

**EVALUATION OF HUMAN RESOURCE  
MANAGEMENT IN NAGALAND: A CASE STUDY  
OF THREE DISTRICTS**

**THESIS SUBMITTED FOR THE DEGREE OF  
DOCTOR OF PHILOSOPHY IN SOCIOLOGY  
SCHOOL OF SOCIAL SCIENCES  
NAGALAND UNIVERSITY**

**By:  
VITOKALI SHOHE  
Ph.D. REGD. NO. 383/2009**

**Under the Supervision of  
PROF. A. LANUNUNGSANG AO  
Department of Sociology**



**DEPARTMENT OF SOCIOLOGY  
NAGALAND UNIVERSITY  
HQRS: LUMAMI  
INDIA**

**2014**

## **CERTIFICATE**

*This is to certify that this Ph.D thesis entitled, “**Evaluation of Human Resource Management in Nagaland: A Case Study of Three Districts**”, is an authentic and original work carried out by Vitokali Shohe, Redg. No. 383/2009, date of regd. 28/11/2007, based on her field study conducted under my supervision.*

*This thesis fulfils all the norms of Ph.D. thesis under the rules and regulations of Nagaland University.*

*To the best of my knowledge, the thesis has not been submitted to any university or educational institute for award of any degree or diploma.*

*This may be placed before the examiners for evaluation.*

Dated:

**(PROF.A.LANUNUNGSANG AO)**

Place: Lumami

Supervisor

## **DECLARATION OF CANDIDATE**

I, Vitokali Shohe, Reg. No. 383/2009, date of regd. 28/11/2007, hereby declare that the thesis entitled, “*Evaluation of HRM in Nagaland: A Case Study of Three Districts*” is my original work, the content of this study is the record of my work done and the subject matter of this thesis do not form the basis of the award of any previous degree to me, or to anybody else, to the best of my knowledge. This thesis has not been published or submitted by me to any other university for any other purpose.

The thesis is submitted for the award of the degree of Doctor of Philosophy in the department of Sociology, Nagaland University.

**(Vitokali Shohe)**

Candidate

**(PROF. A. LANUNUNGSANG AO)**

Supervisor

### *Acknowledgement*

First and foremost, I would like to thank God Almighty for His blessings and grace throughout this process of learning and growth.

Mere words cannot express my eternal gratitude to my supervisor Prof. A. Lanunungsang Ao, Pro-Vice Chancellor, whose invaluable insight, understanding and encouragement was like stepping stones guiding me to this milestone of an achievement. Your patience, enthusiasm and positive attitude made my every visit to your office reassured that I was actually going to make it!

I must also express my appreciation to the following individuals who directly and indirectly supported and guided me over in the course of completing this journey:

Mr. and Mrs. Imlirenemba Sangtam, I am extremely grateful for the love and support you so selflessly gave me. You have always been kind and hospitable and I pray that God bless you and your family abundantly for your kind deeds;

Prof. John Sema, my heartfelt thanks to you for the continuous advice and words of encouragement during the entire period of my research work;

Dr. Toshimenla Jamir, Head of Sociology Department and the panel of examiners during the pre-submission, thank you for offering me some great insight and knowledge in the research work;

B. Zhimomi, I will remain indebted to you for the continuous moral and financial support, motivation and encouragement when the course has at times been very difficult and time consuming;



Father C.P. Anto, thank you for your valuable suggestions and warm friendship;

Eli (Vithan), thank you for your hospitality, continuous moral support and for being a trusted friend whom I could rely on.

I must also thank all the selected organisations including few of the former employees for their corporation in making this study a success;

Finally, I would like to say thank you to my family members for their continuous support and prayer. They have been my source of inspiration and never let me down.

Lashili Shohe, Nikito Samuel and Hiketo Shohe you three have been truly an additional source of my inspiration.

God bless you all richly to achieve greater things for this World!

27.08.2014

(Vitokali Shohe)

## CONTENTS

	Page
<i>Acknowledgement</i>	i-ii
<i>Contents</i>	iii-v
<i>List of Tables</i>	v-viii
<i>List of Figures</i>	viii-ix
<i>Abbreviations</i>	x

### CHAPTER I: INTRODUCTION

1.1	Theoretical Perspective and Conceptual Framework	2
1.1.1	HRM from an Open Systems Framework	2
1.1.2	Context of HRM	4
1.1.3	Evaluation Criteria and Stakeholders to Satisfy	5
1.2	Activities for Managing Human Resources	7
1.3	Program Evaluation	9
1.4	Statement of the Problem	9
1.5	Review of Literatures	12
1.6	Significance and Scope of the Study	31
1.7	Objectives of the Study	33
1.8	Hypotheses and Research Questions	33
1.9	Research Design and Methodology	34
1.9.1	Universe of the Study	34
1.9.2	Sampling Method	34
1.9.3	Sources and Techniques of Data Collection	39
1.10	Ethics of Research	40
1.11	Inclusion Criteria/Time Period	41
1.12	Analysis and Tabulation of Data	41
1.13	Limitations of this Research	43
1.14	Chapterisation	44

### CHAPTER 2: EVOLUTION OF HRM AND HRD: A BRIEF HISTORICAL ACCOUNT

2.1	Paradigm Shift from Personnel Management (PM) to HRM	45
2.2	HRM and Strategic Human Resource Management (SHRM)	48
2.3.	Historical Evolution of HRM in India	50
2.4	Tracing the Historical Root and Definition of HRD	52

2.5	Evolution of HRD in India	56
2.6	Relationship between HRD and HRM	57
2.7	Evolution of HRM and HRD in Nagaland	58
2.7.1	HRM during Pre British Era	58
2.7.2	HRM during British Era (1832-1947)	60
2.7.3	HRM during American Missionary Era (1872-1950s)	61
2.7.4	Indian Administrative Set-up after Attaining Statehood	65
2.8	Level of HRM and HRD in Nagaland State	74

### **CHAPTER 3: HR PRACTICES: AN OVERVIEW OF THE SELECTED UNITS**

3.1	State Government Department	80
3.2	Central Department (Banking)	95
3.3	Quasi Organisation	108
3.4	Private Organisation	121
3.5	Joint Venture: Nagaland Empowerment of People through Energy Development	134
3.6	Comparison of HR Practices Sector and Unit Wise	142

### **CHAPTER 4: RESULTS AND DISCUSSION**

4.1	Human Resource Planning (HRP)	146
4.2	Male/Female Workforce Participation Level	157
4.3	Sources of Recruitment and Selection Method	159
4.4	Human Resource Development and Career Planning	163
4.4.1	Trainings (employees)	164
4.4.2	Career Planning	166
4.5	Developing Employee Relation	168
4.6	Maintenance and Retention	171
4.7	Managing Employee Performance	174
4.8	Perceived Performance Level of the Respondents	176
4.9	Organisational Commitment	178
4.10	Financial Performance of Public Sector	181
4.10.1	Composition of Revenue Receipts, 2007-08 to 2011-12	

	(State Govt.)	181
4.10.2	Expenditure (State Govt.)	182
4.10.3	Fiscal Priority of the State Government	184
4.10.4	Performance Review in Terms of Delivery of ‘Core Public and Merit Good’ (2006-2007 to 2011-2013)	185
4.10.5	Nagaland State Transport Department	192
4.10.6	State Bank of India and Vijaya Bank	194
4.11	Private & other organisations	195
4.11.1	Quasi Organisation: Public Sector Units (PSUs)	195
4.11.2	Investment in PSUs	195
4.11.3	Performance of PSUs	196
4.11.4	Dimapur District Cooperative Milk Producer’s Union Ltd. (DIMUL)	197
4.12	Quality of Work Life (QWL)	199
4.13	Job Satisfaction	200
4.14	Trainees’ Satisfaction Level	204
4.15	Legal Compliance and Ethical Practices	210
4.16	External Environment	215
4.17	Internal Factors	218
4.18	Individual Case Studies	219
4.19	Summary of the Case Studies	236

## **CHAPTER 5: SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS**

5.1	Overview	238
5.2	SWOC Analysis	240
5.2.1	Strengths	240
5.2.2	Weaknesses	242
5.2.3	Opportunities	252
5.2.4	Challenges	254
5.3	Major Findings	257
5.4	Recommendations	258
5.5	Conclusions	261
5.6	Recommendations for Further Research	264

<i>Bibliography</i>	265
<i>Annexure A (Tables)</i>	xi- xxviii
<i>Annexure B (Questionnaires)</i>	xxix-xxxiv

## LIST OF TABLES

	<b>Page</b>
Table 1.1 Ideal Types of Personnel Management and HRM	30
Table 2.1 Development Indices in Mon District of Nagaland	63
Table 2.2 Inter-temporal Comparisons in Mon District of Nagaland	63
Table 2.3 Vacancies Notified & Placement made through Employment Exchange	66
Table 3.1 Total Training/Trainee in Industry & Commerce Department	84
Table 3.2 Classification of Posts	89
Table 3.3 Schedule of Various Posts	89
Table 3.4 Pay Scales of Public Sector Banks (revised w.e.f. from 2007)	103
Table 3.5 Training attended by Officers (NIDC Ltd., Dimapur)	111
Table 3.6 Revised Scale of Pay, DIMUL Ltd. (in Rs.)	114
Table 3.7 Fixed Pay of Employees before & after Regularisation (in Rs.)	115
Table 3.8 Revised Pay Scale of Japfu Hotel Ltd. (in Rs.)	116
Table 3.9 Salary Structure and Increment at Org 3 (Hospital, Dimapur)	129
Table 3.10 Salary Structure at Org 5 (Computer Centre, Kohima)	130
Table 4.1 Educational Profile & Work Experience: Public Sector (Respondents)	xi
Table 4.2 Educational Profile & Work Experience as on 2010: Public Sector (Employees)	xii
Table 4.3 Class I & II Educational Profile & Work Experience as on 2010: Public Sector (Employees)	xiii
Table 4.4 Class III Educational Profile & Work Experience as on 2010: Public Sector (Employees)	xiv
Table 4.5 Class IV Educational Profile & Work Experience as on 2010: Public Sector (Employees)	xv
Table 4.6 Class Wise Educational Profile: Public Sector (Employees)	146
Table 4.7 Grade Wise Employees of the State	152

<i>Bibliography</i>	265
<i>Annexure A (Tables)</i>	xi- xxviii
<i>Annexure B (Questionnaires)</i>	xxix-xxxiv

## LIST OF TABLES

	<b>Page</b>
Table 1.1 Ideal Types of Personnel Management and HRM	30
Table 2.1 Development Indices in Mon District of Nagaland	63
Table 2.2 Inter-temporal Comparisons in Mon District of Nagaland	63
Table 2.3 Vacancies Notified & Placement made through Employment Exchange	66
Table 3.1 Total Training/Trainee in Industry & Commerce Department	84
Table 3.2 Classification of Posts	89
Table 3.3 Schedule of Various Posts	89
Table 3.4 Pay Scales of Public Sector Banks (revised w.e.f. from 2007)	103
Table 3.5 Training attended by Officers (NIDC Ltd., Dimapur)	111
Table 3.6 Revised Scale of Pay, DIMUL Ltd. (in Rs.)	114
Table 3.7 Fixed Pay of Employees before & after Regularisation (in Rs.)	115
Table 3.8 Revised Pay Scale of Japfu Hotel Ltd. (in Rs.)	116
Table 3.9 Salary Structure and Increment at Org 3 (Hospital, Dimapur)	129
Table 3.10 Salary Structure at Org 5 (Computer Centre, Kohima)	130
Table 4.1 Educational Profile & Work Experience: Public Sector (Respondents)	xi
Table 4.2 Educational Profile & Work Experience as on 2010: Public Sector (Employees)	xii
Table 4.3 Class I & II Educational Profile & Work Experience as on 2010: Public Sector (Employees)	xiii
Table 4.4 Class III Educational Profile & Work Experience as on 2010: Public Sector (Employees)	xiv
Table 4.5 Class IV Educational Profile & Work Experience as on 2010: Public Sector (Employees)	xv
Table 4.6 Class Wise Educational Profile: Public Sector (Employees)	146
Table 4.7 Grade Wise Employees of the State	152

Table 4.8	Educational Profile Decadal Wise: Public Sector (Employees)	xvi
Table 4.9	Educational Profile & Work Experience: Private & other organisations (Respondents)	xvii
Table 4.10	Educational Profile as on 2010: Private & other organisations (Employees)	xviii
Table 4.11	Age Group as on 2010: Public Sector (Employees)	xviii
Table 4.12	Age Group & Male/Female Participation: Public Sector (Respondents)	xviii
Table 4.13	Male/Female Participation as on 2010: Public Sector (Employees)	xix
Table 4.14	Age Group as on 2010: Private & other organisations (Employees)	xix
Table 4.15	Age Group & Male/Female Participation: Private Sector & other organisations (Respondents)	xix
Table 4.16	Male/Female Participation as on 2010: Private & other organisations (Employees)	xix
Table 4.17	Recruitment & Selection Method: Public Sector	160
Table 4.18	Recruitment & Selection Method: Private & other organisations	161
Table 4.19	No. of Respondents who have acquired Training	164
Table 4.20	Employee's Perception towards Training Programme	xx
Table 4.21	Employee's Perception towards Career Planning	xxi
Table 4.22	Employee's Perception towards Developing Employee Relation	xxii
Table 4.23	Employee's Perception towards Managing Performance	xxiii
Table 4.24	Perceived Performance Level: Public Sector	xxiv
Table 4.25	Perceived Performance Level: Private & other organisations	xxv
Table 4.26	Composition of Revenue Receipts (in crore)	181
Table 4.27	Revenue and Capital Expenditure (in crore)	182
Table 4.28	Components of Revenue Expenditure (in crore)	183
Table 4.29	Fiscal Priority of the State (2005-06 & 2010-11)	185
Table 4.30	Habitations covered by the Programme	186
Table 4.31	Population covered by the Programme	186
Table 4.32	Shortfalls of Health Centres (2007-08)	187
Table 4.33	Anomalies in Various Schemes	189

Table 4.34	Vehicle-staff Ratio and Staff Productivity (2000-01 to 2004-05)	192
Table 4.35	Revenue and Achievement, 2007-10 (in Lakh)	193
Table 4.36	Operation cost/Operational Expenditure (in Lakh)	193
Table 4.37	Business per Employee (Banks)	194
Table 4.38	Net Profit (Banks)	194
Table 4.39	Accumulated Losses in PSUs (in Crore)	196
Table 4.40	Employees' Perception towards Quality of Work Life	xxvi
Table 4.41.1	Level of Satisfaction with Job Contents	200
Table 4.41.2	Level of Satisfaction with Working Conditions	201
Table 4.41.3	Level of Satisfaction with the Nature of Supervision	201
Table 4.41.4	Level of Satisfaction with Job Security	202
Table 4.41.5	Level of Satisfaction with Amount of Work & Wage/Salary	202
Table 4.41.6	Level of Satisfaction with Promotional Scope	202
Table 4.41.7	Level of Satisfaction with Equitable Reward System	203
Table 4.42	Level of Satisfaction with Training Information	204
Table 4.43	Level of Satisfaction with Training Course	205
Table 4.44	Preparedness of Instructor/Instructress (01)	205
Table 4.45	Approachability and Helpfulness of Instructor/Instructress (02)	205
Table 4.46	Quality of Training Facilities (Equipments)	206
Table 4.47	Improvements Suggested in the Training Course	207
Table 4.48	Other Suggestions as Recommended by the Trainees	208
Table 4.49	Plans after Completion of Course	209
Table 4.50	Cases of theft, defalcation, etc (Final cases pending, end March 2011)	210
Table 4.51	Cases of loss to Government due to theft, misappropriation/loss of Government material etc (in Lakh)	210

## LIST OF FIGURES

	Page
Figure 1.1	Open Systems Conceptual Framework
	4
Figure 1.2	Total Numbers of Units Representing the Selected Districts (Public)
	35



Figure 1.3	Total Numbers of Units Representing the Selected Districts (Private)	36
Figure 1.4	Total Numbers of Respondents (Employees) Selected Per Unit under Public Sector	37
Figure 1.5	Total Numbers of Respondents (Employees) Selected Per Unit under Private and Other Organisations	37
Figure 1.6	Total Respondents (Employees) Selected out of Targeted Sample Size (N= 400) Representing the Two Sectors	38
Figure 1.7	Total Respondents (Trainees) Selected out of the Targeted Sample Size (N= 105) Representing the Two Sectors	38
Figure 3.1	Trainings Conducted and No. of Participants, 2002-2009	84
Figure 3.2	Office Rules of Org 4 (Construction Company, Dimapur)	133
Figure 4.1	Service Entry Decade Wise: Public Sector (in %)	147
Figure 4.2	Educational Profile: Public Sector, 1960s to 2010 (in %)	147
Figure 4.3	Class-Wise Matriculate & below Qualified: Public Sector (in %)	148
Figure 4.4	Class-Wise HS & above Qualified: Public Sector (in %)	148
Figure 4.5	Work Experience: Public Sector (in %)	149
Figure 4.6	Age-Group: Public & Private & other organisations (in %)	150
Figure 4.7	Unemployment Trend in the State (in numbers)	151
Figure 4.8	Educational Profile: Private & other organisations (in %)	153
Figure 4.9	Work Experience: Private & other organisations (in %)	154
Figure 4.10	Class-Wise Male/Female Workforce: Public Sector (Respondent in %)	157
Figure 4.11	Class-wise Male/Female Workforce: Private & other organisations (Respondent in %)	158
Figure 4.12	Revenue & Capital Expenditure	182
Figure 4.13	Composition of Revenue Expenditure (2007-08 to 2011-2012)	183
Figure 4.14	Investments in PSUs	196
Figure 4.15	Overall Losses by Five PSUs	197
Figure 4.16	Sales Turnovers (DIMUL)	198

## **ABBREVIATIONS**

<b>ACR</b>	Annual Confidential Report
<b>APAR</b>	Annual Performance Assessment Report
<b>ATI</b>	Administrative Training Institute
<b>DIMUL</b>	Dimapur District Cooperative Milk Producer's Union Ltd
<b>DIC</b>	District Industrial Centre
<b>DPC</b>	Department Promotion Committee
<b>DSC</b>	Departmental Selection Committee
<b>EECNVA</b>	Employment Exchange (Compulsory Notification of Vacancies) Act
<b>ENPO</b>	Eastern Naga Peoples' Organisation
<b>GOI</b>	Government of India
<b>GON</b>	Government of Nagaland
<b>HRD</b>	Human Resource Development
<b>HRM</b>	Human Resource Management
<b>HRP</b>	Human Resource Planning
<b>IETC</b>	Integrated Extension Training Centre
<b>IMHNTC</b>	Imkongliba Memorial Hospital Nursing Training Centre
<b>ITI</b>	Industrial Training Institute
<b>NEPED</b>	Nagaland Empowerment of People through Energy Development
<b>NIDC</b>	Nagaland Industrial Development Corporation
<b>NPSC</b>	Nagaland Public Service Commission
<b>NPWD</b>	Nagaland Public Work Department
<b>NSF</b>	Nagaland Students Federation
<b>NST</b>	Nagaland State Transport
<b>PM</b>	Personnel Management
<b>PSUs</b>	Public Sector Units
<b>P&amp;AR</b>	Personnel and Administrative Reform
<b>ROI</b>	Return on Investment
<b>SBI</b>	State Bank of India
<b>SEFTI</b>	State Environmental Forestry Training Institute
<b>SHRM</b>	Strategic Human Resource Management
<b>TNA</b>	Training Need Analysis
<b>VRS</b>	Voluntary Retirement Scheme
<b>QWL</b>	Quality of Work Life

## CHAPTER 1

### INTRODUCTION

The term Human Resource Management (HRM) is a relatively young academic discipline but the concept and practice of managing human resource is an old well-established field. The traditional governance system of the Nagas who are known to have migrated to North Eastern part of India from Indo-China and South East Asia<sup>1</sup> reflect a systematic pattern of managing human resources.

The Naga's traditional life revolved around the village that gave each individual a unique identity. Though the pattern differed among the Naga tribes<sup>2</sup> the village administrative system exemplify the democratic and republican form of government where almost every Naga village chose a representative from each clan as leaders/councillors. For instance, among the Ao Nagas, the '*Tatar Putu Menden*' which is the highest executive office and the seat of judgement is the law enforcing authority over the community. With well-defined duties and responsibilities, the Tatars, the chosen leaders/councillors exercised their supreme power collectively in their village administration. The *Putu Menden* also followed a system of tenureship and to give equal representation the membership depended on the size of population and number of clans.

The traditional farming system and trading activities also played an important role in maintaining and managing the human resources of the clans/villages. For instance, since agriculture formed the main occupation of the Nagas, the senior most person at the advice of his junior members, equally distributed the land for cultivation done turn by turn to maintain the ecological balance of the forest. The exchange of labour in farming was also practiced where men and women forming a group worked together in every individual's field in turn on the day the major portion of work was to be completed.<sup>3</sup>

---

<sup>1</sup> Jamir, N. T. & A., Lanunungsang (2005), *Naga Society and Culture: A Case Study of the Ao Naga Society and Culture*, Tribal Research Centre, Nagaland University, p. 10.

<sup>2</sup> Shikhu, I. Y. (2007), *A Rediscovery and Re-building of Naga Cultural Values: An Analytical Approach with Special Reference to Maori as a Colonized and Minority Group of People in New Zealand*, Regency Publications, New Delhi, p. 17.

<sup>3</sup> Jamir, N. T. & A., Lanunungsang (2005), *op cit.*, p. 16, 38-43, 155-156, 170-171.

