

## **An Empirical Presentation of HRD Climate and Employee Development in Telecommunication Industry**

### ***A Case Study of Indian Private Sector***

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#### **Abstract**

Constantly changing technology and intensive competition have led the community to signify the vitality of human resource. Today, the organizations are searching for the most competent human resource in order to recruit and retain them for the growth and development of their organization. Presently, the organizations and the top level management has understood the vigor of the human skills and accepted the fact that to survive, they have to retain the most fittest and finest talent in their midst. This concept emphasizes the need for every organization to continuously develop its employee's competencies in a planned way and it brings into sharp focus the importance of roles, which employees plays and occupies in their respective organizations. The authors have undertaken the present study to analyze the HRD Climate in the private sector telecommunication Industry of India and also to study the relationship of HRD Climate and Employee Development. A questionnaire survey has been conducted among 100 employees of Reliance Communications Ltd. from three different cities of Uttar-Pradesh. Statistical measures like mean, standard deviation and correlation have been employed to test the hypotheses of the present construct. The study reveals that there exists a positive relationship between the climate of the organization and the development of employees.

**Key Words:** Organizational culture, Climate, Motivation, Pride.

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## **1. INTRODUCTION**

Human Resource plays an active role in the modern economic scenario of any country and their development in the organizational context is a process by which the employees of an organization are helped in a continuous and a planned way to: (a) acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles; (b) develop their general capabilities as individuals and discover and exploit their own inner potentials for their own and/or organizational development processes; and (c) develop an organizational culture in which supervisor-subordinate relationships, team work and collaboration among sub-units are strong and contribute to the professional well-being, motivation and pride of employees (**Rao and Abraham:1986**). Climate is helpful in the fulfillment of committed goals of an individual, organization and society. It increases the capabilities and efficiency of an individual which is likely to reflect itself in the long run in the well-being of the individual good reputation of the institution and ultimately the well-being of the society. However, the nature of efforts and investments in developing human resources may vary from organization to organization depending on its need, nature of capabilities the organization wants to build up, the change process, size of the organization etc.

## **2. REVIEW OF LITERATURE**

Recognizing the importance of HRD climate, Center for HRD, Xavier Labor Relations Institute (XLRI, India) developed a 38-item HRD climate questionnaire to survey the extent to which development climate exists in organizations. The 38 items included in the questionnaire can be grouped into three categories such as general climate, OCTAPAC culture and HRD mechanisms. The general climate items deal with the importance given to human resources development in general by the top management and line managers. The OCTAPAC items deal with the extent to which openness, confrontation, trust, autonomy, pro-activity, authenticity and collaboration are valued and promoted in the organization. The items dealing with HRD mechanisms measure the extent to which HRD mechanisms are implemented seriously. Using this instrument the first survey of HRD climate in Indian organizations was carried out by **Rao and Abraham (1986)** among 41 organizations in India. The study found that the general HRD climate in the organizations appears to be at an average level. The most important factor contributing to this seems to be a general indifference on the part of the employees on their own development.

**Rohmetra (1998)** studied HRD climate and satisfaction in State Bank of India (SBI) and The Jammu and Kashmir Bank Ltd. (JKB) and found that HRD climate was much higher in SBI than in JKB. Comparative analysis of the attitudes of employees towards the prevailing development climate revealed that employees in SBI held a much favorable attitude towards the development practices than that in JKB. Consequently, the satisfaction level of employees in SBI is higher than that in JKB.

**Jain et al.(1997)** conducted a study, HRD Climate in Indian Industry, in two public sector organizations i.e., BHEL and NFL and concluded that the HRD climate is mainly a function of the effectiveness variables including individual efficiency, organizational efficiency and productivity, and the HRD variables including management policy on HRD, organization development, role analysis and training. **Agarwala (2002)** in her study observed that the HRD Climate was significantly more developmental in IT Sector when compared to the automobile industry.

