
ENHANCING THE SKILLS OF EMPLOYEE TOWARDS SUSTAINABILITY AND GROWTH OF BUSINESS ENTERPRISE: A CASE STUDY WITH SPECIAL REFERENCE TO BHARAT PUMPS AND COMPRESSOR LIMITED (BPCL) ALLAHABAD INDIA

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ABSTRACT

Managing successful business enterprise requires human resource skills. Human resource capital is soul of the organization; it is the term which is used to describe the formal system and used as a tool to maximize the productivity and effectiveness of the organization as well as describes the workforce capacity. The mission of employees working in the organization is to acquire, develop and retain talent; and be an excellent contributor to the business enterprises. The field of enterprise development is focused on improving the effectiveness of enterprise as well as the skills of the employees. Enterprises have become increasingly dependent on technical and professional skills of the employees. The increasing number of “technical” position has resulted in changing organizational goal and organizational restructuring; these changes include the need for more cognitive skills as well as greater interpersonal skills. For any organization to perpetuate itself, through growth, there is a basic need for developing its manpower resources. Training helps in the development of skills and also updates the knowledge of the employee. Especially in the rapidly changing society, employee training and development is not only an employee developing activity but also a source to utilize the resources of an organization efficiently, so that it can maintain a viable, knowledgeable workforce and achieve sustainability and growth of the enterprise. Workers’ productivity depends on their skills which help in attaining the growth. It is the magic elixir for the enterprise to sustain in changing environment, especially for ageing advanced economies. A case of Bharat Pump and Compressors Ltd is being used in this paper to explain that skills of employees helps in achieving the milestones of success, perpetual growth and sustainability with the objective to maximize their profits and minimize their risks. In the first section of the paper the necessity of HR skills for achieving sustainability and growth, and objectives of the study will be discussed. The second section will give details of the BPCL that how it involves the approaches for Total Quality Management (TQM) and Total Productive Maintenance (TPM) in order to achieve and sustain a reputation for Quality at a Competitive Cost, in National & International Markets for their products and services through collective involvement of all. And in the last section findings and conclusion will be discussed on the basis of SWOT analysis of the company.

Keywords: Human Resource, Sustainability, Growth, BPCL, Interpersonal Skills

INTRODUCTION

Organizations around the world are remodeling themselves as they respond to the challenges presented by the global economy. Success in today’s competitive business environment is increasingly a result of effective HR management. Business of any size needs talented people in order to ensure sustainable business growth and prosperity, says (Anil Gaur), further he has discuss HR “As an important asset for any business, its people need to be properly managed in order to achieve optimal efficacy.” In any firms, HR practices are the direct investments on employees’ human capital through which firms achieve competitive advantage and employees enhance their skill and knowledge. Recognizing the structure of HR comprised of different patterns that would maximize the probability to understand the firms’ ways of developing core competencies (Rangnekar, 2009).

HR management is the heart and heart beat of a company. It is the most important assets of a company especially during turbulent times (M. Gopala krishna, 2009). Structure and technology followed in the organization are directed towards the development and enhancement of HR as well as to increase bar graph of their profit volume of the organization. The knowledge and skills of employee affect the overall productivity of the organization. HR and the management play a vital role in the development of nation. Development of country depends on the skills attitude and a value of its HR. Managing employee growth is critical to your organization's success. But to develop your employees effectively, you must have certain skills, such as the ability to seek out opportunities, set goals, and provide feedback (HBS press Book, 2009). Since every organization is made of people, acquiring their services, developing their skills, motivating employees to higher level of performance are essential to achieve organizational objectives. At the end of the day we bet on people, not on strategies. Those organizations that are able to acquire develop stimulate and keep outstanding workers will be both efficient and effective. HR along with financial resource contributes to the production of goods and services in an organization. Physical and monetary resources cannot improve efficiency or contribute to an increased rate of return on investment it is through the combined and concerted efforts of the people that monetary and material resource are harassed to achieve organizational goals. But these effort, attitude and skills have to be sharpened from time to time to optimize the effectiveness of HR and enable them to meet greater challenges. Good HR practices helps in attracting and retaining the best employee in the organization through suitable programme. HR alignment means integrating decisions about people with decisions about the results an organization is trying to obtain. By integrating human resources management (HRM) into the agency planning process, emphasizing HR activities that support broad agency mission goals, and building a strong relationship between HR and management, agencies are able to ensure that the management of HR contributes to mission accomplishment and that managers are held accountable for their HRM decisions (U.S. Office of Personnel Management, 1999). More and more attention is being paid to motivational aspects of human personality, particularly the need for self-esteem, group belonging, and self-actualization. This new awakening of humanism and humanization all over the world has in fact enlarged the scope of applying principles of HRM in organizations. The development of people, their competencies, and the process development of the total organization are the main concerns of HRM (Lynton & pareek 1992). It depends on how firms differentiate strategies implementation to manage and develop intangible assets or HR over tangible assets. HRM is an important part of organization which affects the employees' behavior, attitudes and performance as well as affects the core competencies of the organization and the overall policies structure and procedure. Developing effective management skills to deal with specific challenges and problems of each organization is the urgent needs of many businesses and organizations in the global competitive environment, rapid changing of technology and environment (Narayana Murthy, 2010). The new tendency of training and development of successful organizations over the world today is developing effective skills in dealing with specific challenge of their own organization to reach their own mission and objectives in the new organization that characterized by networked, flat, flexible, diverse, global organization.