Fairness, justice and social responsibility that define the ethical dimension in managing human resources and accountability towards its stakeholders and the natural environment are well documented in their traditional management of human resources. Albeit not in the modern way, the concept of managing human resources is evident in almost every aspect of the traditional Naga life style.

However, the modern contemporary society characterised by rapid technological innovation and increased competition from global to domestic level have ushered in a growing need for every organisation of different sizes and sector to effectively manage its human resources in order to prosper. Therefore, this study aims to evaluate the ongoing Human Resource Management system in different sectors of the economy in Nagaland covering three districts namely Kohima, Dimapur and Mokokchung so that necessary recommendation can be suggested for better results.

To start with, this chapter presents the theoretical and conceptual framework underpinning this evaluative research followed by discussion of the problem statement, significance and relevance of the study, the research aims and questions and the hypothesis, the research methodology including the analysis and interpretation of data. Few limitations identified in the study have been highlighted and finally concluding with brief overview of this thesis structure.

## **1.1 THEORETICAL PERSPECTIVE AND CONCEPTUAL FRAMEWORK**

To propose an effective and efficient management of human resources, this evaluation is done from an open systems perspective taking a multiple stakeholder approach. The program evaluation is done from a formative perspective in order to assist in shaping the HRM system in Nagaland. An open systems conceptual framework for managing human resources effectively as shown in Figure 1.1 has been used as a sensitising framework to guide empirical investigation.

### **1.1.1 HRM from an Open Systems Framework**

HRM is concerned with effective management of human resources at work. It seeks to ensure that organisational effectiveness and capability is enhanced through optimal utilisation of human resources available to it.<sup>4</sup>

---

<sup>4</sup> Armstrong, M. (2009), 11<sup>th</sup> edn, Armstrong's Handbook of HRM Practice, Kogan Page, London, p. 5.

However, as noted by Boxal et al.(2007), “while HRM does need to support commercial outcomes (often called the ‘business case’); it also exists to serve organisational needs for social legitimacy”.<sup>5</sup> This is because the acceptance of organisations in the wider society in which they operate will also inform the HR policies and practices. Thus, HRM also reminds us of the moral responsibilities it has towards all their stakeholders e.g., governments, owners, shareholders, managers, employees and the community at the macro level.

HRM consists of a set of HR practices and as stated by Zedeck and Cascio (1984), “HRM issues are part of an open system”.<sup>6</sup> This is because HR policies and practices are influenced by the internal and external pressures emanating from the environment in which it operates and competes. Therefore, as much as human assets are considered as central feature of an organisation, HR strategies need to be formulated in ways in which HR policies and practices are aligned with an organisation’s strategic objectives. Secondly, HR policies and practices need to be aligned to form a coherent system among HRM activities. The need for this alignment is because in systems theory, the parts are so interconnected and interdependent that changes in one part lead to changes in other parts of the system. Therefore proper alignment enables organisations to become proactive and adaptive to changes that otherwise may have adverse impact on its success.

Even in the context of Nagaland every organisation operates as an open system. It needs to depend on the environment for drawing inputs (man, machine, raw material etc.) which must then be transformed and exported again into the environment in the form of goods and services. Thus, as an integrated approach, open systems theory provides broader scope for capturing the complexities involved and a deeper understanding of the relationship between contextual conditions and HRM and their ability to adapt to changes. It also recognises that HRM policies and practices differ across societies. Implication is a particular approach may yield fruitful result in one situation but may drastically fail in other situation.<sup>7</sup>

Open systems theory also maintains that organisations are not only influenced by, but also influence their environment. However, the degree and direction of

---

<sup>5</sup> Boxall, P., Purcell, J. & Wright, P. (2007), HRM: Scope, Analysis and Significance, In Boxall, P. et al. (eds.), The Oxford Handbook of HRM, Oxford University Press, Oxford, pp. 1-18.

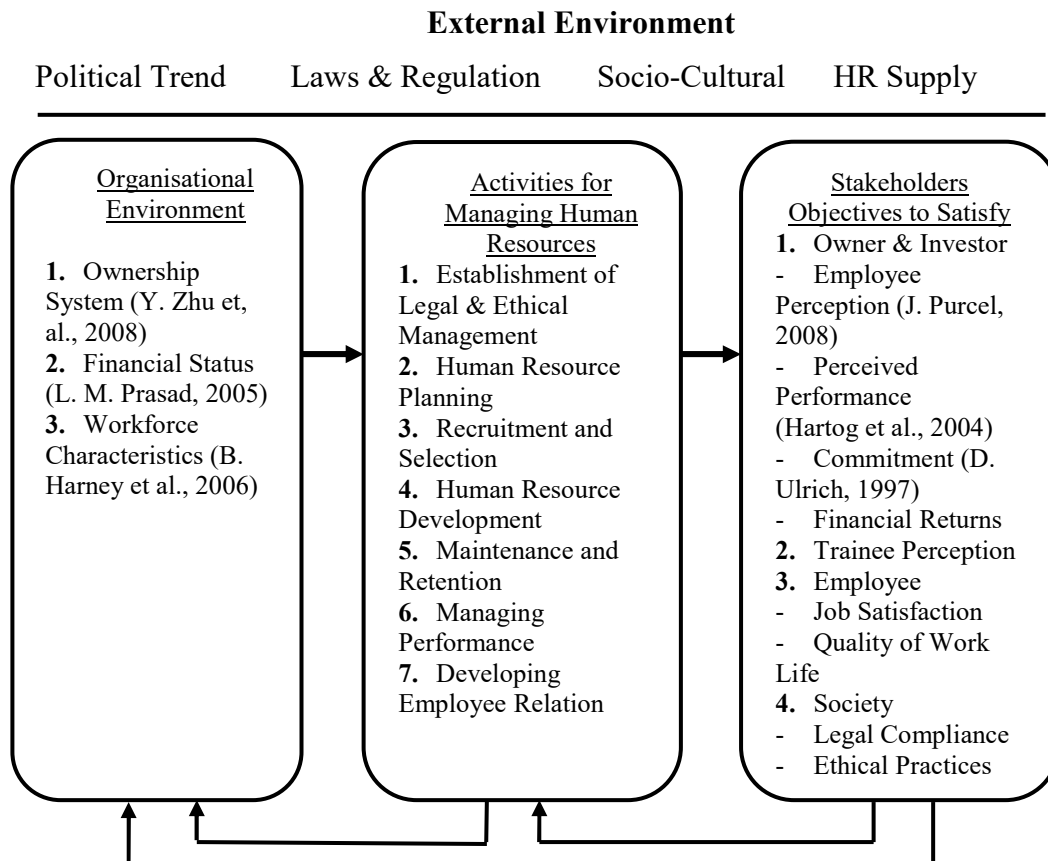
<sup>6</sup> Zedeck, S. & Cascio, W. F. (1984), Psychological Issues in Personnel Decisions, Annual Review of Psychology, 35, pp. 461-519.

<sup>7</sup> Prasad, L.M. (2005), 2<sup>nd</sup> edn, HRM, Sultan Chand & Sons, New Delhi, p. 45.

influence of both forces would vary from one organisation to another.<sup>8</sup> This is because every organisations function under different conditions of the external environment.

### 1.1.2 Context of HRM

**Figure 1.1 OPEN SYSTEMS CONCEPTUAL FRAMEWORK**



**Source:** The skeletal frame is based on Werner, Schuler and Jackson integrative model (2012), supplemented with propositions from other authors as highlighted in the framework.

The first step in effective management is being able to perceive the environment accurately and to understand the factors that determine how the organisation defines its world.<sup>9</sup> Therefore, as highlighted in Figure 1.1, this study attempts to identify how the political trend, legal environment, socio-cultural environment and the HR supply operating in the external environment and the

<sup>8</sup> Budhwar, P. S. & Debrah, Y. A. (2001), Introduction, In Budhwar & Debrah (eds), HRM in Developing Countries, Routledge, London, pp. 1-16.

<sup>9</sup> Pfeffer, J. & Salancik, G. R. (1978), The External Control of Organisation: A Resource Dependence Perspective, Harper & Row, New York, p. 60.

organisational factors namely ownership system, workforce characteristic, and the organisation's financial status influences HR policies and practices in Nagaland.

### **1.1.3 Evaluation Criteria and Stakeholders to Satisfy**

Colakoglu et al. (2006) stressed the need of taking a multiple stakeholder perspective while measuring the effectiveness of HRM.<sup>10</sup> Taking a broader concept of HRM outcome will justify its societal embeddedness and the long-term impact it has on different stakeholders. According to Meyer (2005), stakeholder means any group or individual who have rights or interests in a system and as such can affect, or is affected by the achievement of the organisation's purpose.<sup>11</sup>

Systems perspective evaluation allows the use of multiple measures and provides a variety of ways to look at the effectiveness of the intervention. For this study, four stakeholders have been included for evaluating HRM effectiveness by treating the outcomes discussed below as dependent variables. The attempt is not to attribute a single or a selected bundle of HR practices against a single outcome and vice versa. The purpose, instead, is to measure the intervention of overall HR strategy towards effective management of human resources by assessing it against these outcomes which may be the effect of an individual element or HR bundle or system.

**1) Satisfaction at Owner and Investor Level:** At this level, three outcomes are demonstrated namely perceived HR practices and performance level, employee's commitment to the organisation and financial performance and return on investment (ROI). The three outcomes and its indicator are briefly explained below:

**a. Perceived HR Practices and Perceived Performance Level**

These two indicators of HRM outcomes have been included because perceived HR practices (employees' experiences and perceptions of HR practices) are said to influence HRM outcomes. Purcell (2008) remarked that the biggest drawback of HRM studies, especially those that seek to find evidence of performance outcomes ignored the views of employees.<sup>12</sup> Therefore, there is need for research to focus on employees' perceptions of HR practices as experienced by them. Guest (2001) points

---

<sup>10</sup> Colakoglu, S., Lepak, D. P. & Hong, Y. (2006), Measuring HRM Effectiveness: Considering Multiple Stakeholders- In a Global Context, HRM Review 16, pp. 209–218.

<sup>11</sup> Meyer, J. (2005), Stakeholder Power Analysis, International Institute for Environment and Development, p. 3.

<sup>12</sup> Purcell, J. (2008), Personnel Management, Sage Publication Inc., p. 4.

out, perceptual nature of measurement becomes inevitable when different types of organisations from different sectors are studied simultaneously.<sup>13</sup> Similarly, due to the cross-sectional nature of this study where organisations have been drawn from many different sectors, this perceives measure is required.

**b. Organisational Commitment**

According to Newstrong and Davis (1998), organisationally committed employees demonstrate good attendance record, adherence to organisation policies, and have lower turnover rates.<sup>14</sup> Similarly, Ulrich (1997) and several other authors suggested that absenteeism and retention can be good indicators of employee commitment.<sup>15</sup> Thus, absenteeism and retention have been taken as the criteria for assessing employee's commitment level.

**c. Financial Performance and Productivity**

Since public money is used to deliver goods and services and to further economic and social objectives, public spending effectiveness is demonstrated by comparing whether the State has given adequate fiscal priority to developmental, social sector and capital expenditure as compared to other North Eastern States. Under this outcome, the ROI and financial viability of quasi establishments have also been assessed to demonstrate HRM effectiveness.

**2) Satisfaction at Employee Level:** Two outcomes have been measured namely:

**a. Job Satisfaction**

According to Newstrom and Davis (1998), Job satisfaction is a set of favourable and unfavourable feelings and emotions with which employees view their work.<sup>16</sup> Thus, seven dimensions of Job satisfaction have been included namely, job content, working conditions, nature of supervision, job security, compensation, promotional opportunity and equitable reward system.

**b. Quality of Work Life**

For this, Professor Walton's Quality of Work Life model was modified and adopted where out of eight, seven dimensions based on employees' perception have

---

<sup>13</sup> Guest, D. E. (2001) in den Hartog, D. N. & Verburg, R. M. (2004), High Performance Work Systems, Organisational Culture and HRM Effectiveness, HRM Journal, 14 (1), pp. 55-78.

<sup>14</sup> Newstrom, J. W. & Davis, K. (1998), 10<sup>th</sup> edn, Organisational Behaviour: Human Behaviour at Work, Tata McGraw Hill Publishing Company Ltd., New Delhi, p. 260.

<sup>15</sup> Ulrich, D. (1997), Measuring HR: An Overview of Practice and A Prescription for Results, HRM, John Wiley & Sons Inc., 36 (3), pp. 303-320.

<sup>16</sup> Newstrom et al., (1998), op cit., p. 256.



been measured namely, adequate and fair compensation, safe and healthy work environment, future opportunity for continued growth and security, social integration, constitutionalism in the work organisation, work life balance, and grievance and problem handling.

**3) Satisfaction at Trainees Level:** Trainees being the direct receiver of the service, their opinion of the effectiveness of the program have been included.

**4) Satisfaction at Societal Level:** HRM is built on an extensive legal foundation. These formal laws and regulations establish relatively clear guidelines of how the society expects an organisation to behave and hold organisations accountable for violations of those expectations. Thus, central focus has been on examining the ethical behaviour and legal compliance in the sample organisations.

## **1.2 ACTIVITIES FOR MANAGING HUMAN RESOURCES**

Hartog et al. (2004) points out that employee perceptions and attitudes affect employee performance, which in turn affects organisational performance.<sup>17</sup> In other words, how employees perceive the HR strategies affect their performance. Therefore, this study attempts to examine how the following HR activities discussed below are carried out in the sample organisations:

### **1) Establishment of a Legal and Ethical Management System**

It is generally believed that every employee wants to work for ethical organisations. Therefore, ethical principles should apply to all HRM activities. Most importantly, the role of leaders in particular is given attention because leaders are said to influence employee's behaviour.

### **2) Human Resource Planning (HRP)**

HRP is the process of analysing specific requirements in terms of number and characteristics of employees as per the organisational plans. It helps the organisation maintain a balance between required and acquired human resources at the right place and at right times.<sup>18</sup> HRP is the foundation for all other HR activity. Effectiveness of the deployed HR practices therefore all depends on how well HRP is carried out.

---

<sup>17</sup> Den Hartog, D. N., Boselie, P. and Paauwe, J. (2004), Performance Management: A Model and Research Agenda, ERIM Report Series, Erasmus Universiteit Rotterdam, pp. 1-21.

<sup>18</sup> Khanka, S. S. (2003), HRM: Text and Cases, S. Chand & Company Ltd., New Delhi, p. 27.

### **3) Recruitment and Selection**

Effective recruitment practices and selection process are said to have significant impact on employee turnover and retention and productivity. Meritocratic recruitment and selection process also sets a solid foundation for transparency and accountability and also enhances employees' commitment and productivity level.

### **4) Human Resource Development**

Investing in training and development is a way of demonstrating organisational commitment to the employee and also in improving the organisation's human capital. Knowledge and skills acquisition enhances employees' judgment about organisational support, resulting in greater commitment.<sup>19</sup> Hence, taking into account the organisational support system is as much important while examining the effectiveness of HRD policies and program.

### **5) Managing Performance**

Acknowledging employee's contribution, applying standards that are most accessible and available, and taking an ongoing performance management is more effective in bringing a positive change in employees' behaviour.<sup>20</sup> This implies that ongoing transparent evaluation and recognition of outstanding performances can elicit desired behaviour from the employees.

### **6) Maintenance and Retention**

It involves preserving the physical and psychological health of employees at work, determining of wages and salaries matching with contribution made by employees and ensuring equitable and fair remuneration. Well-being at work exists when people are happy with what they do, how they are treated, and how they get on with others. Thus, paying close attention to job satisfaction, QWL and motivational environment can help in fostering employee commitment, satisfaction and retention.

### **7) Developing Employee Relation**

Communication is the key to effective employee relation. It must always be continuing and two ways giving everybody the freedom to communicate upward. Variety of channel should be established ensuring that even the voice of minority groups reach management's ear. The channels applied for upward and downward

---

<sup>19</sup> Nasuridin, A. M. et al. (2008), Does perceive Organisational Support mediate relation between Organisational Commitment, Asian Academy of Management Journal, 13 (1), pp. 15-36.

<sup>20</sup> Latham, G. et al. (2007), Performance Management, In Boxall et al. (eds.), pp. 364-381.

communication and most importantly its reciprocity determines its effectiveness in enhancing smooth functioning of the organisation.

### **1.3 PROGRAM EVALUATION**

Patton (2002) defines program evaluation as “systematic collection of information about the activities, characteristics and outcomes of programs to make judgement about the programs, improve effectiveness, and or inform decisions about future programming.”<sup>21</sup> Particularly, in reference to evaluation of administration programme Das (2000) defines it as, an “appraisal or judgement of the worth or effectiveness of all the processes designed to ensure achievement of the agency’s objectives.”<sup>22</sup> Thus, this study evaluates the ongoing HRM system in Nagaland in terms of its effectiveness by applying the system mode. It concerns not only with goals and sub-goals but also with the coordination of organisation’s sub-units, the execution and maintenance of necessary resources.

On the basis of the goal of study, it is a formative evaluation. It aims to provide information and guide the planning, development and implementation of a strategic HRM system in Nagaland. As the researcher is not a member of any one of the organisation, the evaluation is an external evaluation. Further, with the purpose of ascertaining the effectiveness of HR activities, the evaluation is a concurrent one. This study has been undertaken during the process of implementation so that appropriate and timely remedial measures can be suggested.

### **1.4 STATEMENT OF THE PROBLEM**

With conducive agro-climatic condition, rich forest and mineral resources and abundant manpower, the objectives of ‘The State Industrial Policy’, 2000 (revised in 2004) aims to promote rapid industrial development; encourage entrepreneurial and other technical skills; promote export-oriented industries; develop marketing facilities; promote tourism industry; expedite formalisation and development of cross border trade with Myanmar etc.<sup>23</sup>

However, if we are really determined to achieve these objectives and to mainstream our people with the rest of the advanced state, we need to first find out

---

<sup>21</sup> Patton, M. (2002), *Qualitative Research & Evaluation Methods*, Sage Publications, New Delhi, p. 10.

<sup>22</sup> Das, D. K. Lal (2000), *Practice of Social Research*, Rawat Publications, New Delhi, p. 188.

<sup>23</sup> State Industrial Policy – 2000 (Revised - 2004), Department of Industries and Commerce, p.1.

whether our organisations are ready to face new challenges. We need to evaluate the effectiveness of our HR programs and policies in training, developing and motivating the human resources to successfully deliver the intended results and make positive contribution to the society at large. This is because reflecting at our prevailing HRM system our organisations have been reactive to changes and ineffective.

To highlight few instances, Nagaland Bone Mills Co (P) Ltd., Dimapur with non-recovery of Rs. 66.23 lakh, Mercury Plastic Industry (P) Ltd. with doubtful loan recovery of Rs. 1.05 crore, etc. were declared as sick industrial units and closed down in the year 1988 and 2003 respectively. Even Government undertaking companies such as the Nagaland Mechanised Bricks Corporation Ltd., Dimapur that commissioned in 2004 at a cost of Rs. 9.91 crore closed down in 2005 due to heavy losses. During 2004-05, the Corporation could earn only Rs. 78 lakh against the reduced revenue of Rs. 2.68 crore (reduced target from Rs. 42.84 crore per year). Further, the closing down of the Fruits Canning Factory at Longnak, Mokokchung in 2007, The Nagaland Sugar Mills Company Ltd., Dimapur in 2001 with an accumulated loss of Rs.14.70 crore as per their latest finalised accounts which pertains to the year 1977-78 etc. do not indicate an effective HRM system.<sup>24</sup> A brief summary of closing down of the Sugar Mill that commissioned in the year 1973 is furnished below.

The factory being a seasonal industry required approximately 450 seasonal employees and 150-200 regular employees. The reverse, however, took place. There was excess employment of regular workers. With the profit incurred, the factory managed to pay only the salaries of regular employees. Consequently, the producers abundant the cultivation of sugarcane and with no supply of raw materials, it ultimately shut down in the year 2001 dismissing the employees on Voluntary Retirement Scheme.<sup>25</sup>

These cases indicate the need to find out the effectiveness of our human resource forecasting skills. This is important especially at present time because we are proud that the literacy rate (80.11% as per 2011 census record) is improving with the passage of time but whether the organisations will be in the position to balance between job and job-seekers seems uncertain.

---

<sup>24</sup> CAG, for the Year Ended 31 March 2006, 2007, 2008 and 2012.

<sup>25</sup> Kepen, R., Former Director of Industry & Commerce Department, Personal Interview, dated 27/08/2007.

Ironically, in spite of having abundance of educated unemployed, “the State still lacks in skilled manpower”.<sup>26</sup> According to the survey conducted by the Directorate of Evaluation on Kohima, Mokokchung Dimapur as sample districts during July to October 2006, the total earning of non-Naga skilled workforce is estimated at Rs. 266.97 crores.<sup>27</sup>

These inadequacies of surplus labour, shortage of skilled personnel etc. brings us to also question the types and quality of the trainings programs provided to the employees and trainees (students). We need to find out whether it is as per their aspirations, potentialities and opportunities available in the State and where these learned skills and knowledge can be applied. The need for this is because the above scenario reflects poor HR planning system failing to give a strategic direction.

Effective HR planning helps to maintain a balance between job and job seekers. Unless this functional imbalances are evaluated and rectified in due time, our organisations will either continue to remain a mediocre witnessing the foreign investors soar past us benefiting from our resources or deteriorate further to a sick unit just as the aforementioned sick units highlighted.