**Rodrigues (2005)** opined in his article entitled "Industry-Institute correlates of HRD Climate-Empirical study based implications" that a well-trained and a well-educated human resource contributes directly to the development of a country and to improve the knowledge, abilities, aptitude and values of human beings organized HRD practices should be followed. **Srimannarayana (2008)** carried out a study to assess the extent of HRD climate prevailing in Indian organizations. He derives the conclusion that a moderate climate prevails in organizations understudy (59.61%) and more favorable HRD climate was in manufacturing sector (62.39%) than in service & IT sectors. A favorable climate influences directly the behavior of managers in an organization which creates a sense of belongingness in them and also enables them to perform well as suggested by **Purang (2008)**.

**Hyde et al. (2008)** conducted an exploratory survey of HRD Climate in private sector banks. The authors suggested developing and maintaining the dyadic relations at work and supportive guidance should be provided by seniors to their juniors in creating a congenial working atmosphere which will also help in developing human resource in an organized manner. **Rao (2009)** carried out a study on HRD climate in the thermal Power Station of Vijayawada in Andhra Pradesh and stated through his study that HRD is a process which helps to develop and identify the keen potential of human force. He further suggested that the management in an organization should be generous and should also support their work force emotionally so that it will help the employees to work better and enable them to exhibit their knowledge and skills in a cohesive manner. Impact of HRD Climate over Job satisfaction measures to improve the Organizational Performance has been studied by **Solkhe and Chaudhary (2010)**. Sample size chosen for the study was 100 managers out of which only 71 responded through a 38 items model questionnaire developed by Rao and Abraham for analyzing the trends in HRD Climate. **Subramani and Jan (2011)** discussed the importance of the efficiency of human resource in the success of any organization in their published research paper. The authors emphasized their work over the study of organizational climate in IT industries of Chennai, authors suggested to improve the organizational climatic conditions to match the requirements of the organizational development.

### 3. OBJECTIVES OF THE STUDY

The study has been undertaken to:

- To analyze the HRD Climate prevailing in Reliance Communications Ltd.
- To study the relationship of Employee Development and HRD Climate in Reliance Communications Ltd.

### 4. HYPOTHESES OF THE STUDY

In view of the objectives set for the study the following null and alternative hypothesis has been formulated respectively:

$H_0$  : There exists no significant relationship between HRDC and Employee Development in Reliance Communications Ltd.

$H_\alpha$  : There exists significant relationship between HRDC and Employee Development in Reliance Communications Ltd.

## **5. MEASUREMENT OF THE PRESENT CONSTRUCT**

Human Resource Development (HRD) Climate is a concept proposed by **Rao and Abraham (1986)** to explain the environment provided by organizations for the learning and development of its employees. This includes both the policies and practices for HRD in an organization. He developed an instrument to measure the HRD Climate consisting of 38 items by dividing them into three categories i.e., the first category is General Climate, second one is OCTAPAC Culture comprising seven factors namely, Openness, Confrontation, Trust, Autonomy, Pro-activity, Authenticity and Collaboration and the third category is HRD mechanism such as training, performance appraisal, potential appraisal, organization development, feedback, and performance coaching, career planning, rewards, employee welfare, quality of work life and human resource information systems.

Employee development is the process of encouraging employees to acquire new or advanced skills, knowledge, and view points by providing learning and training facilities. Employee development is the ongoing process between an employee and a manager. Companies need rising stars to fill new positions and one of important role of a manager is to foster employee development to meet these needs. Therefore, to measure the level of employee development a self-administered questionnaire consisting of 10 items have been conducted among the sample respondents to retrieve their perceptions.

## **6. STATISTICAL MEASURES**

To analyze the results, various statistical measures such as Mean, Standard Deviation, and Correlation were performed through SPSS 16 and MS Excel 2007.