“Effective Management Skills” to help people and organization improving their own effectiveness and efficiency. Globalization and rapidly developing technology shows we are in a period of intense competition. Proper management is vital in these complex environments (Bahal, 1992). The quality of manager and effective management styles can determine the culture of the organization, the productivity of its staff, and, ultimately, success or failure. “Man alone, of all the resources available to man, can grow and develop. The resources capable of enlargement can only be human resources”(Peter. F. Drucker, 2002, pg 43). HR is a strategic asset because it can play a critical role in both strategy implementation and management systems. Talent, commitment and flexibility are desirable characteristics in a firm's human capital, are sufficient to make people a strategic asset. Since as we know that HR is one of the important elements without which existence of successful organization cannot be possible. “Skills for sustainability, also known as green skills, are the technical skills, knowledge, values and attitudes needed in the workforce to develop and support sustainable social, economic and environmental outcomes in business, industry and the community” (Deewr, 2009). Every organization is know by the people working there therefore skills of the employees must be enhanced so that employees in organization is motivated and focused towards achieving better productivity and increase the profit volume of the organization. Skilled employees helps organization in achieving the 4 factors which are

improved productivity of organization , economic sustainability which is important for measuring the economic growth of the nation and makes organization capable enough to face the challenges which present in national and international market.



Figure 1: Sustainability is Leads to Achievements of these Factors

HRM is the function performed in organization that facilitates the most effective use of people (employees) to achieve the organizational and individual goal (Subba Rao, 2004). HRM practices effect the acquisition and development of firms human capital recruiting procedures provides large pools of qualified applicants paired with reliable and valid selection system will have a substantial influence over the quality and types of skills new employees posses. Maximum individual development, desirable working relationship and effective utilization of human resource are the primary goal of HRM.

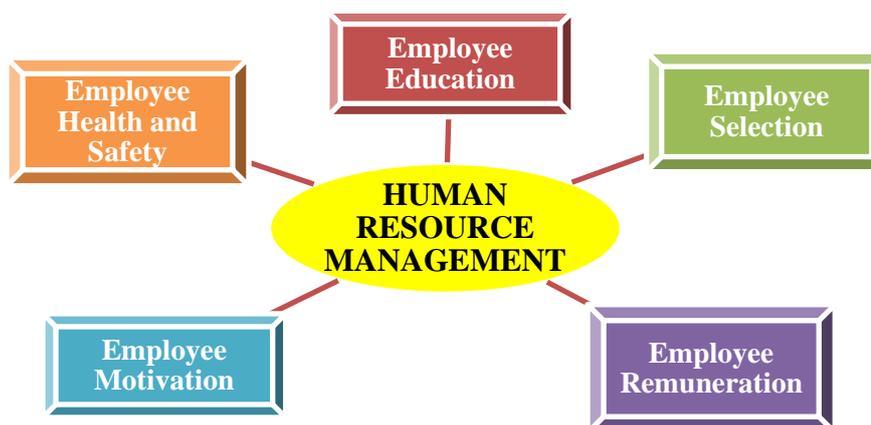


Figure2: HRM affects the Employees in Organization.