Additionally, in recent years, the rise of numerous unethical and corrupt practices particularly in the Nagaland State Government departments also serve as a reminder that a variety of HR practices can contribute to such corrupt behaviours. Schuler and Jackson (2005) stated that any organisational assessment of HR effectiveness that fails to consider its ability to reduce unethical or corrupt business practices is deficient.<sup>28</sup> This clearly calls for the need to evaluate the accountability and transparency system and the effectiveness of HR policies and practices in maintaining and fostering ethical conduct.

This evaluation is thus the need of the hour in Nagaland. For any organisation to become effective, eliminating wasteful and ineffective practices or more precisely practices that fail to motivate, gain commitment and enhance employees’ productiveness should be the first priority. This can be accomplished most effectively through open system evaluation that help detect deficiency if any, spoiling the whole system and to recommend for better solution.

---

<sup>26</sup> State Industrial Policy – 2000 (Revised - 2004), p. 7.

<sup>27</sup> Directorate of Evaluation (2007), Evaluation Study on 'Employment Opportunities forgone by Nagas and Employment of Non- Nagas in the State', Publication No.52, GON.

<sup>28</sup> Schuler, R. S. & Jackson, S. E. (2005), A Quarter-Century Review of HRM in the U.S.: The Growth in Importance of the International Perspective, *Management Revue*, 16 (1), p. 18.

## 1.5 REVIEW OF LITERATURES

In this part, attempt is made to present a review of selected literatures on HRM. Since, literatures on HRM are scanty in Nagaland the researcher had to rely mostly on other University libraries. Few of the Libraries include Symbiosis College Library (Pune), Jayakar Library (Pune University), British Library (Pune), Bangkok University (Thailand) etc. Few literatures available at Central Library (Psychology Department section), Nagaland University have also been referred including e-journals as subscribed by Nagaland University.

A thematic approach has been applied for presenting the reviews which is discussed below. Starting from the definitional framework of human resource and HRM, the relationship between HRM and Strategic Human Resource Management (SHRM) is discussed. This is followed by the rationale for evaluating HRM from an open systems approach underpinned by multiple stakeholder perspective.

In order to understand how effective management of human resources lead to desired results, a brief review of several HR practices and their influence on employees' behaviours have been discussed. The relationship and the influence of HR policies and practices on employees' behaviour are further supplemented by review of several empirical studies and findings of review of literatures.

In the last part of this section, barriers involved in effective management of human resources have been highlighted. Further, a review of two HRM approaches and the ideal types of HRM and Personnel Management is discussed to assess the level of HRM and development in the State and concluded with a brief overview of what effectiveness indicates. The review is done from an open systems perspective.

### 1) Human Resource Management

Human Resource according to Gomez-Mejia et al. (2005) is all of the people who work in an organisation and also referred to as personnel.<sup>29</sup> HRM, according to Armstrong (2009) is “a strategic, integrated and coherent approach to the employment, development and well-being of the people working in organisations”.<sup>30</sup> HRM consist of an assortment of HR practices (Bratton, 2012)<sup>31</sup> or personnel

---

<sup>29</sup> Gomez-Mejia, L. R., Balkin, D. B. & Cardy, R. L. (2005) Managing Human Resources, Prentice Hall of India, New Delhi, p. 2.

<sup>30</sup> Armstrong, M. (2009), op cit., p. 4.

<sup>31</sup> Bratton, J. (2012): The Arena of Contemporary HRM. In: Bratton, J. & Gold, J. (eds.), HRM: Theory and Practice, 5<sup>th</sup> edn, Macmillan, UK. pp. 1-36.

interventions or actions that contribute to shaping the employment relationship in an organisation.<sup>32</sup> HRM policies, practices and system most importantly, are known to affect employees' behaviour, attitudes, and performance.<sup>33</sup>

## **2) Strategic Human Resource Management (SHRM)**

According to Schuler (2000), SHRM is more about integration and adaptation.<sup>34</sup> In similar vein, Wright and McMahan (1993) elaborates that SHRM entails linking HRM practices vertically with the strategic management process of the organisation. Secondly, it emphasises the co-ordination or congruence among the various HRM practices through a pattern of planned action that is, horizontal linkage.<sup>35</sup> Marchington and Wilkinson (2008) stated that this integration maximises HR contribution and also minimises occurrence of conflicting messages.<sup>36</sup> Nankervis et al. (2011) also stated that SHRM create awareness of, and responsiveness to, the characteristics of the dynamic external environments of organisations.<sup>37</sup>

This indicates that HRM involves the programs concerned for effective management of people at work. On the other hand, SHRM is about linking HRM with the broader organisational plans and objectives and forming coherence among HR activities. It suggests that integration and adaptation is vital for organisation to become proactive to changes or uncertainties.

## **3) HRM as an Open System**

The underlying factor propelling vertical and horizontal integration is because as Werner et al. (2012) stated, HR activities are shaped by various external forces and organisational factors.<sup>38</sup> This influence of external and internal forces is inevitable because as explained by McShane and Glinow (2005), HRM as an open system take their sustenance from the external environment and through the numerous subsystems

---

<sup>32</sup> HRM & Performance: Adding Value through People. <http://www.HRMhighered.mcgraw-hill.com/sites/dl/free/0077119983/832078/CH3.pdf>. April 18, 2013.

<sup>33</sup> Noe, R., Hollenbeck, J., Gerhart, B., & Wright, P. (2008), HRM, Gaining a Competitive Advantage, McGraw Hill Irwin, New York, p. 4.

<sup>34</sup> Schuler, R. S. (2000), op cit., pp. 239-260.

<sup>35</sup> Wright, Patrick M., & McMahan, Gary C. (1993), SHRM: Alternative Theoretical Frameworks, CEO Publication, G 93-20 (240).

<sup>36</sup> Marchington, M. & Wilkinson, A. (2008), HRM at Work, CIPD, p. 42.

<sup>37</sup> Nankervis, A., Compton, R., Biard, M. & Coffey, J. (2011), 7<sup>th</sup> edn, HRM: Strategy and Practice, Cengage Learning, South Western, p. 34-35.

<sup>38</sup> Werner et al., (2012), op cit., p. 14.

(HR policies and practices) in the organisation transform inputs (human resources) into outputs.<sup>39</sup>

Though physical and financial resources are indispensable, as remarked by Rao (1999), it is only through the effort of human resources that the physical and financial resources can be utilised for accomplishing organisational objectives.<sup>40</sup> Therefore, as opined by Schuler and Jackson (2005), as much as “the human resource” is viewed as central to the success of an organisation, HR policies and practices need to be integrated in the organisation’s plans and objectives.<sup>41</sup>

The implication is how various forces influence HRM system in Nagaland need to be studied as they play an important role in shaping HR policies and practices.

#### **4) Internal Context Shaping HRM Practices**

According to Prasad (2005), financial status of the organisation and its cash flow determines the paying capacity of the employer, the portion of salary and wages that is fixed, funding for retraining human resources etc.<sup>42</sup>

Zhu et al. (2008) in their study found that state owned enterprises tend to follow more traditional practices; private organisations and joint ventures were more closely associated with the Personnel Management model, and MNCs had a higher frequency of adoption of HRM model.<sup>43</sup>

Harney and Dundon (2006) in their study evidenced that workforce characteristic shaped the nature and type of HRM adopted. For instance, due to skill shortage in IT, one of the companies failed to produce the expected ROI.<sup>44</sup>

#### **5) External Factors Influencing HRM**

Harney and Dundon (2006) in their study found that two companies despite having readily available supply of national and non-national labour exhibited more investment in sophisticated HRM.<sup>45</sup>

---

<sup>39</sup> McShane, S. L. & Glinow, M. A. V. (2005), *Organisational Behaviour: Emergence Realities for the Workplace Revolution*, McGraw-Hill Irwin, New York, p. 21-22.

<sup>40</sup> Rao, P. S. (1999), *Essentials of HRM and Industrial Relations (Text, Cases & Games)*, 2<sup>nd</sup> revised and enlarged edn, Himalaya Publishing House, Mumbai, p. 9.

<sup>41</sup> Schuler & Jackson (2005), *op cit.*, p. 13.

<sup>42</sup> Prasad (2005), *op cit.*, p. 67.

<sup>43</sup> Zhu, Y., Collins, N., Webber, M. & Benson, J. (2008), New Forms of Ownership and HR Practices in Vietnam, *Human Resource Management*, 47 (1), pp. 157–175.

<sup>44</sup> Harney, B. & Dundon, T. (2006), An Emergent Theory of HRM: A Theoretical and Empirical Exploration of Determinants of HRM among Irish Small to Medium Sized Enterprises (SMEs), *Advances in Industrial and Labor Relations*, Vol. 15, pp.103-154.

<sup>45</sup> *Ibid.*



Aycan et al. (2000) in their study revealed that managers who characterised their socio-cultural environment as fatalistic also assumed that employees, by nature, were not malleable and did not administer job enrichment, empowering supervision, and performance reward contingency. On the other hand, managers who valued high loyalty assumed that employees should fulfil obligations to one another, and engaged in empowering HR practices.<sup>46</sup>

Boselie et al. (2001) in their study found that twelve best practices were already enforced for majority of the companies in Netherlands through the influence of legislation, collective bargaining, works-councils, etc.<sup>47</sup>

Ferris and Judge (1991) characterising political influence as deliberate attempt to manage or control the meanings shared by others, states that it provide an opportunity to examine how employees in organisations, as well as how job applicant use this process to influence key human resource decisions.<sup>48</sup>

Just as it is studied that various internal and external factors shapes HR policies and practices within the organisations, even in the context of Nagaland it is important to examine the level of these forces shaping HRM system.

## **6) Evaluating HRM from Open Systems Perspective**

Harney and Tundon (2006) stressed that open systems perspective provides a deeper understanding of the type and form of HRM adopted in the different types and sizes of organisations.<sup>49</sup> Patton (2002) in appreciation of this feature of systems perspective highlighted that, systems perspective have profound implication for program evaluation and policy analysis. The parts are often evaluated in terms of strengths, weaknesses, and its impact with little interest in how the parts are embedded in and interdependent with the whole program or policy.<sup>50</sup> McLean (2005) pointed out systems perspective allows the use of multiple measures and provides a variety of ways to look at the effectiveness of the intervention.<sup>51</sup>

---

<sup>46</sup> Aycan, Z. et al. (2000), Impact of Culture on HRM Practices: A 10 Country Comparison, *Applied Psychology: An International Review*, 49 (1), pp. 192-221.

<sup>47</sup> Boselie, P., Paauwe, J. & Jansen, P. (2001), HRM and Performance: Lessons from the Netherlands, *International Journal of HRM*, 12 (7), pp. 1107-1125.

<sup>48</sup> Ferris, G. R. & Judge, T. A. (1991), Personnel/HRM: A Political Influence Perspective, *Journal of Management*, 17 (2), pp. 447-488.

<sup>49</sup> Harney, B. & Dundon, T. (2006), Capturing Complexity: Developing an Integrated Approach to Analysing HRM in SMEs, *HRM Journal*, 16 (1), pp. 48-73.

<sup>50</sup> Patton, (2002), p. 121-122.

<sup>51</sup> McLean, G. (2005), Examining Approaches to HR Evaluation, *Strategic HR Review*, 4 (2), pp. 24-27.

Open systems approach, thus, offers a broader perspectives in measuring program effectiveness and providing higher reliability and validity of the findings as the intervention of the program is viewed from various angles. However, it also reminds us that the focus is directed more on the end-result rather than the process.

## **7) Social Legitimacy and Multiple Stakeholder Perspective in HRM**

According to Armstrong (2009), HRM must be concerned with the interests (wellbeing) of employees and act ethically with regard to the needs of people in the organisation and the community.<sup>52</sup> Colakoglu et al. (2006) also stressed that focusing on organisational performance mainly from financial stakeholders' perspective is no longer sufficient because stakeholders have diverse and conflicting interests.<sup>53</sup>

Similarly, Boxall et al. (2007) stated that HRM exist not only to support commercial outcomes (often called the 'business case'), but also to serve organisational needs for social legitimacy.<sup>54</sup> This legitimacy is important because as Paauwe and Boselie (2003) stated, the widely shared societal values such as fairness and legitimacy will also have an impact in shaping HR policies and practices.<sup>55</sup> Therefore, Janssens and Steyaer (2009) points out that only when a broader outcome is taken will HRM consider its societal embeddedness and the long-term impact it has on different stakeholders in society.<sup>56</sup>

The underlying idea is that no organisation can prosper without its social approval. Just as an organisation that functions as an open system and is affected by the environment in which it operates, society as well is an open system that is affected by the actions/outcomes of organisation. Thus, legitimacy granted is based on the belief that it will deliver the needs and expectation of the society. This underlines the need to also examine the extent of how the social convention of the society is shaping the HR policies and practices.

## **8) Accountability and Transparency**

In recent years, the need for particularly reforming the Public Sector for strengthening integrity, transparency and accountability has received a great deal of

---

<sup>52</sup> Armstrong, (2009), op cit., p. 19.

<sup>53</sup> Colakoglu et al. (2006), op cit., pp. 209–218.

<sup>54</sup> Boxall, P. (2007) et al, In Boxall, P. et al. (eds.), op cit., pp. 1-16.

<sup>55</sup> Paauwe, J. & Boselie, P. (2003), Challenging (Strategic) HRM Theory: Integration of Resource-Based Approaches & New Institutionalism, HRM Journal, 13 (3), pp. 56-70.

<sup>56</sup> Janssens, M. & Steyaert, C. (2009), HRM and Performance: A Plea for Reflexivity in HRM Studies, Journal of Management Studies, 46 (1), pp. 143-155.

attention from international level to regional and national organisations. In this, Ashour (2004) noted that at the core of this transformation is HRM since the human factor is the key to various practices and roles of the government.<sup>57</sup> However, it should have the provision for providing a suitable climate for an ethical culture to develop and to promote professional ethos among public officials at all levels.<sup>58</sup> Similarly, the United Nations Development Programme (2004) stated that the only way to promote transparency and accountability is to enforce rules and regulations, instead of tolerating favouritism, nepotism, and corruption. Above all fighting corruption depends on the good example of senior leaders.<sup>59</sup>

According to the International Federation of Accountants (2001), accountability in the context of Public Sector can be interpreted as a means of making politicians and officials accountable to the “public”. It need to ensure that funds are used economically, efficiently, and effectively, with due propriety, and in accordance with the statutory or other authorities that govern their use.<sup>60</sup>

As noted by Charity Central (2011), accountability is not limited to financial accountability but also managing affairs in an easily observable and understood manner that is, being transparent. Further, it stresses that self responsibility is an important base of accountability.<sup>61</sup> The emphasis is that, as Peters (2007) points out, it is a means of assigning responsibility for failures as well as for success and then linking it with the personnel implications for the performance of the system.<sup>62</sup>

Druke (2007) noted that accountability is a basic principle of regulation and expectation in all social relations. It covers all kinds of organisation from Public to Private sector, non profit, and civic organisations because people who are affected have the right to be heard and to have their views taken into account. However, he

---

<sup>57</sup> Ashour, A. S. (2004), Integrity, Transparency and Accountability in Public Sector HRM, In Transparency and Accountability in the Public Sector in the Arab Region, Concept Paper 3, United Nations, p. 31.

<sup>58</sup> Raga, K. & Taylor, D., Impact of Accountability and Ethics on Public Service Delivery: A South African Perspective, Nelson Mandela Metropolitan University, Port Elizabeth, Republic of South Africa. <http://www.thepublicmanager.org/articles/docs/kishore.pdf>. May 25, 2013.

<sup>59</sup> UNDP & UN Department of Economics and Social Affairs (2004), Public Sector Transparency and Accountability in Selected Arab Countries: Policies and Practices, United Nations, New York, p. 41.

<sup>60</sup> IFAC (2001), Governance in Public Sector: A Governing Body Perspective, Study 13, International Federation of Accountants, New York, p. 27.

<sup>61</sup> Charity Central (2011), Road to Accountability Handbook, Legal Resource Centre of Alberta, Ltd., Edmonton, Alberta, p. 2.

<sup>62</sup> Peters, B. G. (2007), Performance Based Accountability, In Shah, A. (eds.), Performance Accountability and Combating Corruption, Public Sector Governance and Accountability Series, The World Bank, Washington, pp. 15-32.

adds that external accountability can be achieved only by increased transparency and openness.<sup>63</sup>

According to Netra and Craig (2009), transparency should be maintained around the services or goods provided. This way accountability is strengthened.<sup>64</sup> Kovach et al. (2003) also noted that transparency is an important aspect of accountability.<sup>65</sup> The Centre for Information and Policy Leadership (2010) highlights that accountability encompasses an ethical dimension.<sup>66</sup>

The underlying theme of the above literatures is that every organisation operating within the society system as a sub-system is accountable for the goods and services that it exports to the environment. Its performance reflects the activities taking place within the organisation that determines the outputs. Therefore, if a body can take decisions and implement them, it must be responsible for the consequences or outcomes of those decisions as well. Secondly, transparency cannot be separated from accountability because being accountable also means being transparent. Therefore, both concept need to be taken into account when evaluating HRM.

## **9) Leadership and Professionalism**

Trevino and Brown (2004) highlighted that through modelling that is, by way of social learning and social exchange processes, leaders influence followers.<sup>67</sup> The implication that employees are a reflection of their leaders is also noted by Dess et al. (2005). They stated that the values and characters of the leaders become transparent to an organisation's employees through their behaviour. Therefore, for good or bad, leaders are role models in their organisations.<sup>68</sup> Equally important, Kraines (2002) states that employees should adhere to the basic legal and ethical principles by working within defined resource constraints established by policies, procedures, contracts, and other managerial guidelines, as well as by law.<sup>69</sup>

---

<sup>63</sup> Druke, H. (2007), Can E-Governance Make Public Governance More Accountable? In A. Shah (eds.), op cit., pp. 59-87.

<sup>64</sup> Netra, ENG & Craig, D. (2009), Accountability in Cambodia, CDRI Working Paper Series No. 40, Cambodia's Leading Independent Development Policy Research Institute, p. 34.

<sup>65</sup> Kovach, H., Neligan, C. & Burall, S. (2003), The Global Accountability Report: Power Without Accountability? One World Trust, p. iv.

<sup>66</sup> CIPL (2010), Demonstrating and Measuring Accountability: A Discussion Document, The Centre for Information Policy Leadership, Hutton & Williams LLP, pp. 1-12.

<sup>67</sup> Trevino, L. K. & Brown, M. E. (2004), The Role of Leaders in Influencing Unethical Behaviour in the Workplace, In Managing Organisational Deviance, Sage, pp. 69-96.

<sup>68</sup> Dess et al. (2005), op cit., p. 397.

<sup>69</sup> Kraines, G. A. (2002), Accountability Leadership, The Systems Thinker, 13 (10), p. 1.

Segon (2010) identifies that an important ethical duty of a professional is not to engage in any activity outside their expertise. Individuals must use professional criteria for determining appropriate actions. However, this does not imply that such knowledge cannot be extended rather professionals need to advance their knowledge but such knowledge need to be acknowledged and accredited before it is used.<sup>70</sup>

The current reviews highlight the need for establishing an accountable and transparent HRM in any governing system. Since, leader's behaviour influences employees' behaviour and their perceptions, they must as professionals in their occupation be accountable for one's action that is, for their employees behaviour as well. However, being reminded that self-responsibility is an important base of accountability, it is of outmost important that employees at all levels equally adhere to the values and ethical standard of professionalism.

#### **10) Integrity-based Approach and Compliance-based Approach**

According to Ashour (2004), where there is high corruption and tolerance for wrongdoing, a compliance or rules-based management would be most suitable. However, where there is low level of corruption and where employees are highly motivated to perform to the best of their abilities, integrity or values-based management is more likely to succeed.<sup>71</sup> In similar view, Dess et al. (2005) noted that for an organisation to move into integrity-based approaches which are driven by a personal and organisational commitment to ethical behaviour requires first of all a role model who must be consistent in their words and deeds.<sup>72</sup>

Implication is an ethical leader is a must for any organisation.

#### **11) Training and Development**

Nasurdin et al. (2008) states that ample training should be provided to employees since knowledge and skills acquisition enhances their judgment about organisational support and fosters greater commitment. Additionally, organisations need to communicate career options and career development opportunities.<sup>73</sup>

Aguinis and Kraiger (2009) stated that effective training and development program need to ensure that trainees are ready and motivated for the training, to

---

<sup>70</sup> Segon, M. (2010), Managing Organisational Ethics: Professionalism, Duty and HR Practitioners, Journal of Business Systems, Governance and Ethics, 5 (4), pp. 13-25.

<sup>71</sup> Ashour, (2004), op cit., p. 13.

<sup>72</sup> Dess et al. (2005), op cit., p. 396, 397.

<sup>73</sup> Nasurdin et al. (2008), op cit., pp. 15-36.

engage learners in meaningful learning processes, to evaluate the training program and lastly, considering the extent to which new skills and knowledge acquired in training are applied to work settings.<sup>74</sup>

According to Winterton (2007), at the organisational level, TNA helps to establish training priorities in the light of organisational strategy and associated core competences. At the individual level, it aims to match career aspirations with organisational needs by comparing the attributes required for the particular job profile with those of the current job holder.<sup>75</sup>

The literatures indicate that effective training and development activities have positive impact on employees' performance level and also in enhancing their commitment towards the organisations.