### **6.1. Present Study**

#### **6.1(a) HRD Climate Analysis:**

The item wise mean scores of the total sample of 100 employees are presented in the Table 1. Since the questionnaire used 5 point scale, average mean score of 3 around indicates a moderate tendency on that dimension. Scores around 4 indicate a fairly good degree of existence. Here, the overall HRD Climate is 3.64 which indicate the existence of a just above average degree of HRD Climate. Examining the three major components of HRD Climate i.e., General Climate, HRD Mechanisms and OCTAPAC Culture the results indicates:

- In the first category of general climate, most of the items have shown an above average response, but interestingly (item no.6), with a mean score of 4.01 has shown a good state of seniors helping their juniors and item no.11 shows with a mean score of 3.93, that the psychological climate in the organization is good. The overall general climate mean score counts to be 3.66, and the standard deviation 0.652, which reveals an average but good existence of general climate in the organization.
- The overall OCTAPAC Culture existence is good with a mean score of 3.58. and the standard deviation of 0.727
- HRD mechanism overall stands at 3.68 mean score revealing a positive picture of its working among the employees. Item no. 12 individual mean score is 4.08, indicating a very good and supportive role of seniors towards their juniors. Item no.24 also highlights the sincerity and

dedication of employees towards their up gradation of new techniques and training with a mean score of 4.12 in Reliance Communications Ltd.

- Hence, the overall HRD Climate mean score stands at 3.64 and the standard deviation of the same at 0.69, which highlights that the climate in the sample organization is above average and the employees are being treated in a friendly and cooperative manner. There exists a good level of team-spirit and there is a desired level of autonomy in working of employees which provides them ample space of working and exposing their creativity and talent.

#### 6.1(b) Employee Development Analysis:

The item wise mean score and the standard deviation of the responses collected from the 100 employees of Reliance Communications Ltd. (Table: 2) revealed that the organization is keen to take interest regarding their employee development issues, as the overall mean score of 3.59 on a 5-point scale indicates the positive and above average status of employee development in Reliance Communications Ltd.

**Table-1:** Showing overall Mean and Standard Deviation of HRD Climate and Employee Development in Reliance Communications Ltd.

Variables	Mean	Std. Dev.
General Climate	3.66	0.652
OCTAPAC Culture	3.58	0.727
HRD Mechanism	3.68	0.689
Overall HRD Climate	3.64	0.69
Overall Employee Development	3.59	0.67
Sample size (N) = 100		

Source: Primary data collected and compiled by the researchers.

#### 6.2 Relationship between HRDC and Employee Development:

Mean score analysis of HRD climate and employee development in the organization discloses that a positive relationship exists between them. Correlation analysis was carried out to statistically test their relationship. The result shows a correlation of .014 which signifies that there is a positive relationship between HRD Climate and employee development in the organization. Therefore, the null hypothesis is rejected and the alternative one is accepted which says that there exists a significant relationship between the HRD Climate (HRDC) and employee development in Reliance Communications Ltd.

After having observed that a positive correlation exists between the HRD Climate and employee development, a further analysis was conducted to find the relationship between the sub factors or dimensions of HRD Climate with employee development (Table: 2). The correlation analysis performed to analyze the relationship between HRD Climate Dimensions i.e., General Climate, OCTAPAC Culture and HRD Mechanisms along with employee development.

**Table-2: Showing Descriptive Statistics showing correlation between HRDC and ED**

		HRDC	ED	GC	OC	HRDM
HRDC	Pearson Correlation	1	.014	.858**	.842**	.896**
	Sig. (2-tailed)		.893	.000	.000	.000
	N	100	100	100	100	100
ED	Pearson Correlation	.014	1	-.120	-.007	.178
	Sig. (2-tailed)	.893		.234	.944	.077
	N	100	100	100	100	100
GC	Pearson Correlation	.858**	-.120	1	.518**	.730**
	Sig. (2-tailed)	.000	.234		.000	.000
	N	100	100	100	100	100
OC	Pearson Correlation	.842**	-.007	.518**	1	.626**
	Sig. (2-tailed)	.000	.944	.000		.000
	N	100	100	100	100	100

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: Data Analyzed by the researchers