Good HR practices helps in attracting and retaining the best people in the organization. Effective management of HR helps in improvement of quality of work life which contributes towards professional growth by providing maximum opportunities of personal development of each employee. Organization, utilization, and maintenance of a company's work force are another key function of HRM. This involves designing an organizational framework that makes maximum use of an enterprise's HR and establishing systems of communication that help the organization operate in a unified manner. Every organization focuses on enhancing the developing skills of

employees for achieving the sustainability and growth of business enterprises among which Tata Consulting and Services Limited is one. TCS limited offers an excellent example of a global company whose mobility programmes are designed around the organization strategic objectives and have contributed to overall growth of the company as well as HR employed in the organization . TCS primary services is providing expertise and knowledge to customer the growth and development of its HR along with retention of employees in the highly competitive information technology market, are strategic imperatives hence global mobility is a key part of career path planning for executives working for the organization.TCS HR philosophy is that development of the employees which will result in growth and success of organization therefore TCS creates the career plan for each individual which leads to development of the organization.

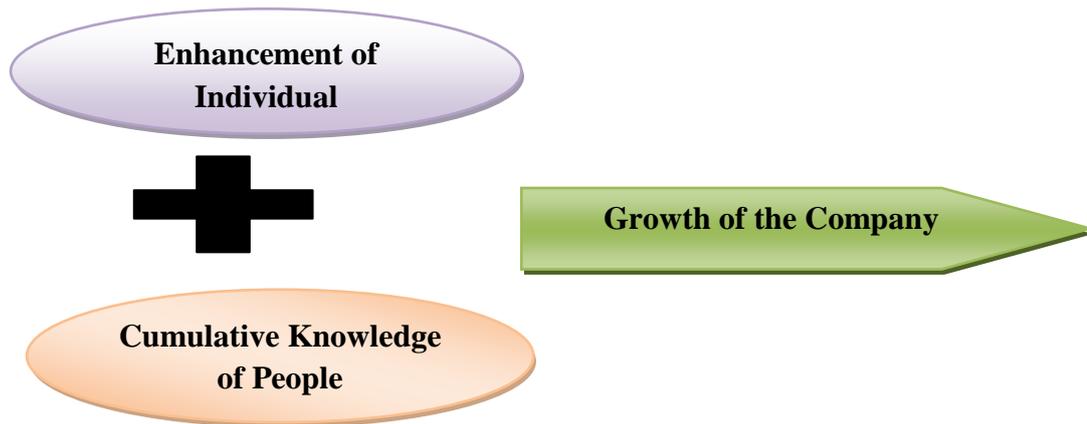


Figure 3: Basics of Growth of Organization

The sum of development of individual and cumulative knowledge of people helps in achieving growth of company. The nation’s core strength predominantly resides in its natural and HR. This resource can be strengthened through various educational and training programmes. Developing Skills of employees must be enhanced so that they are able to use the latest technology so that overall economic development can be achieved.

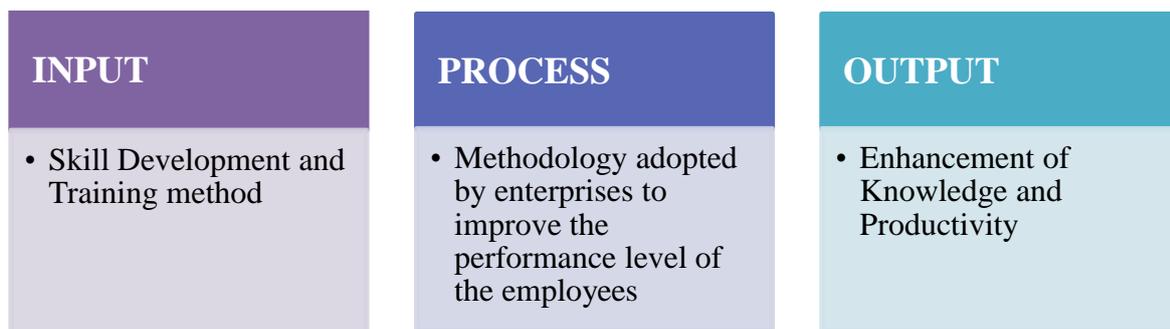


Figure 4: Human Skills Increase the Knowledge of Employee in the Organization.