## **12) Level of Analysis for Evaluating Human Resource Development**

Khan et al. (2012) stated that broader view of HRD from organisation HRM concept include activities like empowerment, awareness raising, team building, community mobilization and development, organisation development, entrepreneurship development, sensitization and conscientisation, human resources planning and policies.<sup>76</sup>

Garavan et al. (2004) stated that the level of analysis for evaluating the impact of HRD at the organisational level include resource maximisation, productivity enhancement and utilisation of full employee's potential towards achieving organisational goals. At the community/societal level, it is concerned with the provision of education and development of human capital towards improving national competitiveness and the quality of life of citizens.<sup>77</sup>

Both literatures identifies that the narrower aspect of HRD focuses on the individual employee level while the broader aspect includes the impact on societal/community level.

---

<sup>74</sup> Aguinis, H. & Kraiger, K. (2009), Benefits of Training and Development for Individuals and Teams, Organisations, and Society, *Annual Review Psychology*, 60, pp. 451–74.

<sup>75</sup> Winterton, J. (2007), Training, Development and Competence, In Boxal et al. (eds.), op cit., pp. 324–343.

<sup>76</sup> Khan, M. T., Khan, N. A., & Mahmood, K. (2012), An Organisational Concept of HRD- How HRM Scholars View 'HRD', *Universal Journal of Management and Social Sciences*, 2 (5), pp. 36–47.

<sup>77</sup> Garavan, T. N., McGuire, D. & O'Donnell, D. (2004), Exploring HRD: A Level of Analysis Approach, *Human Resource Development Review*, 3 (4), pp. 417 – 441.

As highlighted in State Human Development Report (2004), the Human Development Index (HDI), Human Poverty Index (HPI), Gender-related Development Index (GDI) and the Gender Empowerment Measure (GEM) provide a broader view of the status of development nationally and internationally. HDI reflect life longevity, educational attainment and standard of living. HPI measures the levels of deprivation in the three dimensions as reflected in HDI. GDI reflect gender inequalities in the three HDI dimensions while GEM reflect gender inequalities in terms of participation of women in economic and political spheres, and in decision making process.<sup>78</sup>

### **13) Effectiveness of Training and Challenges Involve in HRD**

Winterton (2007) stated that training effectiveness is measured by the extent to which the individuals concerned learn what they need to know, can do what they need to do, and adopt the behaviours intended.<sup>79</sup> The bottom line is that as noted by Pollock (2006) effective training and development should be able to create value that is worth the investment by improving the performance of those trained and equally important in producing more effective and desired behaviours on the job.<sup>80</sup> This later part is explained by Valance (2006) that employees whose skills are enhanced through training are more likely to engage fully in their work because they derive satisfaction from mastering new tasks. Knowledge, skills, experience and expertise gained increases employees' commitment to the employer.<sup>81</sup>

Abdullah (2009) based on her study identified certain challenges in HR Training and Development activities. The first challenge is shortage of intellectual HRD professionals to manage HR Training and Development activities. Secondly, the study revealed that the HRD practitioners were faced with the challenge of hiring and retaining technical expertise and competent workforce and also coping with the low educational level and ageing workforce. The third challenge is lack of support from top management and senior and line managers' towards HRD.<sup>82</sup>

The reviews thus emphasises that training must be worth the investment that is, it should lead to employee productivity.

---

<sup>78</sup> State Human Development Report (2004), Department of Planning & Coordination, GON, p. 171.

<sup>79</sup> Winterton (2007) op cit.

<sup>80</sup> Pollock, R. V. H. (2006), An Introduction to Getting Your Money's Worth from Training and Development, ExecBlueprints, Books24x7, pp. 3-7.

<sup>81</sup> Vallance, R. J. (2006), Employee Engagement and Commitment, SHRM Foundation, p. 10-11.

<sup>82</sup> Haslinda, A. (2009), Major Challenges to the Effective Management of HR Training and Development Activities, The Journal of International Social Research, 2 (8), pp. 11-25.

#### **14) Career Management and Employees Behavioural Outcomes**

Antoniou (2010) stated that career planning process at the individual level involves self assessment and analysis of opportunities. At organisational level, it requires identifying its needs and opportunities, to plan its employees and to provide its staff the necessary resources for career development.<sup>83</sup> Chang (1999) also noted that organisations need to develop management techniques or strategies linked with developing employees' careers which in turn can lead to the employees' devotion to the company. When individuals are committed to the organisation they are less willing to leave the company.<sup>84</sup>

In the light of the changing characteristics of workforce, Mayo (2008) asserted that strategic career management and succession planning must be liberated from systems and structures where employees do whatever is required to get promoted. Professionals of younger generation now attempt to manage their careers and income by upgrading their skills and selling their individual talents to the highest bidder.<sup>85</sup>

The implication is that career management have significant relationship with employees' motivational, commitment and productivity. In evaluation, the cascading effect of the program on these behaviours and in controlling staff turnover is required.

#### **15) Performance Appraisal System and Employees Behavioural Outcomes**

Keenan (1998) stated that more recent HRM approaches integrates appraisal into a broader scheme of performance management that is, appraisal is linked to organisational objectives as a whole.<sup>86</sup> In tune with this view, Boice and Kleiner (1997) also state that effective performance appraisal systems require support of top management to translate organisational goals and objectives into personalised employee specific objectives. This help to create motivated and committed workforce.<sup>87</sup> Roberts (2003) further adds that a participatory performance appraisal system foster perceived fairness and ethical evaluation of employee's performance.<sup>88</sup>

---

<sup>83</sup> Antoniu, E. (2010), Career Planning Process and its Role HRD, Annals of the University of Petrosani, Economics, 10 (2), pp. 13-22.

<sup>84</sup> Chang, E. (1999), Career Commitment as a Complex Moderator of Organisational Commitment and Turnover Intention, Human Relations, 52 (10), pp. 1257-1278.

<sup>85</sup> Mayo, A. (2008), Developing HR Strategy, Wolters Kluwer (UK) Ltd., Issue 20, p. 9.

<sup>86</sup> Keenan, T. (1998), Module 1: The Origins and Nature of HRM, Edinburgh Business School, Heriot-Watt University, p. 9.

<sup>87</sup> Boice, D. F. & Kleiner, B. H. (1997), Designing Effective Performance Appraisal Systems, Work Study, 46 (6), MCB University Press, pp. 197-201.

<sup>88</sup> Roberts, G. E. (2003), Employee Performance Appraisal System Participation: A Technique that Works, Public Personnel Management, 32 (1), pp. 89- 98.



However, Pattanayak (2006) stated that such performance appraisal system is possible only if the system has in-built transparency. Absence of perceived fairness, equitability and transparency can demotivate employees and have an adverse impact on their performance level.<sup>89</sup>

According to Bernthal et al. (2003), much of these impacts of performance management derive from its ability to engage employees in their work. When employees are engaged, they are given opportunities to capitalize on their strengths, to receive appropriate support and feedback, and to find their work motivating.<sup>90</sup> Another view offered by Latham et al. (2007) is that the level of performance to a large extent depends on the way job performances are defined, how performances are monitored and feedbacks are given before decisions are made on rewarding, training, retaining, transferring, promoting, demoting, or terminating.<sup>91</sup>

For effective performance appraisal system, the above literatures stressed the need of top management support, maintaining transparency, and giving ongoing feedback. Effectiveness of this sub-system of HR functions will be reflected in the employees' behaviour.

## **16) Employee Relations and Employee Behavioural Outcomes**

Wilton (2013) stated that employment relation is concerned with power and control in the employment relationship and the degree to which management is 'free' to make decisions unimpeded.<sup>92</sup> Gomez-Mejia et al. (2005) highlights that a key to a good employee relation is the communication channel. Organisations that have good employee relation places high value on employee as stakeholders in business.<sup>93</sup> Dessler (2005) also emphasised that communication plays an important role in the perceptions of the employees of how fairly they are being treated. Ethics, justice, and fair treatment in HR lie at the heart of excellent relations with employees.<sup>94</sup>

However, Lincoln et al. (2002) cautioned against the use of empowerment. For management, it promises a more committed and involved workforce who are willing to take responsibility at lower levels. For employees, it pledges autonomy and the

---

<sup>89</sup> Pattanayak, B. (2006), HRM, Prentice Hall Of India Pvt. Ltd., New Delhi, p. 123.

<sup>90</sup> Bernthal, P. R. et al. (2003), Managing Performance, Building Accountability for Organisations, HR Benchmark Group, 4 (2), Development Dimensions International, Inc., p. 5.

<sup>91</sup> Latham et al. (2007), In P. Boxall et al. (eds.), op cit., pp. 364-384.

<sup>92</sup> Wilton, N (2013), An Introduction to HRM, 2<sup>nd</sup> edn, Sage Publications Ltd., p. 286.

<sup>93</sup> Gomez-Mejia et al. (2005), op cit., p. 435.

<sup>94</sup> Dessler, G. (2005), HRM, Prentice Hall of India, New Delhi, p. 516.

ability to move to a more equitable position within their organisation.<sup>95</sup> Arndt (2011) also noted the need of finding the right balance and always knowing when to use which channel for what purpose and situation. However, the author noted that face-to-face communication cannot be replaced adequately by another channel.<sup>96</sup>

Without adequate communication, Boice and Kleiner (1997) noted that undesirable work habits may be formed or good work habits may be modified. Lack of such communication may be viewed by the employee as approval of their current work habits and performance.<sup>97</sup> Therefore, it is important to look at this aspect in promoting coordination and cooperation horizontally and vertically thereby facilitating smooth functioning of the organisations.

## **17) Commitment and Turnover**

Newstrong and Davis (1998) defined organisational commitment or employee loyalty as the degree to which an employee identifies with the organisation and wants to continue actively participating in it.<sup>98</sup>

Allen and Meyer (1990) identified three components of commitment. The 'affective' component of organisational commitment refers to employees' emotional attachment to, identification with, and involvement in, the organisation. The 'continuance' component refers to commitment based on the costs that employees associate with leaving the organisation. The 'normative' component refers to employees' feelings of obligation to remain with the organisation.<sup>99</sup>

Holbeche and Springett (2004) identifies five practical drivers of commitment namely safety and security (physical and psychological), rewards (remuneration and benefit), affiliation (the extent to which employees feel part of the team), growth (the opportunities for learning and gaining experiencing) and work-life balance.<sup>100</sup>

Allen (2008) points out even during times when the job market is tight and people are strongly motivated to stay with their current employer, the condition of

---

<sup>95</sup> Lincoln, N. D., Travers, C., Ackers, P., & Wilkinson, A. (2002), The Meaning of Empowerment: The Interdisciplinary Etymology of a New Management Concept, *International Journal of Management Reviews*, 4 (3), pp. 271-290.

<sup>96</sup> Arndt, C. (2011), The Importance of Face to Face Communication in HR Department: A Study in the Field of Organisational Communication, Master in Communication Thesis, Report No. 2011: 046, University of Gothenburg, p. 43.

<sup>97</sup> Boice et al. (1997), op cit.

<sup>98</sup> Newstrong & Davis (1998), op cit., p. 260.

<sup>99</sup> Allen, N. J. & Meyer, J. P. (1990), The Measurement and Antecedents of Affective, Continuance and Normative Commitment to the Organisation, *Journal of Occupational Psychology*, 63, pp. 1-18.

<sup>100</sup> Holbeche, L. & Springett, N. (2004), *In Search of Meaning at Work*, Roffey Park Institute, Horsham, p. 66.

high unemployment rates may barely have any impact on the turnover of those with in-demand skills.<sup>101</sup> Ulrich (1997) also states that when employees are dissatisfied with a business, they may show their dissatisfaction by leaving voluntarily.<sup>102</sup>

The review indicates a positive relation between commitment and turnover.

## **18) Motivation**

Cardona et al. (2003) stated that work motivation cannot be generated by a single variable. Rather, it is an outcome of the interaction between the individual and work setting characteristics. Extrinsic motivation, according to the authors is the individual's willingness to act because of the reward he or she expects to receive from others in exchange for that behaviour.<sup>103</sup>

Intrinsic work motivation, according to Harackiewicz (1979) is the motivation to engage in a task for its own sake – out of interest and/or enjoyment – and not as a means to another reward. Therefore, intrinsic motivation will be manifested through a person's self report of how interesting and enjoyable the task is, and through the behavioural measures of choice of, and amount of time engaged with, the task during a free-choice period in which there are no rewards or incentives associated with choosing or engaging in the task.<sup>104</sup>

Similarly Deci et al. (2001) stated that tangible rewards do not enhance intrinsic motivation for dull and boring tasks because rewards do not add interest value to the task itself.<sup>105</sup> Armstrong (2010), highlights that non-financial rewards such as providing the scope to use their skills and competence, giving praise and feedback, giving the scope for achievement, giving more responsibility that they feel accountable for the work or resources they are in-charge of, offering certain degree of autonomy and influence and giving the opportunity for career growth play an important role in enhancing intrinsic motivations.

The implication is that employees' needs, expectations and aspirations differ from one person to another and no one technique can have same impact on the performance level. Therefore, while evaluating it is important to first identify what

---

<sup>101</sup> Allen, D. G. (2008), op cit., p. 3, 8.

<sup>102</sup> Ulrich (1997) op cit.

<sup>103</sup> Cardona, P., Lawrence, B. S., & Espejo, A. (2003) Outcome- Based Theory of Work Motivation, IESE Business School, Working Paper, No. 495, University of Navarra, p. 3.

<sup>104</sup> Harackiewicz, J. (1979), The Effects of Reward Contingency and Performance Feedback on Intrinsic Motivation, *Journal of Personality and Social Psychology*, 37, pp. 1352–1363.

<sup>105</sup> Deci, E. L., Koestner, R. & Ryan, R. M. (2001), Extrinsic Rewards and Intrinsic Motivation in Education: Reconsidered Once Again, *Review of Educational Research*, 71 (1), pp. 1–27.

motivational techniques are used for what types of employees and the impact it has in enhancing their motivation towards their work and overall on their performance level.

### **19) Performance Outcomes and Indicators of HRM**

Hartog et al. (2004) states that HRM practices are expected to increase employees' organisational commitment and motivation, which in turn affects employee performance and ultimately organisational performance. These outcomes then influence employee behaviour whereupon the behavioural outcomes influence performance outcomes (e.g. productivity, innovation, absenteeism) and finally the financial outcomes (e.g. profits).<sup>106</sup>

According to Ulrich (1997) what people do that is, their behaviour reflects attitude. Thus, how employees behave can be measured through turnover, absenteeism, and time analysis. Another way is employee survey to track how people feel about their work.<sup>107</sup> Bratton (2007) also highlights that employee's performance can be measured in terms of traits such as loyalty or commitment to the organisation and employee behaviour such as absent from work, poor time-keeping and resigning from employment. Organisational performance can be measured in terms of labour productivity ratios, product and service quality, unit cost ratios, revenue productivity and return on investment (ROI) and perceptual measures of goal attainment.<sup>108</sup>

Aswathappa (2010) suggest that though outcomes such as turnover, accidents, grievances and absenteeism provide objective assessment of employee performance, behavioural outcomes such as loyalty, commitment, hard-work, motivation and morale are more meaningful indicators. Organisational performance indicators as suggested by the author include cost, quality, profitability, and ROI.<sup>109</sup>

According to the review, HR policies and practices affect employees' behaviour which then affects their performance and ultimately the organisational performance. Thus, as proposed in the framework several indicators namely, employee's perception, commitment, absenteeism and turnover, job satisfaction and quality of work life have been included in the study to examine the influence of HRM on employees' behavioural outcome and overall on organisational performance.

---

<sup>106</sup> Hartog et al. (2004), pp. 1-21.

<sup>107</sup> Ulrich (1997) op cit.

<sup>108</sup> Bratton, J. (2007), The Evaluation Context, In Bratton, J. & Gold, J. (eds.), HRM: Theory and Practice, 4th edn, Macmillan, UK, pp. 521-537.

<sup>109</sup> Aswathappa, K. (2010), 6<sup>th</sup> edn, HRM: Text and Cases, Tata McGraw Hill Education Private Limited, New Delhi.

## 20) HR Practices and its Outcome

Based on their empirical study Khatri and Budhwar's (1999) stated that poor management practices are the major source of employee turnover.<sup>110</sup>

Chang (1999) based on an empirical study found that factors such as training/development, employment security, internal promotion, and supervisory support enhances employee's commitment level to an organisation.<sup>111</sup> Meyer et al. (2002) in their study found that affective commitment displayed the strongest positive correlation with the desirable work behaviours, followed by normative commitment while continuance commitment negatively related to these behaviours.<sup>112</sup> Liu et al. (2007) in their study found that work empowerment is related to affective commitment rather than continuance commitment.<sup>113</sup> Daud (2010) in attempt to study the relationship between QWL and organisational commitment found that growth and development, participation level, pay and benefits, social integration have in common a significant relationship with affective commitment and continuous (alternatives) commitment.<sup>114</sup> Hong et al. (2012) found that training and development, appraisal and compensation system are significant to employee retention.<sup>115</sup>

Elci and Alpan (2009) found in their study that those who perceived their organisation as having team interest (caring) and social responsibility (caring) were satisfied while self-interest (instrumental) ethical climate had significant negative influence on work satisfaction.<sup>116</sup> Jehanzeb et al. (2012) found in their study that rewards have positive significance on motivation, and that motivation is positively related to job satisfaction, and third rewards have a positive significant effect on job satisfaction.<sup>117</sup> Jose and Mampilly (2012) based on a comprehensive review of

---

<sup>110</sup> Khatri, N. & Budhwar P. (1999), Employee Turnover: Bad Attitude or Poor Management? pp. 1-42.

<sup>111</sup> Chang, E. (1999), Career Commitment as a Complex Moderator of Organisational Commitment and Turnover Intention, *Human Relations*, 52 (10), pp. 1257-1278.

<sup>112</sup> Meyer, J. P., Stanley, D. J., Herscovitch, L. & Topolnytsky, L. (2002), Affective, Continuance, and Normative Commitment to the Organisation: A Meta-analysis of Antecedents, Correlates, and Consequences, *Journal of Vocational Behaviour*, 61, pp. 20-52.

<sup>113</sup> Liu, A. M. M., Chiu, W.M. & Fellows, R. (2007), Enhancing Commitment through Work Empowerment, Emerald Group Publishing Ltd., p. 9.

<sup>114</sup> Daud, N. (2010), Investigating the Relationship between Quality of Work Life and Organisational Commitment amongst Employees in Malaysian Firms, *International Journal of Business and Management*, 5 (10), pp. 75-82.

<sup>115</sup> Hong, E. N. C. et al. (2012), An Effectiveness of HRM Practices on Employee Retention in Institute of Higher Learning: A Regression Analysis, *International Journal of Business Research and Management*, 3 (2), pp. 60-78.

<sup>116</sup> Elci, M. & Alpan, L. (2009), The Impact of Perceived Organisational Ethical Climate on Work Satisfaction, *Journal of Business Ethics*, 84 (3), pp. 297-311.

<sup>117</sup> Jehanzeb, K. et al. (2012), Impact of Rewards and Motivation on Job Satisfaction in Banking Sector of Saudi Arabia, *International Journal of Business and Social Science*, 3 (21), pp. 272-278.

literatures, interpreted that employees' satisfaction with HR practices and employee engagement has an impact on organisational success and in achieving competitive advantage.<sup>118</sup>

Gayathiri and Ramakrishnan (2013) based on their review of literatures identified that QWL enhances job satisfaction by increasing motivational level, reducing absenteeism and lower turnover.<sup>119</sup> Permarupan et al. (2013) found that working conditions, opportunities at work and climate organisation had a relatively higher impact on job involvement and affective commitment.<sup>120</sup>

These literatures demonstrate the relationship between several HR practices and employees' behaviour. It shows how several HR practices as bundles of practices or even as a single entity can influence employees' behaviour that ultimately affects the organisations' performance.

## **21) Barrier to Effective HRM**

Kane et al. (1999) in their study revealed that two factors are highly related to HRM effectiveness. First is the extent to which the top management has a low priority and short-term view of HRM issues while being more concerned with issues such as power and control. Second is the extent to which HRM practitioners possess the knowledge and skills necessary to implement a credible HRM programme within their organisation.<sup>121</sup>

## **22) Soft and Hard Aspect of HRM**

Guest (2007) states that 'hard,' top-down perspective is more management centred and management controlled while the 'soft' bottom-up approach recognises high-involvement HR practices. Soft approach embraces workers' concerns and place employee attitudes and behaviour closer to the heart of the policy framework.<sup>122</sup>

Pennington and Edwards (2000) stated that these models of hard and soft are all unitarist that is, they assume that management represents the main legitimate

---

<sup>118</sup> Jose, G. & Mampilly, S. R. (2012), Satisfaction with HR Practices and Employee Engagement: A Social Exchange Perspective, *Journal of Economics and Behavioural Studies*, 4 (7), pp. 423-430.

<sup>119</sup> Gayathiri, R. & Ramakrishnan, L. (2013), Quality of Work Life: Linkage with Job Satisfaction and Performance, *International Journal of Business and Management Innovation*, 2 (1), pp. 01-08.

<sup>120</sup> Permarupan, P. Y. et al. (2013), QWL on Employees Job Involvement and Affective Commitment between the Public and Private Sector in Malaysia, *Asian Social Science*, 9 (7), pp. 268-278.

<sup>121</sup> Kane, B., Crawford, J. & Grant, D. (1999), Barriers to Effective HRM, *International Journal of Manpower*, 20 (8), pp. 494-515.