The results highlight that the overall HRD Climate and the different components of HRD Climate are positively and significantly correlated with each other. The descriptive statistic shows that the correlation between the general climate and the overall HRD Climate is .858, which is considered to be a good correlation. While the OCTAPAC Culture rate of correlation with the climate counts to be .842 and the correlation coefficient of HRD mechanism with the HRD climate is .896. Among the three broad dimensions of the HRD Climate (i.e. General Climate, OCTAPAC Culture and HRD Mechanism), the highest correlation is between HRD mechanism and overall HRD Climate. Consequently, these results show that the HRD Climate in Reliance Communications is influential and contributing satisfactorily to increase the level of development among its employees.

## 7. CONCLUSION AND SUGGESTIONS

HRD climate is an integral part of the organizational climate. It contributes to the overall health and self-renewing capabilities of the individuals, dyads and team of the entire organization. However, the researchers feel that there still lies a scope for further improvement in the implementation of policies and practices in the said organization. Some suggestions have also been forwarded by the authors in this regard.

- The top management of the company must emphasize on the quality of work life and welfare measures for employees, which can infuse in them the team spirit and sense of belongingness.
- The elements in a typical QWL program should include - open communications, equitable reward systems, a concern for employees' job security and satisfying careers and participation in decision making.

- Employees at non-managerial level should also be give importance for the overall development of the organization.
- Management of the organization must ensure healthy and friendly working climate and fine welfare measures for the employees at all levels.
- Innovative techniques should be introduced in the organization on a regular basis and proper guidance relevant to utilize such techniques must have been organized by the managers in the organization.

Consequently, in Reliance Communications Ltd., there exists a good HRD climate which is ideally synchronized with the development of its employees. Further, the employees have responded in a positive and favorable manner, and more significantly, the researchers' findings support the existing literature of tracing the relationship of HRD Climate and employee development among the employees of an organization in Indian context.

#### **8. RESEARCH LIMITATIONS AND FUTURE DIRECTIONS**

The present study has certain limitations that offer opportunities for future research. The data is based on individual opinion, which may bring in some bias. In this study, the survey has been conducted among 100 employees of only one company in private sector. Since this study was carried out in a private sector organization; the findings of the study are not applicable to other types of organizations. Further, the sample consisted only of managerial personnel; the findings may be further conducted among other categories of employees, i.e., supervisors and workers, with caution. To establish the generalization of the results, within the context of Indian telecommunication Industry, it needs to be surveyed among other employees and other organizations of both public and private sector of telecom industry.

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**APPENDIX-I**

**Results of Mean and Standard Deviation for HRD Climate Questionnaire**

No.	Items	Mean	Std. Dev.
1.	The top management of this organization goes out of its way to make sure that employees enjoy their work.	3.83	.604
2.	The top management believes that human resources are an extremely important resource and that they have to be treated more humanly.	3.71	.686
3.	Development of the subordinates is seen as an important part of their job by the managers/officers herein.	3.45	.702
4.	The personnel policies in this organization facilitate employees' development.	3.84	.545
5.	The top management is willing to invest their time and energy including other organizational resources to ensure employees' development.	3.80	.651
6.	Senior officers/executive in this organization takes active interest in their juniors and helps them learn their job.	4.01	.611
7.	People lacking competence in doing their jobs are helped to acquire competence rather than being left unattended.	3.33	.620
8.	Managers in this organization believe that employees' behavior can be changed and people can be developed at any stage of their life.	3.54	.731
11.	The psychological climate in this organization is very conducive to any employee interested in developing oneself by acquiring new knowledge and skills.	3.93	.640
13.	The top management of this organization makes efforts to identify and utilize employees' potential.	3.53	.643
36.	The organization's future plans are made known to managerial staff to help them develop their juniors and prepare them for future.	3.27	.737
	<b>Overall General Climate</b>	<b>3.66</b>	<b>0.652</b>
No.	Items	Mean	Std. Dev.
9.	People in this organization are helpful to each other.	3.27	.737
10.	Employees in this organization are very informal and do not hesitate to discuss their personal problems with their supervisors.	3.12	.856