OBJECTIVE OF THE STUDY

1. Identifying the Skill required for Growth and Sustainability of Enterprise.
2. Understanding the reasons of Non sustainability of business Enterprises.
3. Suggesting measures for Improvement in Skills of HR.

HRM aims to enhance overall organizational performance by improving the performance of individuals and groups within the organization. Performance is in regard to setting goals, monitoring progress to the goals, sharing feedback, reinforcing activities to achieve goals. Highly educated and skilled workforces are essential components of our growth potential. They enable people to find employment and create high value goods and services within a knowledge based economy, and to deliver high quality public services. They also contribute to social mobility and fairness. The best strategy is to focus government's resources where they can achieve greatest returns in building an internationally competitive skills base, especially to leverage the most private investment and create additional value.

The reason of non sustainability of public enterprises is due to lack of knowledge of employees in handling the technology and also due to loss of zeal and motivational support which gives courage to develop skill and give their best to organization.

Through sheer corporate strategy and employee motivation any company can pull itself from brink of closure, as it can be seen in the case of Bharat Pumps and Compressor limited, Naini Allahabad.

CASE STUDY OF BHARAT PUMPS AND COMPRESSOR LIMITED, ALLAHABAD, INDIA

Bharat Pumps and Compressor Limited is a public sector undertaking under the control of ministry of heavy enterprise and public enterprises, government of India set up in year 1970 at Naini in Allahabad. BPC caters to the need of core sector of the economy such as oil exploration and exploitation, refineries, petro-chemical, chemicals and fertilizers, process industries and power plants and indigenously designs and manufactures heavy duty centrifugal pumps, reciprocating pumps, reciprocating compressors and high pressure seamless gas cylinders and other Hi-Tech Oil field equipments such as cementing units, sucker rod pumps etc. The basic objective of BPCL is to achieve the customer satisfaction as well as to increase the profit volume of the organization. BPCL is operating in hi-tech area and has established a reputation of products on which maintenance cost is least. Through sheer corporate strategy and employee motivation any company can pull itself from brink of closure. As it can be seen in the case of Bharat Pumps and Compressor limited therefore developing skills of the employees within the organization must be enhanced properly then only they will be motivated and that they are part of company.

SCENARIO TILL 2004-05 AND ROOT CAUSE FOR SICKNESS

BPCL was sick company having suffered losses constantly since inception aggregating to Rs. 175.29 crores. The net worth of the company as on 31.3.2005 was 121.61 crores. The employees also lost their zeal to work required for productive result. The BPCL was not in position to face competition arising from the national and international market.

As the company cannot generate production and obtain order to maintain even a working business cycle. The root cause for sickness was delay in meeting the commitment with respect to delivery of equipment customer which resulted into:

1. Fluctuating or low level of order book
2. Low level of production
3. High overheads
4. High manpower cost
5. Low employee productivity
6. Rivalry among the officers
7. No emphasis on training and development
8. Poor image in local community
9. Political interference



Figure 5: BPCL Maintain the Customer Satisfaction Level

The corporate philosophy to implement approach of total quality management and integrated management system in order to achieve and sustain the reputation for quality at competitive cost in national and international market for BPCL product and services through collective involvement of all was initiated .the past ten years records of BPCL turnover imitate how it has achieve the milestone of success and reflects current visionary leadership. With help of success mantra given by Mr. A.K JAIN. It works on total quality management as well as total productive maintenance. The development of skills of employee in organization leads to achieving the sustainability as well as growth of the organization.