<sup>122</sup> Guest, D. E. (2007), HRM and the Worker: Towards a New Psychological Contract, In P. Boxall et al. (eds.), *op cit.*, pp. 128-146.

interest in a business, and that employee' interests are largely aligned with those of managers.<sup>123</sup> In reality, however, Gill (1999) noted that the rhetoric adopted by the companies dons the tenets of the soft version which, when examined closely, the reality experienced by employees is hard. It is more concerned with quantitative, calculative and strategic aspects of managing a "head count" and restricted to improvement of bottom-line performance.<sup>124</sup> Consistent with this view, Truss (1997) also argues the rhetoric adopted by the company frequently embraces the tenets of the soft, commitment model, while the reality experienced by the employees is more concerned with the strategic control, similar to the hard model.<sup>125</sup>

In another review, it is found that no pure form of hard or soft HRM is practiced rather a mix of both versions is seen to co-exist. For instance, Ishak et al. (2011) found in their study that neither hard HRM nor Soft HRM orientations was adopted exclusively rather a mixed element from the two orientations was practiced but lacking in alignment between the Hard and Soft HRM.<sup>126</sup>

Regardless of which approach is followed, Kane et al. (1999) argues that HRM effectiveness can be achieved via both "hard" and "soft" approaches since effectiveness is related both to organisational strategy and objectives, and to employee motivation and development. However, they also noted of the need to consider the country differences in terms of the industrial economies.<sup>127</sup>

The above review reveals that HRM effectiveness can be achieved via "hard" and "soft" approach. However, keeping in mind that HRM has moral responsibility towards its employees the soft approach needs to be considered.

## **23) Ideal Types of Personnel Management and HRM**

Henderson (2009) noted that both HRM and PM may never be found in their entirety in real life. However, simplifying the description of complex reality to accentuate its most important features and ignore less relevant ones can enhance in understanding what is really vital about the subject.

---

<sup>123</sup> Pennington, A. & Edwards, T. (2000), Introduction to HRM, Oxford University Press Inc., New York, p. 22.

<sup>124</sup> Gill, C. (1999), Use of Hard and Soft Models of HRM to Illustrate the Gap between Rhetoric and Reality in Workforce Management, Working Paper Series, No. WP 99/13, pp. 1-45.

<sup>125</sup> Truss, C. (1997), Soft and Hard Models of HRM: A Reappraisal, Journal of Management Studies, 34 (1), pp. 53-73.

<sup>126</sup> Ishak, N. K., Abdullah, F. Z. & Ramli, Z. A. (2011), The Association between Hard and Soft HRM Orientations in the Malaysian Hotel Organisations, International Journal of Business and Social Science, 2 (22), pp. 213-220.

<sup>127</sup> Kane et al. (1999) op cit.

**Table 1.1 Ideal Types of Personnel Management and HRM**

<b>Characteristics</b>	<b>Personnel Management</b>	<b>Human Resource Management</b>
Strategic nature	<ul style="list-style-type: none"> <li>• Predominantly dealing with day-to-day issues</li> <li>• Ad-hoc and reactive in nature: a short-term perspective rather than strategic</li> </ul>	<ul style="list-style-type: none"> <li>• Dealing with day-to-day issues; but proactive in nature and integrated with other management functions</li> <li>• A deliberately long-term, strategic view of HR</li> </ul>
Psychological contract	<ul style="list-style-type: none"> <li>• Based on compliance on the part of the employee</li> </ul>	<ul style="list-style-type: none"> <li>• Based on seeking willing commitment of the employee</li> </ul>
Job design	<ul style="list-style-type: none"> <li>• Typically Taylorist/Fordist</li> </ul>	<ul style="list-style-type: none"> <li>• Typically team-based</li> </ul>
Organisational structure	<ul style="list-style-type: none"> <li>• Hierarchical</li> <li>• Tendency to vertical integration</li> </ul>	<ul style="list-style-type: none"> <li>• Flexible with core of key employees surrounded by peripheral shells</li> <li>• High degree outsourcing</li> </ul>
Remuneration	<ul style="list-style-type: none"> <li>• Collective based rates</li> <li>• ‘Pay by position’</li> <li>• Any additional bonuses linked to Taylorist work systems</li> </ul>	<ul style="list-style-type: none"> <li>• Market based</li> <li>• Individual and/ or team performance</li> <li>• ‘Pay for contribution’</li> </ul>
Recruitment	<ul style="list-style-type: none"> <li>• Sophisticated recruitment practices for senior staff only</li> <li>• Strong reliance on external local labour market for most recruitment</li> </ul>	<ul style="list-style-type: none"> <li>• Sophisticate recruitment for all employees</li> <li>• Strong internal labour market for core employees. greater reliance on external labour market for non-core</li> </ul>
Training/ development	<ul style="list-style-type: none"> <li>• Limited and usually restricted to training non-managerial employees.</li> <li>• Narrowly job-related.</li> <li>• Management development limited to executives and fast-track candidates</li> </ul>	<ul style="list-style-type: none"> <li>• Transformed into a learning and development philosophy transcending job-related training.</li> <li>• An on-going developmental role for all core employees including non-management.</li> <li>• Strong emphasis on management and leadership development.</li> <li>• A learning organisation culture</li> </ul>
Employee relations perspectives	<ul style="list-style-type: none"> <li>• Pluralist: collectivist; low trust</li> </ul>	<ul style="list-style-type: none"> <li>• Unitarist: individualistic; high trust</li> </ul>
Organisations of the functions	<ul style="list-style-type: none"> <li>• Specialist/ professional</li> <li>• Separate from line management</li> <li>• Bureaucratic and centralised</li> </ul>	<ul style="list-style-type: none"> <li>• Largely integrated into line management for day-to-day HR issues</li> <li>• Specialist HR group to advise and create HR policy</li> </ul>
Welfare role	<ul style="list-style-type: none"> <li>• Residual expectations</li> </ul>	<ul style="list-style-type: none"> <li>• No explicit welfare role</li> </ul>
Criteria for success of the function	<ul style="list-style-type: none"> <li>• Minimising cost of HR</li> </ul>	<ul style="list-style-type: none"> <li>• Control of HR costs, but also maximum utilisation of HR over the long term</li> </ul>

**Source:** David E. Guest (1987) in Henderson (2009)



For this, the author suggest that Guest's (1987) 'Ideal Types' of PM and HRM (Table 1.1) which is based on Max Weber's concept of 'Ideal Types' offers a useful exercise to profile one's own organisation.<sup>128</sup> Therefore, this concept of Ideal Types of PM and HRM is used as a model for assessing whether the people management function in Nagaland state organisations, overall, is closer to PM or HRM.

#### **24) Effectiveness and Efficiency**

According to Drucker (1986), effectiveness is the foundation of success. While efficiency concerns itself with the input of effort into 'all' areas of activity that is doing things right, effectiveness is doing the right things.<sup>129</sup> Drucker (2002) further states that no matter how much intelligence and knowledge goes into the work, no matter how many hours it takes, without effectiveness there is no "performance". Intelligence, imagination, and knowledge are essential resources, but only effectiveness converts them into results.<sup>130</sup> This indicate that efficiency is concern more with the process that is, carrying out the activities in the right manner while effectiveness is concern with the end-result that is the ability to perform.

The above review of literatures provide basic fundamental basis of this study.

### **1.6 SIGNIFICANCE AND SCOPE OF THE STUDY**

The study attempts to evaluate the effectiveness of the ongoing HRM system in Nagaland that has significant sociological relevance. The evaluative study is done from an open system approach underpinned by a multiple stakeholder perspective. Evaluating the HRM system from this approach is beneficial as it would help in identifying the strengths and weaknesses by focussing on each part in contributing to the effectiveness of the program and thereby to demonstrate and justify the existence of its human resource functions.

Further, evaluating the satisfaction at the organisational level is required as it would facilitate in identifying if there is/are any short falls in HRP system so that such deficiencies can be corrected. This can help to maintain a balance between job and job-seekers and provide most productive employment from which socio-psychological satisfaction can be attained by all. This evaluation is also required for

---

<sup>128</sup> Henderson, I. (2009), HRM, Universities Press (India) Pvt. Ltd., Hyderabad, p. 17.

<sup>129</sup> Drucker, P. F. (1986), Management: Tasks, Responsibilities, Practices, Truman Talley Books, E.P. Dutton, New York, p. 36.

<sup>130</sup> Drucker, P. F. (2002), The Effective Executive, Harper Business Essentials, p. 1.

overcoming any unnecessary HR expenditure if there is and utilising the available human resources effectively to gain a competitive edge over its competitors.

Examining the context of the organisations and its environment, this study helps to identify the factors influencing the HR policies and practices so that a more pro-active HRM approach can be adopted.

At employee level, the evaluation is required for identifying how far organisations are able to meet the needs of the employees' that is, a satisfaction job and work life. Employees' satisfaction and their contribution to the organisation in long run have significant impact on society/community level. In doing so, the study would facilitate the organisation to devise right techniques for enhancing employees' motivation level, commitment and productiveness.

At trainee level, the purpose of evaluating the effectiveness of the training programme is to make this study significant for the academicians to assess the advantage of implementing a long term and careful planning at the educational level. This in the long run can help in identifying the relationship of manpower training with facilities for employment of trained talent and the labour market and in balancing supply and demand side of educated manpower.

Even prior to legislative agreement, society's expectations and attempt to hold organisations accountable for violations of those expectations are well conveyed.<sup>131</sup> Thus, evaluation at societal level is equally important to help justify its existence through their fulfilment in meeting societal obligations and adherence to the legal laws on which it is built.

Another important significance of this study is that the findings can supplement our policy planners and implementers, academicians etc., in their future planning and strategies to examine and introduce appropriate effective policies and practices. This can facilitate in eliciting desired behavioural response for improving overall employees and organisational performance level.

It is said that, study of HRM is a neglected topic even though it is the key to success of any organisation. This study is the first of its kind in Nagaland after the Statehood in 1963 and it is hope that it will lead to many openings towards effective management of human resources in future basing on this humble study. It is also hope

---

<sup>131</sup> Werner et al. (2012), p. 8.

that it inspires and facilitate other researcher's knowledge to pursue deeper inquiry in similar field to produce more valuable and knowledgeable literatures.

### **1.7 OBJECTIVES OF THE STUDY**

The following are the main objectives of the study:

- 1) To examine the evolution of HRM and how the human resource is managed in Nagaland.
- 2) To study the standard of HRM and HRD in the selected organisations in particular.
- 3) To evaluate the overall effectiveness of the HRM system in Nagaland.
- 4) To examine women's participation level in the selected sectors.
- 5) To propose recommendation in the HRM system for better results.

### **1.8 HYPOTHESES AND RESEARCH QUESTIONS**

- 1) Effective management of human resource is the key to socio-economic development.
- 2) Unemployment problem can be solved to a greater extent through proper human resource planning skill.
- 3) Work culture is enhanced through the skill of human resource management.

Under these hypothetical frameworks, some tentative research questions have been used as guiding principles while collecting data from the field.

- 1) Is HRM system practiced in the real sense of the term in Nagaland?
- 2) What is the standard of HRM and HRD in Nagaland?
- 3) What is the level of transparency and accountability system in the Nagaland?
- 4) How do the employees perceive of their organisation's people management practices?
- 5) Are the training courses meeting the expectations of the trainees?
- 6) Are employees satisfied with their job or not?
- 7) What is the level of employee's quality of working life?
- 8) How far are the organisations meeting the expectation of the society?
- 9) What is the women workforce participation level in the organised sector of the economy?

10) Is there a better way to solve or mitigate the problem of unemployment in Nagaland?

11) How to improve work culture in Nagaland through effective HRM?

## **1.9 RESEARCH DESIGN AND METHODOLOGY**

### **1.9.1 Universe of the Study**

For this study, Nagaland as a whole is taken as the universe of the study. Nagaland is situated in the North-Eastern region of India bordering three states namely Assam in North and West, Arunachal Pradesh in East and Manipur in the South. It has an international border with Myanmar in the East and runs parallel to the bank of Brahmaputra. As per the 2001 census report, it provides shelter to 0.20 per cent population of the country and has lower density of population that is, 120 per sq. kms, higher proportion of rural population and higher literacy rate that is, 67% and lower infant mortality rate that is, 26 per 1000 live birth as compared to the All India Average figures. The compound annual growth rate of GSDP for the period 2001-02 to 2010-2011 was 12.05 per cent.<sup>132</sup>

### **1.9.2 Sampling Method**

A stratified sampling method at four levels elaborated below has been applied:

#### **1) Selection of Sample Districts**

There are eleven districts in Nagaland state. In order to select the most appropriate sample units that can satisfactorily represent the universe of the study, applying purposive sampling method, three districts namely Kohima, Dimapur and Mokokchung have been selected as the field of study in the first place.

#### **2) Selection and Classification of Organisations**

Since the aim of the study is to move beyond industry sector and size determinism, six different types of organisations have been selected namely State Government department, Central Government department, Private enterprise, Joint Venture Project, Quasi State Government, and an Association from the three sample districts.

These organisations have been broadly classified into two main sectors, namely Public Sector and the Private and other organisations. Organisations ‘fully’ owned by the Government (State and Central) have been clubbed under Public Sector.

---

<sup>132</sup> Report No. 1, CAG for the Year Ended 31 March 2011, Government of Nagaland, p. 1, 66.

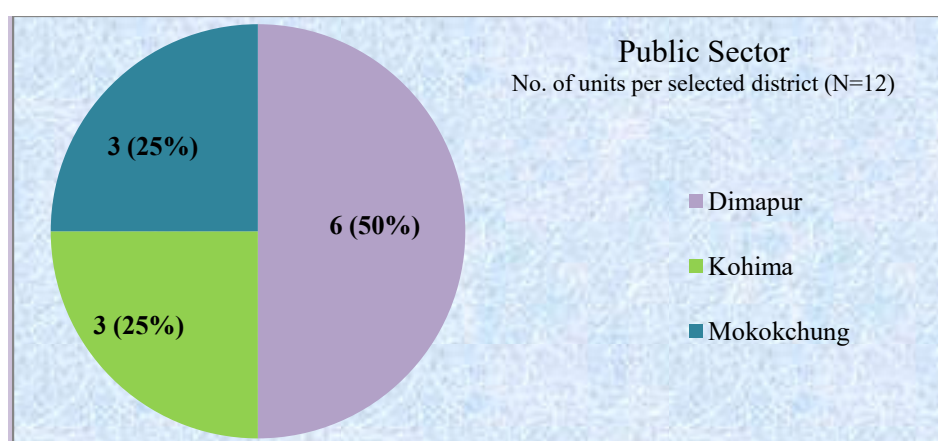
The remaining organisations have been classified as Private and other organisations since these samples consist of not only private owned enterprises but also other types of organisations namely, semi-government, Association, and Joint Venture.

Organisation in a restricted sense refers to one of the attributes that is an arrangement of statuses and roles while in specific sense, represent bureaucracy. In whatever way it is used, it generally means an association or an associational group that appears in any society. As stated by Rao (2006), “many of the things we do could not be done without it and many other things we do can be done much better because of it”.<sup>133</sup> Indication is that any organised group working together for a common purpose is referred to as organisation. Therefore, one Joint Venture project (NEPED) and one Association have been included in the study as these units are also formed by a group of people working together for the accomplishment of a common goal.

### 3) Selection of Sample Organisations

For selection of units, a purposive sampling approach has been applied based on the presumption that the sample units would serve the requirements of this analytical study. For this purpose, a total of twenty three units have been selected and broadly classifying them into two main sectors that is, twelve units under the Public Sector as displayed below in Figure 1.2 and eleven units under the Private and other organisations in Figure 1.3.

**Figure 1.2 Total No. of Units Representing the Selected District (Public)**

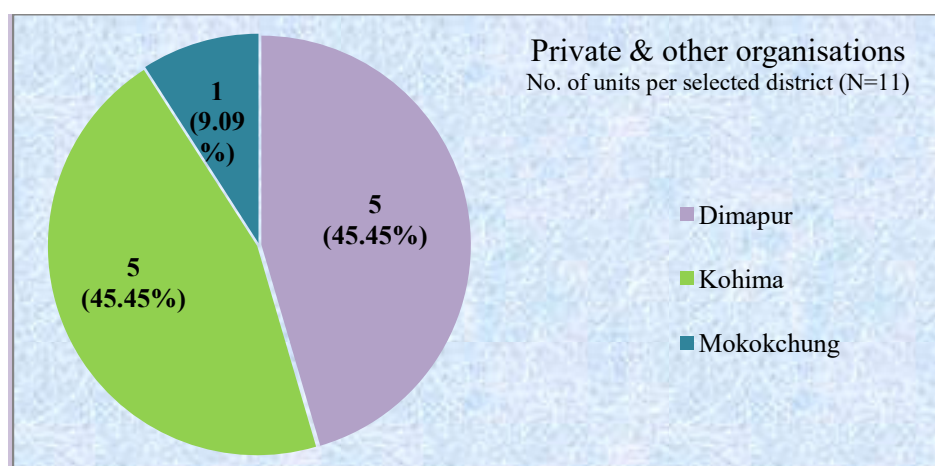


The three Semi-Government (quasi) establishments have been grouped under Private and other organisations. This is because of the fact that though the State

<sup>133</sup> Rao, C. N. S. (2006), Sociology: Principles of Sociology with an Introduction to Social Thought, S. Chand & Company Ltd., New Delhi, p. 266-267.

Government is the major share-holder of the companies, due to its semi government nature variation may display in interest and response from that of Public Sector employees. Moreover, as per the information obtained from these organisations, the entire rules and final decisions regulating the service conditions and the administrative policies and practices are framed by the respective Board of the Directors. Therefore, it has been separated from the Public Sector.

**Figure 1.3 Total No. of Units Representing the Selected District (Private)**



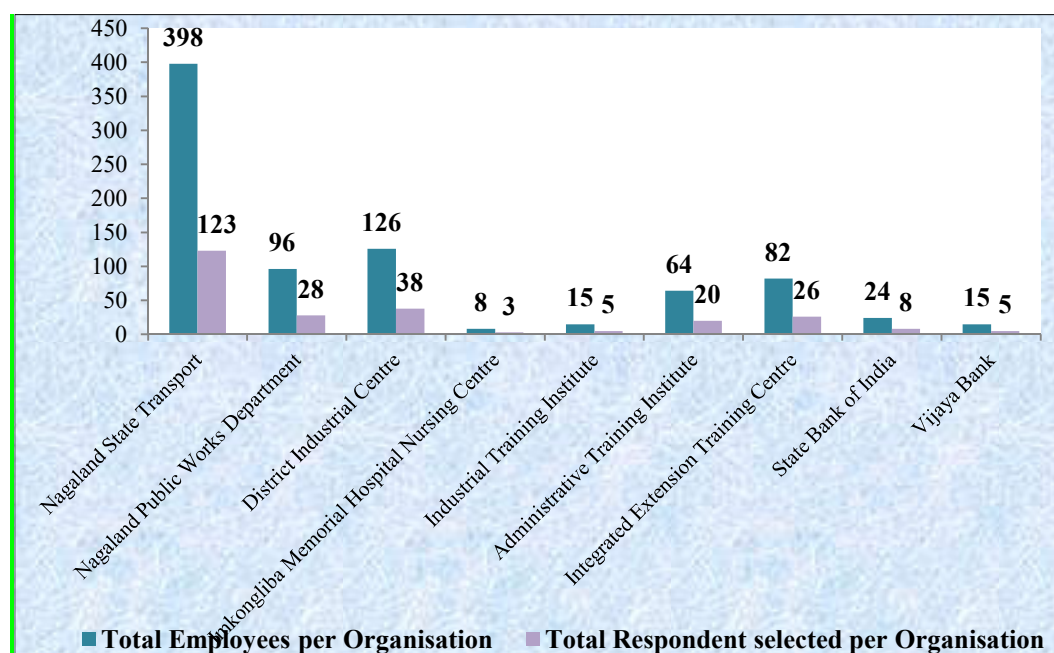
For assessment at employee and organisations' level, out of the total twenty three units, eleven units each have been selected from the two sectors.

Since the study proposes to evaluate the satisfaction at trainee level (students undergoing training program), out of the total twenty three units, seven units which are training institutes have been included for assessment at trainee's level. One of the institutes that is, SEFTI under Public Sector has been purposely selected only for assessment at this level. From the total training institutes selected, five represents Public Sector while two represents Private Sector.