18.	People in this organization do not have any fixed mental impressions about each other.	3.44	.656
19.	Employees are encouraged to experiment with new methods and try out creative ideas.	3.22	.746
20.	When any employee makes a mistake his supervisors treat it with understanding and help him to learn from such mistakes rather than punishing him or discouraging him.	3.14	.865
22.	When behavior feedback is given to employees they take it seriously and use it for development.	3.95	.730
23.	Employees in this organization take pains to find out their strengths and weaknesses from their supervising officers or colleagues	4.09	.683
25.	Employees returning from training programmes are given opportunities to try out what they have learnt.	3.82	.783
27.	People trust each other in this organization.	3.79	.743
28.	Employees are not afraid to express or discuss their feelings with their superiors.	3.43	.742
29.	Employees are not afraid to express or discuss their feelings with their subordinates.	3.76	.740
30.	Employees are encouraged to take initiative and do things on their own without having to wait for instructions from supervisors.	3.54	.610
31.	Delegation of authority to encourage juniors to develop handling higher responsibilities is quite common in this organization.	3.59	.668
32.	When seniors delegate authority to juniors, the juniors use it as an opportunity for development.	3.91	.621
<b>Overall OCTAPAC Culture</b>		<b>3.58</b>	<b>0.727</b>
<b>No.</b>	<b>Items</b>	<b>Mean</b>	<b>Std. Dev.</b>
12.	Seniors guide their juniors and prepare them for future responsibilities/roles they are likely to take up.	4.08	.646
14.	Promotion decisions are based on the suitability of the promotee rather than based on any favoritism or partiality.	3.96	.549
15.	There are mechanisms in this organization to reward any good work done or any contribution made by employees.	3.54	.784
16.	When an employee does good work his supervising officers take special care to appreciate it.	3.55	.642
17.	Performance appraisal reports in this organization are based on objective assessment and adequate information and not on favoritism or partiality.	3.56	.625
21.	Weaknesses of employees are communicated to them in a non-threatening way.	3.69	.662
24.	When employees are sponsored for training, they take it seriously and try to learn from the programmes they attend.	4.12	.640

26.	Employees are sponsored for training programmes on the basis of genuine training needs.	3.74	.733
33.	Team spirit is of high order in this organization.	3.62	.826
34.	When problems arise people discuss these problems openly and try to solve them rather than keep accusing each other behind the back.	3.33	.620
35.	Career opportunities are pointed out to juniors by senior officers in the organization.	3.54	.731
37.	This organization ensures employees' welfare to such an extent that the employees can save a lot of their mental energy for work purposes.	3.12	.856
38.	Job-rotation in this organization facilitates employee development.	3.93	.640
	<b>Overall HRD Mechanism</b>	<b>3.68</b>	<b>0.689</b>
	<b>Overall HRD Climate</b>	<b>3.64</b>	<b>0.69</b>

**APPENDIX-II**

**Results of Mean and Standard Deviation for Employee Development Questionnaire**

No.	Items	Mean	Std. Dev.
1.	Your company is a catalyst of change and innovation.	3.84	0.61
2.	Managers in your company have a clear sense of direction.	3.71	0.69
3.	To perform your job without any hassle, required information and guidance is provided.	3.45	0.70
4.	You have been given ample freedom to work in your organization.	3.84	0.54
5.	You are rewarded /appreciated for your good work.	3.81	0.65
6.	Staff meetings are open and have honest participation in your organization.	4.01	0.61
7.	Training programs are organized on a regular basis for the up gradation and enhancement of your knowledge and skills.	3.33	0.62
8.	Company offers real opportunities to improve and utilize your skills.	3.53	0.73
9.	Seniors/ Superiors have friendly relations with their subordinates and juniors.	3.28	0.74
10.	Delegation of authority is practiced by the top level managers in your company.	3.13	0.86
	<b>Overall Employee Development</b>	<b>3.59</b>	<b>0.67</b>