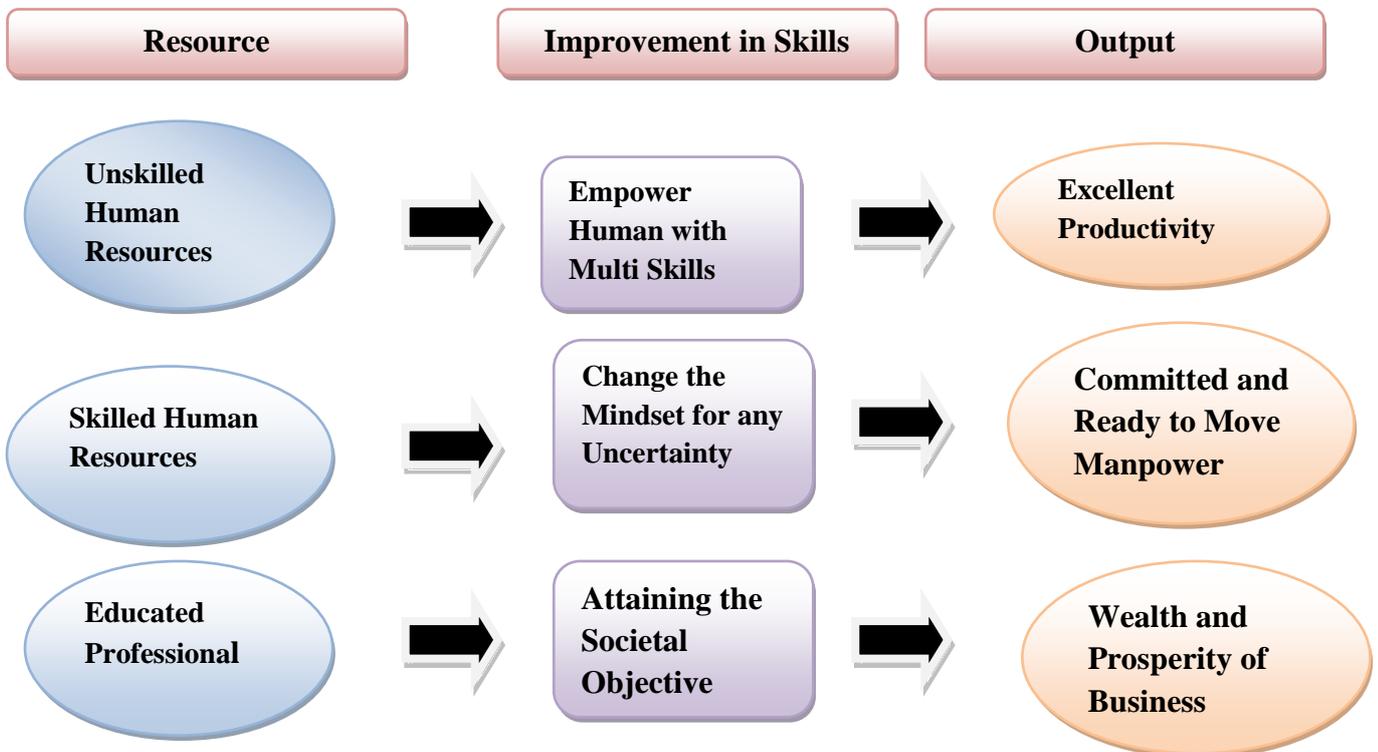
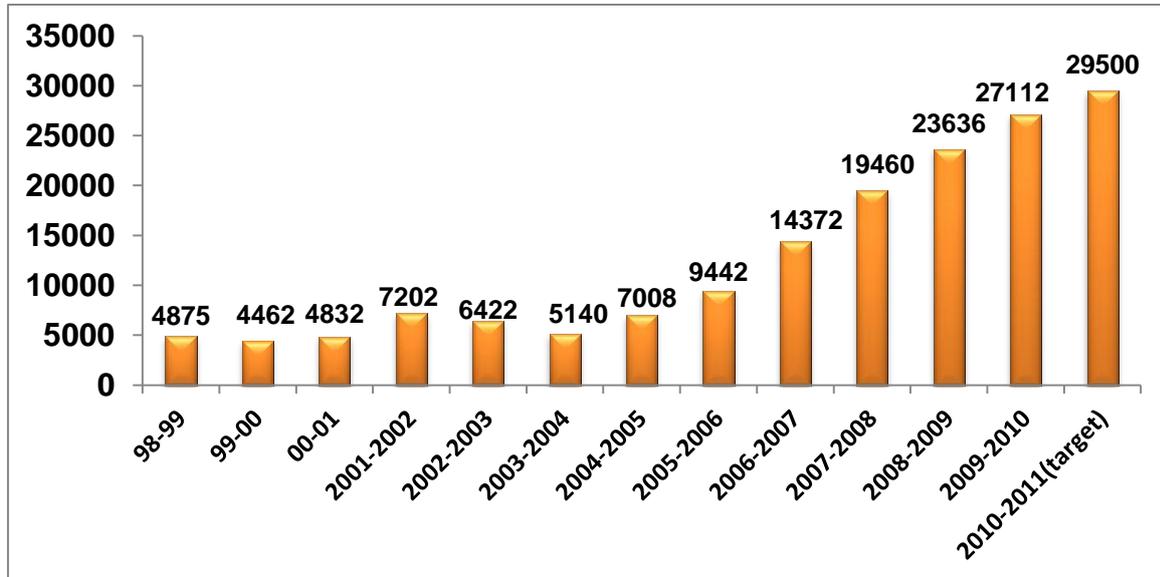