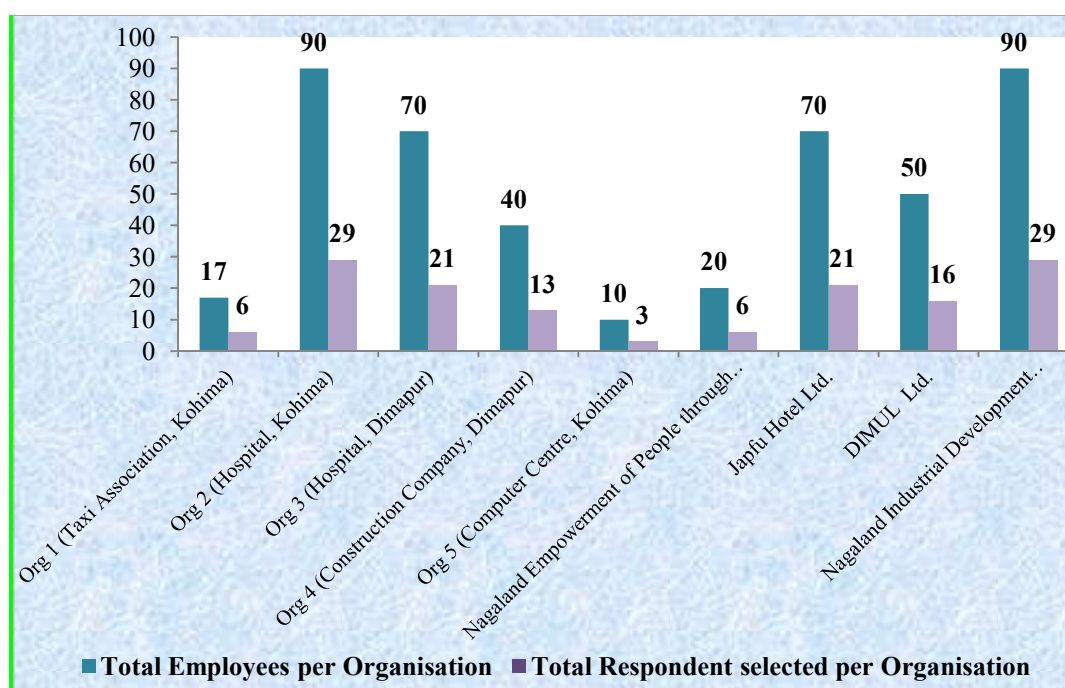
#### **4) Selection of Respondents**

For selection of respondents, proportionate stratified sampling method has been applied. The total number of employees derived from both Public Sector and Private and other organisation is 1,286 employees of which 828 is from Public Sector and 458 from Private and other organisations. Based on the targeted number of respondents that is, 400 employees, applying proportionate stratified sampling method a total of 256 respondents have been selected from Public Sector and 144 respondents from Private and other organisations. The total number of respondents drawn from each organisation under the two sectors is displayed in Figure 1.4 and 1.5.

**Figure 1.4 Total No. of Respondents (Employees) Selected Per Unit under Public Sector**



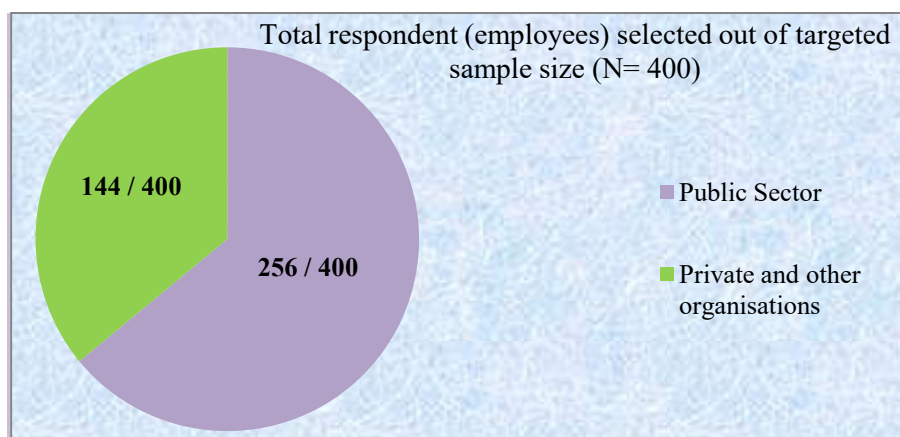
**Figure 1.5 Total No. of Respondents (Employees) Selected Per Unit under Private & Other Organisations**



This sampling method has been applied in order to facilitate the researcher in drawing a proportionate number of respondents to represent first, at the sector level that is, the Public Sector and the Private and other organisations and second, at

organisational level that is, a proportionate number of respondents from each of the organisation under the two sectors.

**Figure 1.6 Total Respondents (Employees) Selected out of Targeted Sample Size (N= 400) Representing the Two Sectors**



**Figure 1.7 Total Respondents (Trainees) Selected out of the Targeted Sample Size (N= 105) Representing the Two Sectors**

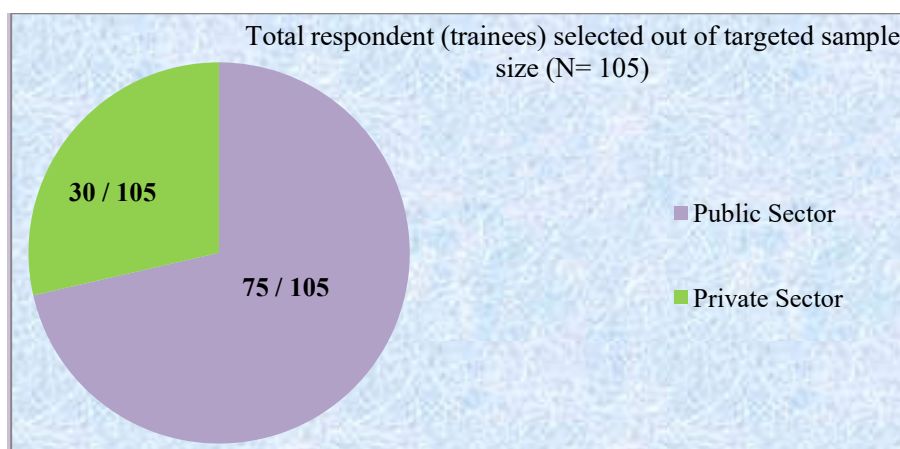


Figure 1.6 displayed above shows the total number of respondents selected under the two sectors. Nagaland State Transport department under Public Sector and Org 1 (Taxi Association, Kohima) under Private and other organisations have been selected from the entire three sample districts. However, in Figure 1.4 and 1.5, the total number of employees and the respondents of the two organisations selected from their respective three districts offices have been combined and presented in single series.



In the case of trainee, using disproportionate sampling method fifteen respondents (trainees) from each of the five Public training institutes and two Private training institutes have been selected. The total number of respondents is 105 trainees. Total number of trainees representing the two sectors is displayed in Figure 1.7.

### **1.9.3 Sources and Techniques of Data Collection**

This study is based on both primary and secondary source of information. Since this study is empirical and analytical in nature, it is based mostly on primary information gathered from the field. The primary information have been collected using questionnaires that include both close ended and open ended questions, unstructured interviews, individual case studies and non-participation observation. For this purpose, intensive field survey of several rounds has been undertaken till satisfactory level of data has been fulfilled.

Secondary information have been collected from annual reports, audit reports, official correspondents, handbooks, circulars, office memorandums, and journals etc. related to the study from the entire selected units and also from various government establishments. Both published and unpublished materials have been used.

Before the field visit, basic information about the organisations and permission for conducting the research had been obtained from the concerned authorities. Observing different techniques according to field situations, the required data have been collected in the following manner:

- 1) Primary data** has been collected by the applying the following techniques:
  - a. Questionnaires:** Two sets of questionnaires had been prepared - Employee Questionnaire and Trainee Questionnaire. First, starting with Dimapur district, the questionnaires had been distributed in both the sector followed by Kohima and lastly, Mokokchung. Since the numbers of unit were many and also because most respondents either misplaced/lost the questionnaires or failed to fill the forms at the stipulated time, flexibility approach had been followed during the time of data collection. In respect to filling up of questionnaires particularly the fourth grade employees and drivers and conductors, due to their low educational profiles, the researcher personally assisted the respondents in filling up the forms.
  - b. Unstructured Interview:** This technique has been used for interviewing Administrative heads and various other staff and officers. The reason for undertaking this particular method of interview is to allow the respondents to freely express their

feelings about their work life experience. These interviews have been conducted at the respondent's actual work setting during their leisure period. Notes had been carefully taken to store the information.

**c. Individual Case Studies:** The study being a concurrent evaluation, certain information on major events that occurred at the time of research study in both sectors has been collected through individual case studies. To enrich the data collection, in-depth case studies have been conducted with two retired government officers and one currently employed officer from the Public Sector.

In Private and other organisations, on learning that two respondents from different organisations had quitted their jobs during the period of this research work, the researcher interviewed them at different intervals of time. In addition to this, two employees who were currently employed then were also interviewed. However, it was learnt later that these respondents had quitted their jobs and re-employed elsewhere.

Case studies have been conducted at the respondents' own residences. With permission obtained from the respondents, voice recorder has been used. In the case of the P&AR officer from the Public Sector, notes have been taken to insure the respondents' request for total anonymity.

**d. Non- Participant Observation:** This technique has been applied to observe the physical work environment and behaviours relating to time keeping, attendance and other office discipline etc.

**2) Secondary Data** have been collected personally by visiting the organisations and also with the assistant of few officers and staff well acquainted to the researcher.

## **1.10 ETHICS OF RESEARCH**

Authorisation letter for conducting the research was obtained from the concerned supervisor and from appropriate approval bodies of each organisation. In this study, participation of the respondents to conduct interview, case study and to fill up the questionnaire form was voluntary.

The study has been done with the informed consent hence, no participants were pressured to fill or answer any questions they did not want to. Anonymity and confidentiality of staff questionnaires and responses have been protected by not including names in questionnaires and through confidential management of the data set. The fact that the questionnaires have been self-administered also promoted

anonymity. Except in the case of few respondents such as driver, conductors and fourth grade staff, due to the respondents' low educational status, the researcher had to assist them in filling up the forms. These questionnaires have been filled in their presence under controlled situation.

To maintain confidentiality of the respondent's identity, designation of case study 2 (P&AR Officer) have not been disclosed. Further, names of the four fully Private owned organisations and the Association have been referred to as Org 1, Org 2, and Org 3 etc. stating their location. Case studies from these organisations have been referred to as case study 1, case study 2 etc. This has been done to safeguard the organisations from any information that could cause harm to its reputation.

### **1.11 INCLUSION CRITERIA/TIME PERIOD**

Since the study include the historical evolution of HRM in Nagaland, effort has been made to incorporate all relevant information relating to the HR policies and practices from the inception of the organisations. Primary data such as questionnaires, unstructured interviews, case studies (including former employees/officers) and observations were collected during the period 2007 to 2012. For secondary data, effort has been made to incorporate all relevant information collected through annual reports, audit reports, memorandums and office orders etc. till the period 2014.

### **1.12 ANALYSIS AND TABULATION OF DATA**

The entire responses gathered from the questionnaires have been assigned with numerical value and entered into a Microsoft Excel spread-sheet where statistical analyses were then performed on the quantitative data. Descriptive statistics have been used to analyse the data. Descriptions for each of the evaluation question/statement have been presented using general frequencies, percentages and charts.

The data have been transferred into several tables as per the HRM activities. For instance, for evaluating the effectiveness of HRP system univariate, bivariate and trivariate tables have been used. Information related to work experience and educational qualification and information related to male female workforce participation level are presented in bivariate tables in order to draw a comparative study between the two variables. These tables have been presented separately for Public Sector and Private and other organisations and presented under this HR

function. Sources of recruitment and selection method adopted in the two sectors are also presented in bivariate tables. For self performance appraisal, three variables have been transferred to a single table to allow a comparative assessment.

The remaining data according to the nature of activities have been categorised and transferred into several univariate and bivariate tables and exhibited under the respective HR function. In order to facilitate the researcher to make a critical comparative analysis, the information generated from the two sectors has been transferred to single tables but in separate columns distinguishing the two.

For testing consistency of data, qualitative data obtained through case studies, interviews, and open-ended questions have been content analysed and thematically presented according to the key HR activities and contextual factors of HRM. The extent to which the actual references to and quotations are directly quoted and cited to supplement the findings is done with permission and assurance of proper safeguards to protect confidentiality of the respondents. As the final step, information gathered from both the quantitative and qualitative data have been integrated to provide deeper understanding of the result. The entire analyses are done separately for Public Sector and Private and other organisations to draw a better comparison between them. The data is operationalised by considering the following three key areas:

Firstly, the effectiveness of HRM activities per evaluation outcomes are reported and analysed per outcome indicator as highlighted in the model (Figure 1.1). To determine the satisfaction at owner and investor level, effectiveness of human resource planning skill has been examined. This is done through a critical analysis of the employees' demographic variables such as age-group, educational level, period of recruitment and the length of service. These variables have also been cross analysed with other outcomes such as commitment level, job satisfaction etc. to test the reliability and validity of the data. For DIC and PWD under Public Sector, the demographic profiles include the data of the entire HR from the three sample districts that is, including the directorates while for NST it covers the entire divisions and sub-divisions operating in Nagaland. For demographic variables, the age group of respondents have been classified using ten (10) as the class interval and with age ten (10) as the lower limit and sixty (60) as the upper limit. For ascertaining the length of service, classification is done according to the time period that is, the year of joining service. This classification has been chronologically arranged with the year 1960 as

the lower limit and 2010 as the upper limit. Ten (10) years period has been taken as the class interval.

Secondly, data has been operationalised according to the key determinants of HRM in terms of external environmental factors; and

Thirdly, the determinants of HRM have been presented in terms of the internal dynamics.

### **1.13 LIMITATIONS OF THIS RESEARCH**

This research, like any other research encountered some limitations in its demeanour and scope. These drawbacks are as follows:

Firstly, the partial cooperation from the private owned enterprises in accessing some required data and reluctance of the present employees to give in-depth interview obstructed the researcher in obtaining sufficient data.

Secondly, the sample organisations have been drawn from different industry sectors ranging from large size organisation to small-medium sized (SMEs) organisations. However, analysis is done without considering the industry sector and moving beyond size determinism. This may limit the generalisability of the findings to specific sector and size of the organisation.

Third limitation is the causality of the outcomes particularly the cause of commitment which is explained mostly based on previous empirical research and theoretical predictions. Thus, the extent of validity of the relationship explained may not provide high reliability in the context of Nagaland.

Fourth limitation is that though the respondent under the two sectors had been drawn applying proportionate sampling, under Private and other organisations, few questions provided in the questionnaire were found not applicable to NEPED. This to certain extent could limit the reliability of the comparison made with Public Sector.

Another limitation is the selected Private and other organisations had been established only from the late 1990's onward having only few years of experience. Given this condition, it was not possible to study the historical timeline of HRM and HRD in this sector.

In respect to trainee assessment, the number of respondents drawn to represent Private Sector is very less as compared to Public Sector. Thus, the finding does not promote generalisability to other institutes whether in Public or Private.

## **1.14 CHAPTERISATION**

A brief highlight of this thesis structure is presented here as follows:

To start with, in chapter one, the theoretical and conceptual framework underpinning this evaluative research is discussed. This is followed by problem statement, review of literatures, objectives of the study and the research questions. With the general aim of the research to evaluate the effectiveness of the ongoing HRM system in Nagaland, the evaluative research design and the methodology undertaken for accomplishment of this objective have been discussed in detail. The method and procedure applied for data analysis and tabulation and the few limitation involved in this study have also been highlighted.

In chapter two, effort is made to trace the historical evolution of HRM and HRD from the international context to India and in Nagaland in particular. Because of the evolving nature and strong growth in the field of HRM and HRD, lack of consensus in its definitional framework continues to cloud these two terms. Thus, in tracing its origin, this chapter attempts to resolve the controversy associated with its conceptual and definitional framework.

Chapter three presents an overview of the ongoing HRM practices in the two sectors. The overview is presented according to the ownership system of the organisations starting with the State Government department followed by Central Government department, Semi-State Government department (quasi establishment), Private owned enterprise and lastly the Joint Venture project.

In chapter four, a critically analysis and interpretation of the collected data from the sample organisations is presented. Here, a comparative study is drawn between the two sectors and also an assessment of the overall effectiveness of the HRM System in Nagaland. The analysis have been discussed in five parts according to the four key stakeholders' satisfaction level as identified in the framework and the determinants of HRM in Nagaland.

Based on the four stakeholder's satisfaction level, chapter five summarises the research findings of the overall effectiveness level of HRM system in Nagaland. The summary has been done using SWOC analysis identifying the strengths, weaknesses, opportunities and the challenges that lie ahead for both sectors. Recommendation for better HRM result is drawn by highlighting how the needs and satisfaction of each stakeholder can be fulfilled. Directions for further research have also been suggested.

## **CHAPTER 2**

### **EVOLUTION OF HRM AND HRD: A BRIEF HISTORICAL ACCOUNT**

This chapter attempts to trace the historical roots of Human Resource Management (HRM) and Human Resource Development (HRD) from the global context to its evolution in India in general and Nagaland State in particular. HRM and HRD are different in its philosophy and approach and can be looked from different dimensions representing the diverse disciplinary and ideological approaches. It is dynamic in nature. Hence, several controversies have emerged with respect to its conceptual and definitional framework.

HRM is often equated with Personnel Management (PM) and used synonymously and interchangeably by several authors. Moreover, many practitioners and academicians view Strategic Human Resource Management (SHRM) as different from HRM while others take the view that HRM is a broader concept and SHRM is its part. Therefore, by tracing its historical origin, this chapter attempts to clarify these ambiguities associated with these terms and present a clear view of HRM and HRD. Based on the finding, the chapter concludes with an analysis of the current status of HRM in general and HRD system in Nagaland in particular as stated in objectives one and two.

#### **2.1 Paradigm Shift from Personnel Management (PM) to HRM**

Starting in 1890s, modern HRM department grew out of two earlier developments. First, is the welfare works that became widespread mainly to generate good business and also on religious and humanitarian ground. This was followed by creation of employment office to centralise and standardise employment related functions that quickly assumed the term 'employment management'. The rise of this centralised management is in fact seen to be strongly influenced by the doctrine and principle of scientific management particularly with the work of Frederick Taylor. It formed the basis of piece-rate pay systems based on the calculation that dividing the work into pieces and the number of tasks to be completed by a worker during an average workday would be the most efficient way to motivate employees.

This approach to management had been greatly heightened by the impact of World War I to maximise war production and increase productivity. However, with escalating wage pressures and problems with discipline and work effort, labour unrest, strikes, and union started to rise. In response to this, a new movement for industrial democracy emerged in the form of expanding welfare activities, creating new employment departments, establishing shop committees and plans for employee representation.<sup>1</sup> Subsequently, in the year 1918, a new term ‘Personnel Management’ (or personnel administration) emerged in America and subsumed the employment management and welfare work bringing these two functions of HRM under one roof.<sup>2</sup>

During 1920s, when many firms started to shed their pre-war ‘market’ model of HRM practices and were moving towards a more humane approach of treating labour as more than just a mere commodity, John Commons, a labour economist, coined the term ‘human resource’. Commons, observing that ‘[employee] goodwill is a competitive advantage’ enlightened the idea that investment in human skills and education increases labour productivity and hence encouraged the need to take a strategic approach to labour. He described this model of HRM as a combination of a ‘machine’- scientific management, ‘good will’- high commitment and ‘industrial citizenship’- democratic governance. Similarly, Hotchkiss’ first article on new practice of HRM that appeared in the Harvard Business Review (1923) also stressed on the need to take a strategic approach to HRM.

Starting from late 1920, with the onset of the Great Depression, the strategic ‘goodwill’ function of HRM was thwarted and the focus shifted towards Industrial Relations of HRM function. The launching of the New Deal in mid-1933<sup>3</sup> and the Wagner Act in 1935<sup>4</sup> encouraged both public spending and also mass unionism. This strengthened the democratic rights of independent representation in determination of payment of wages, working conditions and social security measures.

This was the period where government involvement initiated the creation of personnel department that by mid-1950s, nearly every medium-large-size company had one HR Department. On the negative side, HRM, however lost its strategic status and was replaced by conflict of interest and power balancing. Certain writers such as

---

<sup>1</sup> Kaufman, B. E. (2007), The Development of HRM in Historical and International Perspective, In P. Boxall, J. Purcell & P. Wright (eds.), Oxford Handbook of HRM, Oxford University Press, New York, pp. 19-47.

<sup>2</sup> Ghosh, B. (2000), HRD and Management, Vikas Publication House Pvt. Ltd., New Delhi, p. 24.

<sup>3</sup> Kaufman, B. E. (2007), op cit.

<sup>4</sup> Ghosh, B. (2000), op cit., p. 26.



Bakke (1948) in an article titled 'From Tactics to Strategy in Industrial Relations' and Mee (1951) in the practitioner oriented Personnel Handbook asserted the need of strategic integration of employment practices with business objectives.<sup>5</sup> However, this strategic focus in HRM was often oriented toward unions and collective bargaining and not with business objectives.

By late 1950s, union density began to recede and resources and programs began to move back to personnel part of the HRM function. However, this function barely received any attention in strategic business plan. From the academic end, the attention that was drawn largely from labour economist affiliated with industrial relations exited. This was replaced by scholars from management and the behavioural sciences affiliated mostly with human relation movement that focussed more on Organisational Behaviour (OB).

Only in the mid-1960s, in the USA, the term 'Human Resource Management' first appeared in the textbook literature where the inspiration for the term had been drawn from a published lecture titled 'The Human Resources Function' (1958) given several years earlier by Bakke.<sup>6</sup> Bakke noted that the human resources function require the same attention devoted to the other resources. He stated that this attention is required not because managers are humanitarians, but because they are managers.<sup>7</sup>

During the 1950s and 1960s, however, much of the works concerned with managing individuals in organisations were focused on individual needs and motivation coming from the organisational behaviourist. Only during the 1970s, HRM as a discipline with a much broader focus evolved adding up the previous works of PM and industrial relations, organisational psychologists and the theoretical frameworks of the organisational behaviourists.

The late 1970s and 1980s saw the rise of intense international competitors beating American corporations in both foreign and domestic markets. During this period, three new conceptual trends in HRM function gained recognition: (1) linking human resources to the strategic management process, (2) selecting, training, and

---

<sup>5</sup> Bakke, E. W. (1948) and Mee, J. (1951) in Kaufman, B. E. (2007), p. 29.

<sup>6</sup> Kaufman, B. E. (2007), op cit.

