning business goals with training costs. But what is more important is the development of the skills of middle management. The objective of the organizational policies, process and programmes for the delivery of training is to achieve its HRD strategies by ensuring the availability of skilled and competent employees to meet its present and future requirements. Training & Development is essential to remove performance deficiencies. There are two ways in which T & D influences performance. First, they improve the skills of the people for specific job requirement and secondly they add to the job satisfaction. Employees have to adapt to technological changes, improve product and service quality and boost productivity to stay in competition. Therefore it is more imperative for the organizations which are adopting proactive HRM approach to display a culture of right attitude and behavior in order to achieve desired goal. Training policies are becoming more sophisticated and comprehensive containing all the ingredient that go in making the organizations world class.

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