Figure 6: BPCL Develops the Skills among the Employee in order to Sustain in the market.

By providing quality engineering products and services through core competencies of our human resources and assets with focus on health and safety of manpower, society and environment. It is felt that the company is now better geared to manage its order execution cycle more satisfactorily orbit this assessment is based on an analysis of its currents order book log position. By providing proper skill development training Bharat pumps and compressor limited (BPCL) is able to maintain its position in national as well as in the international market.



Source: www.bharatpumps.co.in

Figure 6: Past Turnover of BPCL

The diagram shows that how BPCL is able to increase its turnover from which increases the goodwill as well as profit volume. In 98-99 the turnover increases from 4875 to 27112 in 2009-2010 and target for 2010 to 2011 is 29500. The turnover of the company started increasing from the year 2005-06. In order to recover again it position in market BPCL has too many challenges of competitors and customer but with use of technology which enhances the developing skills of employee and increases rate of return of company.

SWOT ANALYSIS OF THE BHARAT PUMPS AND COMPRESSOR LIMITED, ALLAHABAD

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> • Good design backed up by reputed foreign pump manufacture. • Good quality & high degree of reliability • Good reference as more than 200 compressors had been already supplied. • Good design backed by reputed foreign pump manufacture. • Good manufacture & testing facilities. • Good quality & high degree of reliability. 	<ul style="list-style-type: none"> • High material & manufacturing cost. • Delays in deliveries. • Lack of planning & scientific monitoring of jobs. • Lack of reliable vendors for casting and other bought outs. • Inadequate after sales services & delays in resolving customer’s problems. • Higher fixed costs & administrative expended. • Lack of aggressive marketing • Inadequate technology up gradation.
OPPOURTUNITIES	THREATS
<ul style="list-style-type: none"> • Large investment planned in oil & gas, petrochemical’s refineries, power 7 chemical industries etc. during 8th plan period. • Growing demand for pumps in all the core sectors. • Requirement of gas cylinder exist from BPCL, ONGC, NTPC, NPCIL, TELCO, BHEL & for Delhi Transport (CNG) Gas cylinders. • Pursuing the policy of the government to give more thrust to agriculture areas the Company has planned to take up capacity irrigation pumps for manufacturing. 	<ul style="list-style-type: none"> • Entry of foreign suppliers due to recession in world markets. • Increase competition from Pvt. Sector cost and entry of more & more foreign cos. into main. • Markets resulting in cut – throat competition. • Dependence on World Bank, other agencies for funds resulting large – scale import of equipments. • Project consultants/process licensors imposing preference on Indian customers leading to imports.

CONCLUSION

Enhancement of skills of Employees of Enterprise can help in achieving better quality of output which in results in increase in productivity of the Enterprises .It helps in motivating the employees to achieve the total quality management which ultimately increases the goodwill of enterprises in the National as well as in International market. The Turnaround of BPCL reflects that how Quality Control Department and the Employees of the organization is able to regain their position in the market .The quality control department is a very vital department for BPCL as BPCL is a company engaged in producing equipments used in energy or power sector, where products are large in size and bulky and also they require huge amount of investment, so quality is the most basic and unavoidable segment. Human resource is important capital of the organization without which the organization cannot achieve the target. For example the machine consists of many sections, each of which must be simultaneously upgraded if the output of the machine is to be increased tenfold. There is little point in improving one section without attending to the rest of the machine. Similarly in human beings, a single arbitrary training intervention does very little to upgrade human performance. Attention must be given to the whole person and his environment in order to improve the output substantially or at least measurably. There areas related to development of human resource must be focused then only organization is able to maintain the sustainability and growth of the organization.

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