<sup>7</sup> Bakke, E. W. (1960), HR Functions, Lecture Series No. 21, Lecture at Labor and Industrial Relations Seminar, November, at the University of Illinois, Yale Labor and Management Centre, pp. 1-14.

compensating individuals to compete in international marketplace, and (3) evaluating and demonstrating the value added of HRM intervention to the organisation.<sup>8</sup>

In line with this development, Walker's (1980) classic book, 'Human Resource Planning' first suggested considering a firm's business strategy when developing a human resource plan.<sup>9</sup> Devanna et al.'s (1981) article 'Human Resources Management: A Strategic Perspective' added to the foundation by presenting a list of the HR activities associated with the strategic, managerial, and operational levels.<sup>10</sup>

Starting from the 1980s, a significant break of HRM from the PM paradigm emerged. It marked the shift in focus from routine administrative functions to understanding the implication involved in integrating human resource into business strategies. It paved the way for reconceptualising the term 'Strategic' HRM.

PM that is closely associated with industrial relation is viewed as pluralistic in its approach to employment relationship, as reactive/transactional in its focus on operational efficiency, and treats employees as an expense and aims at cost minimisation. On the other hand, HRM revolves around three main elements distinct from the PM approach.

Firstly, it takes a unitarist approach in that management's interests are the most legitimate ones in the running of the business. Secondly, it emphasises the need to align with different environmental and organisational settings and adopt a strategic approach to ensure that organisation achieve new social goals. Thirdly, HRM must in the long term fulfil the social interest of its stakeholders and the society at large.

## **2.2 HRM and Strategic Human Resource Management (SHRM)**

After attempts were made to delineate the differences between PM and HRM, further works were carried on to examine the relationship of HRM strategies, integration of HRM into business, devolvment of HRM to line managers and the extent of HRM as key drivers to competitive advantage.

According to Marciano (1995), most of these efforts in many ways reflected Bakke's work who then had emphasised on HRM function being as much important

---

8 Wright, P. M. et al., Perspectives on HRM, [http://www.hampp-verlag.de/Archiv/3\\_94\\_Wright.pdf](http://www.hampp-verlag.de/Archiv/3_94_Wright.pdf). April 20, 2014.

9 Walker, J. (1980) in Wright, P. M., Snell, S. A., & Dyer, L. (2005), New Models of Strategic HRM in a Global Context, *Int. J. of HRM*, 16 (6), Routledge, London, pp. 875-881.

10 Devanna, M. A., Fombrun, C. & Tichy, N. (1981), *HRM: A Strategic Perspective*, Organisational Dynamics, Elsevier Science Publishing Company, Inc., pp. 51-67.

as other functions such as accounting, production etc.<sup>11</sup> These attempts highlights the shift from a micro perspective approach that focused only on a particular function to a much more macro oriented approach in the field of HRM. In other words, each function that is, selection process, performance appraisal, etc. evolved independently from one another and lacked integration across the various HRM function.

Thus, several writers began to take a macro-orientation in the area of HRM. This led to the emergence of the term ‘Strategic Human Resource Management’ (SHRM) or in the lines of Wright and McMahan (1993) “the pattern of planned human resource deployment and activities intended to enable an organisation to achieve its goals”.<sup>12</sup> According to Schuler and Jackson (2005), two guiding assumptions of SHRM are firstly, effective HRM requires an understanding of and integration with an organisation’s strategic objectives; and secondly, effective HRM leads to improved organisational performance.<sup>13</sup>

The prefix ‘strategy’ and the notion of ‘strategic integration’ became prominent in HRM literature only in the 1980s. However, the SHRM research works during the 1980s-1990s had been primarily conceptual and theoretical. Only in the later part of 1990s, advances in both the theoretical and empirical SHRM research became evident. Thus, Lengnick-Hall et al. (2009) noted that the idea of SHRM is not a new idea. It is a term that has evolved over the years and subsequently adjusted the lens used<sup>14</sup> towards a more strategic role of HR functions in achieving strategic aims. In similar line, Marciano (1995) also held that the term appears to have been coined to distinguish it from the purloined HRM, by then often equated with PM.<sup>15</sup>

We could agree with these views because as studied earlier, the intellectual roots of the SHRM can be traced to the 1920s in the U.S. when the concept of ‘human resource’ had been coined by Commons. The need to practiced industrial relations in a strategic manner was widely cited by labour economist and industrial relation scholars of that period. It also pervaded the HRM literatures in the 1920s. Thus, the prefix of ‘strategic’ as we observed is to bring to light this ignored aspect of HRM.

---

<sup>11</sup> Marciano, V. M. (1995), *The Origins and Development of HRM*, Academy of Management Proceedings, p. 223-227.

<sup>12</sup> Wright, P. M. & McMahan, G. C. (1993) *op cit*.

<sup>13</sup> Schuler, R. S. & Jackson, S. E. (2005), *op cit*.

<sup>14</sup> Lengnick-Hall, M. L., Lengnick-Hall, C. A., Andrade, L. S. & Drake, B. (2009), *SHRM: The Evolution of the Field*, *HRM Review*, 19, pp. 64–85.

<sup>15</sup> Marciano, V. (1995), *op cit*.

In recent times, various sub-domains of HRM have evolved such as micro HRM (MHRM), strategic HRM (SHRM), international HRM (IHRM) and comparative HRM (CHRM). However, HRM is the basis for all these subfields and consequently, is the largest. Moreover, other than the links with strategic management from a disciplinary standpoint, it synthesizes elements from international business, organisational behaviour, personnel management and industrial relations. Its diverse parent disciplines include various relevant themes from occupational psychology, labour economics and industrial sociology.

### **2.3. Historical Evolution of HRM in India**

Development of HRM in India, both at practice and academic level has followed the international pattern albeit with a time lag. It emerged from pure legal and mandatory requirements to meeting the requirements of facing competition successfully.

The impetus for modern management in India started during the eighteenth century when the Britishers colonised the country and marked an era where labours were treated as commodity. The then formulated Plantation Act, 1863 treated labour with imprisonment and severe punishment on failure to do work as ordered. Only in 1920s, the origins of the personnel function emerged with the enactment of several acts with respect to labour welfare in factories.<sup>16</sup>

In 1923, strikes were organised when employers tried to reduce wages and as a result of which Workmen Compensation Act was passed. In 1926, the Trade Unions Act was passed giving formal recognition to workers' unions. In 1929, the Royal Commission on labour was set up which recommended for appointment of labour officer in every large factory to look after the grievances and disputes in several mills. In 1936, based on the Commission's recommendation, the Payment of Wages Act (regulating deductions from wages) was passed.<sup>17</sup>

After India's independence from Great Britain in 1947, considerable changes evolved in the HR profession. Although the importance of labour officers had been recognised in 1929, it was only after independence that it gained momentum with the enactment of the Factories Act of 1948 to solve labour and welfare problem. This Act

---

<sup>16</sup> Rai, S. (2012), HRM and Labour Relation in the Indian Industrial Sector, Discussion Paper, SP III 2012-301, pp. 1-44.

<sup>17</sup> Prasad, L. M. (2005), op cit, p. 54.

not only made it mandatory for appointment of Labour welfare officer in every factory employing more than 500 workers but also prescribed the methods of appointment, terms and conditions of service, and the duties and qualifications of labour welfare officer.<sup>18</sup>

In 1948, the first Industrial Policy Resolution was announced to allocate industries into Public Sector and Private and the joint sectors. To maintain cordial industrial relation in the country, the policy accepted profit sharing and other schemes meant to associate labour with management of industry. However, only after the Constitution of India was adopted in 1950, it paved the way for the Industrial Policy Resolution of 1956.<sup>19</sup>

In line with these developments, two professional bodies were set up in the early 1950s: the Indian Institute of Personnel Management (IIPM) formed in Kolkata and the National Institute of Labour Management (NILM) in Mumbai. In the 1960s, the personnel function expanded its welfare origins embracing the three areas of labour welfare, industrial relations and personnel administration as the constituent roles for the emerging profession.

In 1970s, the thrust of the personnel function shifted towards the need for greater organisational 'efficiency'. By the 1980s, the profession further matured with a large number of organisations re-designating their personnel and other departments as HRD departments.<sup>20</sup> During this period, the two professional bodies - IIPM and NILM were merged to form the National Institute of Personnel Management with Kolkata as headquarter.<sup>21</sup> At this point, HRD had two meanings.

Firstly, it primarily meant training to enhance the learning experience, build employee competence and foster strong organisational culture and Organisational Development while the second meant the normative model of PM. HRD differed from HRM in that in HRM the line managers take primary responsibility for HRM while the responsibility for HRD lies primarily with the HRD department.<sup>22</sup> This was almost the starting point for formulating HR strategy in synergy with corporate strategy.

---

<sup>18</sup> Rao, P. S. (1999), op cit., p. 55.

<sup>19</sup> Singh, N. (2012), Industrial Sociology, Tata McGraw Hill Education Private Ltd., New Delhi, p. 103.

<sup>20</sup> Rao, T. V, Rao, R., & Yadav, T. (2007), A Study of HRD Concepts, Structure of HRD Departments, and HRD Practices in India, Vikalpa, 26 (1), pp. 49-63.

<sup>21</sup> Khanka, S. S. (2003), HRM Text and Cases, S. Chand & Company Ltd., New Delhi, p. 14.

<sup>22</sup> Som, A. (2007), Adopting Innovative SHRM in India, International Journal of HRM, 18 (5), pp. 808-828.

During the 1990s, India was getting marginalised in the business world. With the realisation that centralised planning and state-controlled system of directing the economy failed to deliver the desired results, the New Economic Policy (NEP) was finally launched in 1991. This liberalisation of the Indian economy marked a major policy shift towards the HRM function.<sup>23</sup>

Initially, the focus had been on HRD as a key tool for business survival, and the HRD scorecard became a method to measure effective people development activities. However, with arrival of many multinational corporations (MNCs) in India, the focus gradually shifted towards the concept of HRM. Companies started to align their HRM functions with their corporate strategic management and changed the nomenclature of the Personnel Department to HRM Department and from Personnel Directors/Managers to HR Directors/Managers.<sup>24</sup>

At present, it continues to evolve with a mix of Indian HRM practices with best practices imported from the West. Globalization has led to a mix work cultures of the East and the West. However, in comparison to Public Sector, although few Government Department such as State Bank of India, IDBI Bank, Bank of Baroda etc. have implemented performance-linked pay, modern HRM practices are more evident in the Private Sector such as Infosys, Wipro, Reliance Industries Ltd., Tata Group, etc. which are operating at international level. In corporate sectors, greater emphasis is given on intensive selection based on merit, empowering employees through participation in decision-making, performance related pay and promotion, quarterly appraisal system and several other effective motivation techniques.

## **2.4 Tracing the Historical Root and Definition of HRD**

Although training constitutes the largest of its component, the term HRD which is relatively a new concept encompasses a much broader focus. It is yet to become fully established and accepted both at the professional and academic level. This is because there still continues to be lack of consensus among writers on the origin and dimensionality of HRD.

In tracing its historical root, Swanson and Holton (2001) states that only in the 1940s when Training within Industry Service (TWIS) was established, it shaped the history of training that pioneered the emergence of the contemporary HRD. TWIS

---

<sup>23</sup> Monappa, A. (1997), *Managing Human Resources*, MacMillan India Ltd., p. 4, ix.

<sup>24</sup> Prasad, L. M. (2005), *op cit.*, p. 56.

was an agency set up by the War Manpower Commission during the outbreak of World War II. The four pioneers namely, Channing R. Dooley, J. Walter Dietz, Charles A. Allen, and Michael J. Kane, Glenn Gardiner and Bill Conover (1940-45) used their wartime experiences to train a large number of people in the most simplest and efficient way. They introduced the four-step methods of training namely Job Instruction, Job Methods, Job Relations, and Program Development that fostered three key contemporary elements of HRD. Firstly, TWI programs had close link to organisational performance. Secondly, it addressed quality issues impeding performance; and thirdly, it addressed human relations issues as important aspects of production success.<sup>25</sup>

Unlike Swanson and Holton (2001), some writers argued that the roots of HRD emerged in 1913 when Ford Motor started training its workers to produce mass production in the assembly line. Yet other authors such as Stead and Lee (1996) argued that development of human resources requires more than just mere 'training'. They emphasised on the aspect of motivation and development and stated that HRD evolved during the 1950s and 1960s when organisational psychologists such as Argyris (1957), McGregor (1960), Likert (1961) and Herzberg (1959) popularised theories on employees' developmental process.<sup>26</sup>

In similar line, Werner and DeSimone (2012) in tracing its origin from the early apprenticeship training programs established the notion that only in the 1960s and 1970s HRD emerged. According to them, it is during this period when professional trainers realised that their role extended beyond classroom training and included interpersonal skills such as coaching, group process facilitation, and problem solving.<sup>27</sup> Realising this extended role, Nadler introduced the term HRD in 1969 and subsequently defined it in 1970<sup>28</sup> as "a series of organized activities conducted within a specified time and designed to produce behavioural change."<sup>29</sup>

Apart from Training and Development (T&D), Organisational Development (OD) constitutes another component of HRD. OD, according to Swanson and Holton

---

<sup>25</sup> Swanson, R. A. & Holton III, E. F. (2001), *Foundations of HRD Developments*, Berrett-Koehler Publishers, Inc., San Francisco, p. 46-48.

<sup>26</sup> Stead & Lee (1996) in Haslinda, A. (2009), *Evolving Terms of HRM and Development*, *The Journal of International Social Research*, 2 (9), pp. 180-186.

<sup>27</sup> Werner, J. M. & DeSimone, R. L. (2012), 6<sup>th</sup> edn, *Foundation of HRD*, South-Western, USA, p. 8.

<sup>28</sup> Sambrook, S. & Stewart, J. (2005), *A Critical Review of Researching HRD: The Case of a Pan-European Project*, In Elliott & Turnbull (eds.), *Critical Thinking in HRD*, Routledge, London, pp. 67-84.

<sup>29</sup> Haslinda, A. (2009), *op cit*.

(2001) “is the process of systematically implementing organisational change for the purpose of improving performance.” It started to take shape during the years between 1940 and 1960. Since 1960, a major shift in OD emerged with a new emphasis on strategic change.<sup>30</sup> From the 1990s, the strategic role of HRD or SHRD gained greater emphasis of aligning itself as a strategically significant partner.<sup>31</sup>

Khan et al. (2012) offers three levels of viewing HRD. The first level is, the Integrated (Socio-economic) Concept that includes HR physical development, emotional development, intellectual development, political development and spiritual development. Second is the broader view of HRD from Organisation HRM Concept. It includes activities like empowerment, awareness raising, team building, community mobilization and development, organisation development, entrepreneurship development, sensitization and conscientisation, HRP and policies. The third is, the narrow HRD from Organisation HRM Concept with focus on activities of training, education and skill building.<sup>32</sup>

Garavan et al. (2004), however, argues that to date, the organisational perspective seems to dominate much of the discussions on training and HRD. Noting the growing role of HRD in the economic, cultural and political wellbeing of society, the authors delineates three levels of analysis for evaluating the impact of HRD. First is the individual level which is concerned with the development of human potential. Its focus is towards learning, job satisfaction, career management and individual experience. Second is the organisational level that is concerned with resource maximisation, productivity enhancement and utilisation of full employee’s potential towards achieving organisational goals. The third, that is, the community level is concerned with the provision of education and development of human capital towards improving national competitiveness and the quality of life of citizens.<sup>33</sup>

There are also international HRD (IHRD) writers such as Metcalfe and Rees (2005). These writers proposed that for analysing HRD as a developmental model,

---

<sup>30</sup> Swanson, R. A. & Holton III, E. F. (2001), op cit, p. 1, 48.

<sup>31</sup> Shanahan, V., Garavan, T. & Carbery, R., Strategic HRD and Dynamic Capabilities, Leadership and Management Development. <http://www.ufhrd.co.uk/wordpress/wp-content/uploads/2012/11/UFHRD2012Leadership121.pdf>. January 28, 2014.

<sup>32</sup> Khan, M. T. et al. (2012), op cit.

<sup>33</sup> Garavan, T. N. & O'Donnell, D. (2004), Exploring HRD: A Level of Analysis Approach, Human Resource Development Review, 3 (4), pp. 417-441.



IHRD in the global arena can be categorized under three headings: ‘global HRD’, ‘comparative HRD’ and ‘national HRD’.<sup>34</sup>

The focus of HRD both in theory and practice has extended considerably from focus on training at the operational level to having a strategic impact and its scope from organisational level to global level. However, despite attempts made by several authors to offer possible explanations, it still remains one concept that is clearly deprived of a universally accepted meaning. This is seen to the extent where certain writer such as Lee (2001) remarked that definitions of HRD are only statement of how the authors would like the field to become, and not how it is.<sup>35</sup>

However, McLean and Wang (2007) stated that HRD as a term which Harbison and Myers first proposed in 1964 most appropriately fits with what now appears to be the first use of the term HRD. Harbison and Myers (1964) defined HRD as “the process of increasing the knowledge, the skills, and the capacities of all the people in a society. In economic terms, it could be described as the accumulation of human capital and its effective investment in the development of an economy. In political terms, human resource development prepares people for adult participation in political processes, particularly as citizens in a democracy. From the socio-cultural point of view, the development of human resources helps people to lead fuller and richer lives, less bound by tradition. In short, the processes of human resource development unlock the door to modernization.”<sup>36</sup>

In tracing the historical timeline of HRD, just as the term HRM that evolved through the centuries from PM to HRM, same goes with the term HRD. As the concept continue to evolve and as academics debate about its dimensionality and definition, a broad-based perspective of HRD have evolved. From a micro-perspective that focussed solely on organisational level, it has received a much broader focus from the community level to the global context of IHRD and cross national HRD.

In the context of Nagaland, from a sociological viewpoint, the changing workforce is perhaps the most significant factor in the future of HRD. Some of the challenges that can be identified involve diversity of workforce in terms of culture, educational level, ethnic background and more particularly the numerous legislations

---

<sup>34</sup> Metcalfe, B. D. & Rees, C. J. (2005), *Theorizing Advances in International HRD*, HRD International, 8 (4), pp. 449-465.

<sup>35</sup> Lee, M. (2001), *A Refusal to Define HRD*, HRD International, 4 (3), pp. 327-341.

<sup>36</sup> Harbison, F., & Myers, C. A. (1964), *Education, Manpower, and Economic Growth: Strategies of Human Resource Development*, McGraw-Hill, New York, p. 2.

encouraging the need for women and minorities including the physically handicapped participation in the workplace. The rise of technological innovation could lead to redundancy of huge number of low qualified employees. Added to this, the aging workforce and the need for younger professionally qualified personnel and also the need to meet the changing demands of the well educated professionals in their career aspirations can have a major impact on HRD.

Taking into account the increasing changes in workforce demographics, organisations would need their HRD practitioners to acquire additional knowledge and skills in identifying the interest, priorities, and values of their work force. They would need to understand the learning challenges of the diverse workforce while also taking into consideration, alternatives for retirement of older and redundant workers and their declining career opportunities. HRD professional would need to play a key role in HRP and forecasting keeping in mind the implications involved in developing human capabilities, skills and knowledge. In short, it would mean bringing a positive impact at societal level that is, improving national competitiveness and the quality of life of citizens through effective HRD policies and plan.

## **2.5 Evolution of HRD in India**

Human Resource Development (HRD) as a function evolved in India indigenously from the year 1975 when Larsen & Toubro (L&T) - a prominent engineering company in India conceptualized HRD as an integrated system and separated it from the Personnel Department. Structurally, HRD was introduced as a subsystem of Human Resource Function and integration of this with the other two subsystems (Personnel Administration and Worker Affairs).<sup>37</sup>

This framework had been designed in the year 1974 when the term HRD itself was not very popular in the USA. The HRD system was suggested by Udai Pareek and TV Rao from the Indian Institute of Management, Ahmedabad after reviewing the effectiveness of the performance appraisal system in Larsen & Toubro. They recommended for installing an Integrated HR System and the development activities to be separated out from the personnel department and be called the HRD department. After L&T, the State Bank of India and its Associates started a series of new HRD

---

<sup>37</sup> Rao, T. V. et al. (2007), op cit.

departments in the banking sector and by late seventies the concept of HRD and the need for having separate HRD departments picked up momentum.<sup>38</sup>

## **2.6 Relationship between HRD and HRM**

The relationship of HRD with HRM has been much debated. Some argue that HRD is a subset or part of a larger HRM while others take the view that these two fields are distinct and should have separate departments. Mankin (2001) argued that HRD roles were often subsumed within the HRM or personnel department where the individuals involved often lacked professional expertise in HRD. However, the author is also noted to have agreed that both concepts have their own identities. At the same time, they depend upon each other for mutual success and the maximisation of human resource potential within organisations.<sup>39</sup>

According to Werner et al. (2012), in some organisations, training is a stand-alone function or department while in most organisations, training or HRD is part of a larger HRM department. HRD as an important function of HRM ensures that organisational members have the skills or competencies to meet current and future job demands.<sup>40</sup> Similarly, Armstrong (2006) stated that, “HRD policies are closely associated with that aspect of HRM that is concerned with investing in people and developing the organisation’s human capital.”<sup>41</sup> Haslinda (2009) also agreed that both the HRM and HRD have parallel pathways with their own sets of plans and policies, but with both function supporting the corporate strategy.<sup>42</sup>

Prasad (2005) makes it simple by stating that HRD is a subsystem of HRM. However, at its own level, HRD can also be considered as a system which has various subsystems that are interlinked to each other and also interacts with other subsystem of HRM e.g., HRP, selection and placement, promotion, compensation and performance and potential appraisal.<sup>43</sup> This implies that both HRD and HRM are highly interdependent and need to support each other for enhancing organisational effectiveness.

---

<sup>38</sup> Rao, T. V. (2006), Strength Based HRD Audit as an OD Intervention, pp. 180-191.

<sup>39</sup> Mankin (2001) in McGuire, D., Foundations of HRD.  
[http://www.sagepub.com/.../36589\\_01\\_McGuire\\_CH\\_01.pdf](http://www.sagepub.com/.../36589_01_McGuire_CH_01.pdf). January 27, 2014.

<sup>40</sup> Werner, J. M. & DeSimone, R. L. (2012), op cit., p. 10.

<sup>41</sup> Armstrong, M. (2006), op cit., p. 535.

<sup>42</sup> Haslinda, A. (2009), op cit.

<sup>43</sup> Prasad, L. M. (2005), op cit., p. 296.

## 2.7 Evolution of HRM and HRD in Nagaland

Nagaland emerged as a State, out of the Naga Hills district of Assam and NEFA province, in the year 1963. As a result of the Constitutional position, Nagaland enjoys a special privilege under Article 371 (A) of the Indian Constitution. It provides that any act of the parliament, relating to religious, social and customary practices of the Nagas and those relating to land and its resources shall not apply to Nagaland. Such Acts can only be extended to Nagaland by the State Legislature by passing a resolution in the Assembly. As such the State is not burden by Central Acts in the Union List which affect the subjects specified in Article 371 (A). Regardless of this privilege, it has deprived the State of economic benefits of institutional credit and inflow of private investment.

### 2.7.1 HRM during Pre British Era

The Naga traditional governance systems reflect a systematic pattern of HRM. Their traditional life revolved around the village that gave each individual a unique identity.<sup>44</sup> The governing system is either chieftainship, under the Village Council or an informal council of elders. Each village-state is independent and self-governing under the leadership of the elected people. Though, it had been democratic and republican in nature, the pattern of administration varied among the Naga tribes.<sup>45</sup> For instance, among the Ao tribes, the *Tatar Putu Menden* which is the highest executive office and the seat of judgement is the law enforcing authority over the community. With well-defined duties and responsibilities, the Tatars, the chosen leaders/ councillors exercises their supreme power collectively in their village administration. The *Putu Menden* also follows a system of tenure ship and to give equal representation, the membership depends on the size of population and numbers of clans.<sup>46</sup>

Likewise, each tribe/village had their own system of administration that represented the community in all spheres ranging from the social, economic, political and even to religion. The powers, functions and the methods of selection or representation to the council of elders differed from tribe to tribe. However, in general with respect to the executive power of the Village Council, it is the duty of the council

---

<sup>44</sup> Jamir, T. N., & A., Lanunungsang (2005), op cit, p. 38.

<sup>45</sup> Shikhu, I. Y. (2007), op cit, p. 16-17.

<sup>46</sup> Jamir, T. N., & A., Lanunungsang (2005), op cit, 38-43.

to take effective measures for execution of its decision and direction by whatever means necessary.

In respect to judiciary power, the Council is always the Supreme Court that is, the highest court of justice in the village. The power of legislation vested in the council still stands the same as it had been in the early days. The Council legislated laws which the existing customary laws do not cover, but they cannot alter or amend customary laws. In some cases, policy making is left to the general assembly, where all male folk assemble together with proposals or suggestions have open deliberation. After the discussion, a majority opinion is assessed and accepted as law.<sup>47</sup>

In respect to educating and nurturing the young of every clan, the Morung also known as ‘dormitory’ resemble the modern ‘military training centre’. It played an important role in the tribal societies<sup>48</sup> by educating the clan/khel/village history, myths and legends, folk songs and dance, war tactics, diplomacy, manners and family values to the young generation. They function as guarded houses, recreation clubs, centre for education, art and discipline and also for important ceremonial purpose. However, with the arrival of Christianity, the institution no longer exists.<sup>49</sup>

In respect to gender-based roles, though women are excluded from formal decision making processes, among some tribes like Angami, women are empowered to some certain degree. In their homes, they have wide latitude in making decisions. Even in cultural ceremonies and rituals, women have specifically assigned roles.<sup>50</sup> However, the Naga society being patrilineal, women are not entitled to inherit landed property. Only after the death of her husband with her sons she can inherit movable property.<sup>51</sup>

The traditional farming system and trading activities also played an important role in maintaining and managing the human resources of the clans/villages. In a village, the senior most person with the advice of his junior members, distributes the land for cultivation while keeping in mind their environmental responsibility. For instance, the *Pok* system (distribution of land for cultivation) which the Ao Nagas practice, adequate measure is well taken to distribute land equally turn by turn so that

---

<sup>47</sup> Shikhu, I. Y. (2007), op cit., p. 16-19.

<sup>48</sup> Jamir, T. N., & A., Lanunungsang (2005), op cit., p. 75.

<sup>49</sup> Shikhu, I. Y. (2007), op cit., p. 16-21.

<sup>50</sup> State Human Development Report (2004), Department of Planning and Coordination, GON, p. 152.

<sup>51</sup> Jamir, T. N., & A., Lanunungsang (2005), op cit., p. 220.

forest and ecological balance is maintained in the locality and fertility of the soil is retained for the next rotation of cultivation.<sup>52</sup>

Barter system, that is, the exchange of labour in farming is also commonly practiced. Men and women forming a group work together in every individual's field in turn on which day the major portion of work is completed. In case of severe illness, death or any other unavoidable circumstances, the villagers contribute one day free labour to the troubled family. In some clans, when one of its members fall sick during peak season, the *Elangtsur*, group of women of the same mobilise themselves and work on the distressed person's field. The Naga traditional farming system in fact reflects a very clear picture of their societal living that is, a culture characterised with the beauty of nature and humanity.<sup>53</sup>

Though not in the modern way, the concept of managing human resources is evident in almost every aspect of the Naga traditional way of life. Fairness, justice and social responsibility that define the ethical dimension in managing human resources and accountability towards its stakeholders and the natural environment are well documented in their traditional HRM practices.

### **2.7.2 HRM during the British Era (1832-1947)**

The route to modern HRM in Nagaland took shape steadily with the British influence on the Naga Traditional Institutions since 1832. With the establishment of a central British rule, the colonial administration applied two layers of native administration agencies.

Firstly, the Village Chiefs whose traditional leadership at the village level had been well regarded and had potential influence on their fellow clansmen were utilised for village administration. They are put in charge for collection of annual house tax and also for administration of justice so as to maintain law and order in their respective village.

Secondly, *Dobashis*<sup>54</sup> were appointed as right-handmen to serve as a link between naive population and the colonial administrative officers. To the native agencies, the government delegated maximum responsibility of district

---

<sup>52</sup> Ibid., 155-156.

<sup>53</sup> Ibid., 170-171.

<sup>54</sup> *Dobashias* derived from Hindu word which literally means 'a man of two words' became a popular usage for the Nagas as *Dobashis*. They were appointed as native representatives to the government to translate one's tribal language to the British Officers.

administration. The district officers only play a supervisory role or intervene in the village administration in matters of disputes where the native agencies fail to settle.

This system of administration eliminated the sense of domination and left the Nagas to rule their village according to their respective customs and traditions with minimal interference. However, the Deputy Commissioner remained the Session Judge, assuming both the executive and judiciary role in one person.<sup>55</sup>

This reflects a gradual breakdown of the customary powers of the traditional elites such as the Village Chiefs and elders who earlier assumed the highest authority in their villages by the introduction of a higher authority over them. This legacy of the British is evident even after India's independence where a similar administrative structure has been adopted in the State with the judicial-executive powers vested in the Deputy Commissioner or his representatives, as contained in the Rules for Administration of Justice and Police in Nagaland, 1937.

After Nagaland attained its statehood in 1963, as a result of the Constitutional position of Nagaland as discussed earlier, the traditional structures and institutions of governance is once again revived by recognising the role of Village Councils and even the *Dobashi* courts at district level. These institutions help maintain law and order, and provide basic administration to bringing all round development in the State. The role of Deputy Commissioners and his magistrates come to play only when the traditional authorities are unable to tackle complicated cases or where police cases have been registered.

### **2.7.3 HRM during American Missionary Era (1872-19 50s)**

Apart from the British administration, Christianity played an important role in educating the Nagas the 'true culture' that is, from living the life of pagans to making them 'real human beings' (words of German Missiologist, Gustaw Warneck in Shikhu). The British, though had the intention to educate and train the natives for furthering the service of colonial administration, this was realised only after the coming of the American Baptist Missionaries.

One of the significant events that mark the growth of Christianity in the Naga Hills is the arrival of Dr. Edward W. Clark in 1872 and the setting up of churches, mission schools and dispensaries under the patronage of the colonial administration.

---

<sup>55</sup> S., Piketo (1991), *British Policy and Administration in Nagaland, 1881-1947*, Scholar Publishing House, New Delhi, p. 28-40.

The first formal school in the Naga Hill is founded by Mrs. Clark in 1987 that gradually increased in number. School and churches simultaneously played as the main agencies of development. These agencies not only helped Nagas assimilate a new faith from animism to Christianity but to also learn many other aspects like learning English language, developing political consciousness, identity transformation and value of modern education. The introduction of the Roman script to the Nagas, as they did not have their own, helped in translating and compiling various books that led to development of Naga literatures.<sup>56</sup>

As a result of attaining modern education, it helped them to the extent of securing employment in churches, government schools and offices as pastors, teachers and as assistants of the colonial administration. Demonstrations of various medical practices and humanitarian works also taught the Nagas a new approach to diagnose and treat different sickness and have longer life span. The importance and maintenance of better sanitation and hygiene and also the knowledge on effective first aid practices were imparted to them.<sup>57</sup> In this way, an age of human resource development and sense of professionalism was learned.

Although, many scholars and writers argue about the real motives of the British Government and the American missionaries' concept and implementation of development, preservation and conversion of the Naga Hill<sup>58</sup> and breakdown of the traditional customs and practices, we cannot deny the fact that modern education has given the privilege for experiencing a better quality of life. It has trained the Nagas the modern way of living and also enlightened us about what human minds can do. The awakening and exploration of the utility of human resources have greatly benefited the Nagas. It has enabled us to witness the latest inventions and discoveries of science and technologies, art and cultures and also to be a part by contributing to the huge accumulation of knowledge and wealth. Without modern education, Nagas would have remained backward and probably isolated not fully realising the fruit of their human capital.

At present, certain section of the Naga population such as from Mon and Tuensang districts that earlier remained outside the British administration is a clear example. The State Government no doubt has been attempting to bring them at par

---

<sup>56</sup> Shikhu, I. Y. (2007), op cit., p. 67-76.

<sup>57</sup> S., Piketo, op cit., p. 137.

<sup>58</sup> Shikhu, I. Y. (2007), op cit., p. 76.



with the mainstream society. But the fact that they continue to lie at the periphery poses a serious concern. For instance, as shown below in Table 2.1 and 2.2,<sup>59</sup> the three human development indices for Mon district namely, the Human Development Index (HDI), the Gender Development Index (GDI) and the Human Poverty Index (HPI), reflect that Mon has remained one of the most backward districts of the State. No improvements in any of the indices in absolute or relative terms are observed. On the contrary, the HDI shows an absolute decline since the beginning of the decade.

**Table 2.1 Development Indices in Mon District of Nagaland**

	HDI	Rank	GDI	Rank	HPI	Rank
Published indices in HDR 2004	0.45	8	0.22	8	49.09	8
Revised indices	0.42	8	0.295	8	54.65	7

**Source:** District Human Development Report, Mon, 2009

**Table 2.2 Inter-temporal Comparisons in Mon District of Nagaland**

Year	District	HDI	Rank	GDI	Rank	HPI	Rank
2001	Mon	0.42	8	0.29	8	54.65	7
2008	Mon	<b>0.37</b>	8	0.32	8	55.73	8

**Source:** District Human Development Report, Mon, 2009

With already a large portion of the Konyak Nagas dispersed in different states such as Arunachal Pradesh, Myanmar and Assam, the population of the Konyaks which is also one of the major tribes of Nagaland, living outside of Mon district constitute a larger portion than those in Nagaland. This community have not only been geographically displaced right from the time of British administration till the present time, but as indicative enough from the stated figures they are still deprived from availing the same benefits as the other Nagas.

HRD extends from developing the human resources right from the organisational context to the community level for enhancing and availing a better and higher quality of life. So we need to question, how far is our HRM developing and

<sup>59</sup> The figures for the indices in the HDR 2004 in Mon district have been revised since Census 2001 figures were updated. The report has derived the published 2004 estimates for the indices by extrapolating Census 1991 data for workers participation, population, types of houses, etc., because Census 2001 figures as stated in the report were not reported at the time. Therefore, in order to make sensible comparisons, the report has reworked the earlier indices to incorporate the updated Census 2001 data. The methodology for re-calculating the indices however, remains the same as mentioned in the HDR 2004.

utilising its available human resources to bring a positive impact at the community level? How far is our HRM excising its social responsibility? How far are we to marginalise them from the mainstream society and further aggravate their demand for a separate state? Are they not as much entitled to the same services and facilities required to live a sound quality of life? Or to put it more precisely, those resources needed to help them explore and make the best use of their human capital for their livelihood and as well to contribute to State's economic growth? If the answer is yes, then there is seriously a problem in our HRM system and HRD planning and implementation.

Prior to British colonisation, the Nagas had been absolutely ignorant of the value of money. No native standard of weights and measures existed. Only after their arrival, transaction in coins was introduced for the first time to the Nagas.<sup>60</sup> On the positive side, it added to Nagas' indigenous knowledge of barter system that their new acquired knowledge, skills and abilities also has monetary value in return for their service. However, on the negative side, the Nagas who once had no greed for more beyond their immediate needs, the impact of this realisation of the value of money that is, the purchasing power derived from it sadly have gradually culminated in many corrupt practices. As observed in chapter four (subsection 4.10.4), cases of fraud, misappropriation, diversion etc. of funds (cash and goods) meant for the poor and needy clearly illustrates a state of heightened greed. Thus, Lanunungsang (2002) have rightly remarked that "in madness with the Indian currency flown from New Delhi through Kohima state capital, they are forgetting not only themselves but also their own birthrights."<sup>61</sup>

Tracing the historical timeline of the Nagas as already discussed and also in succeeding part of this chapter, within a span of two centuries a community that had once been self governing since time immemorial had to undergo tremendous changes. In each successive encounter with alien people adopting new culture could be one reason for this current state of breakdown of their traditional culture and most importantly the once held strong moral principles and integrity.

Durkhiem's theory of anomie to a large extent explains this state of culture conflict experienced by the Nagas. He used the term 'anomie' to describe a state of

---

<sup>60</sup> S., Piketo (1991), op cit., p. 128.

<sup>61</sup> Ao, A. L. (2002), *From Phizo to Muivah: The Naga National Question in North East India*, A. Mittal Publication, New Delhi, p. 2.

normlessness. A society characterized by anomie is said to lack the regulatory constraints necessary for the adequate social control of its members. This normlessness or normative chaos is an outcome of social change where there is clash of one's own values and those of the society. One is not clear in what way to go or how to behave and how to come up to the expectation of the society and also how to mould the environment to suit his expectations. As a result, social control of individual behaviour becomes ineffective, and the society is threatened with disorganisation or disintegration<sup>62</sup> just as what the Naga society is undergoing in this phase of transitions from the traditional to the modern world.

#### **2.7.4 Indian Administrative Set-up after Attaining Statehood**

##### **First Stage (1960s)**

The modern practice of managing human resources developed only after Statehood with the introduction of a new administrative framework in Nagaland that is similar to that in other states of the country. It consists of the Secretariat-Directorate structure of governance at the State level, with the districts being the main unit for implementation of development programmes and maintenance of law and order. During the period of its formation, no separate department existed for the HRM functions. These functions were carried out by the Administrative Reforms (O&M) branch and Appointment Branch (B) under Home Department.<sup>63</sup> The initial foundation for the development of the personnel functions is seen from the constitution of the Nagaland Public Service Commission (NPSC) in 1965 which now carries out the following functions of HR management:

- (a) Release of advertisement/notifications for direct recruitment and in-service examination.
- (b) Conducting various competitive examinations for direct recruitment and recruitment by interview only and also conducting examination for in-service candidates annually in phase manner. The Commission also assist UPSC and SSC (Staff Selection Commission) in conducting various examinations.
- (c) Holding meeting of Departmental Promotion Committees (DPCs) for regularisation of officiating promotion of officers and all such for regular promotion, and

---

<sup>62</sup> Rao, C. N. S, op cit., p. 701.

<sup>63</sup> OM, NO. AR-8/8/79 dated Kohima, the 15<sup>th</sup> May 1980, P&AR Department, GON.

- (d) Examining and giving clearance on Department Draft Service Rules, Appointment and extension of contract and absorption of deputation service received from the various Government Departments.

**Table 2.3 Vacancies Notified & Placement made through Employment Exchange**

Year	Registration effected	Vacancies notified to Employment Exchange	Placement made through Employment Exchange	Percentage of	
				Vacancies notified to registration effected	Placement effected to registration
1	2	3	4	5	6
2002	8,717	78	61	0.9	0.7
2003	15,602	269	51	1.7	0.3
2004	11,883	22	38	0.2	0.3
2005	9,656	93	5	1	0.1
2006	11,951	149	4	1.2	0.03
2007	11,043	359	14	3.3	0.1
2008	15,406	14	32	0.1	0.2
2009	20,292	92	34	0.5	0.2
2010	17,409	37	27	0.2	0.2
2011	13,298	15	27	0.1	0.2
2012	16,571	10	166	0.1	1

**Source:** Employment Exchange Department

During this period, in accordance with the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 (EECNVA) that prescribes that after the commencement of the Act, the employer in every establishment in Public Sector shall notify vacancy to employment exchanges, various Committees such as the DPC/Selection Board (SB), District Selection Committee and Sub-Divisional Selection Committee were constituted for the purpose of recruitment of non-Gazetted employees in all Districts and Sub-Divisional offices.

As displayed above in Table 2.3, placement effected to registration (col. 6) during the entire period that is, 2002-12 is insignificant. On the other hand, as reveals in chapter three, from 2007-08 to 2012-13 appointment is found increasing each year in State Government department (section 3.1- III). This indicates that, both the Employment Act as well as the Committees formed have not been fully utilised for its intended purpose.

In 1967, the Nagaland Services (Discipline & Appeal), Rules, 1967 was framed. Subsequently, the Nagaland Government Servants Conduct Rules, 1968 was

also introduced. This conduct rules regulate the conditions and services of persons appointed to public services or posts in connection with the affairs of the State in Nagaland. However, the frequent and repeated violation of same rule in Government departments since 1970s till 2014 and cases pending for five to twenty years as found in chapter four shows that these two Rules have not been effective.

In addition to the State's own framed rules, few Central Acts (apart from EECNVA) that concerns labour welfare, Industrial relations and personnel administration is also extended to the State of Nagaland. Few of the Acts had been enforced during the time of inception while others were gradually extended to the State of Nagaland. Few of the acts in the field of HRM in Nagaland State that have been a landmarked change towards the implementation of HR functions include:

The Minimum Wages Act, 1948 where under section 7 of the Act, the rates of minimum wages under 37 different schedules of employment for Nagaland have been revised to Rs. 100, Rs. 110, Rs. 120 and Rs. 130 for unskilled, semi-skilled and skilled grade-II and skilled grade-1 respectively. This rate fixation also covers VFA trained personnel and milkman under the Directorate of Veterinary and Animal Husbandry. The wages are fixed based on ethical consideration and not on the calculation of the value of work done by the workers or to the capacity and kind of industry that applies to all alike, big or small. It sets the lowest limit below which the wages cannot be allowed to sink in all humanity.

The Boilers Act, 1923, the Indian Boiler Regulation 1950 and the Nagaland Boiler Rules, 1996 are effectively enforced by the Department in the State. There are about 45 (forty five) nos. of boilers and about 8 (eight) nos. of Thermic Fluid Heaters in the State. The department conducts periodical inspections for and after minor/major repairs and replacements to the boilers and other Thermic Fluid Heaters. The inspections ensure workers safety, avoiding radical damages to properties and loss to life and limbs out of the malfunctioning of such equipments. Among the North-eastern states of the country, Assam and Nagaland are the only states which have constituted the State Boiler Attendant Examination Board (NBAEB) and conducts examination and training every year. The qualified/successful candidates can apply for employment in any industrial units within the country as Boiler Attendant in the grade he/she is placed.

The Factories Act, 1948 is also one of the important acts among the Labour Laws. This Act is effectively enforced in all the Public and Private undertakings in the

state. Among other things, it ensures that safety, health and welfare are efficiently provided to the workers.

In pursuance of Section 33 read with Section 32 of the Central Act called the Person with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995, currently three per cent is reserved for these candidates for direct recruitment in the Government of Nagaland and its Public Undertakings.

Several other acts enforced in the State of Nagaland include The Payment of Bonus Act, 1965 & The Payment of Bonus Rules, The Payment of Gratuity Act, 1972 & The Nagaland Payment of Gratuity Rules, 1978, The Maternity Benefit Act, 1961 and the Rules, The Industrial Disputes Act 1947 & The Nagaland Industrial Disputes Rules, 1979, The Equal Remuneration Act, 1975/1976 and Rules, etc.

After India's independence in 1947, Naga territory was annexed to the administration of Assam state. On 1<sup>st</sup> December 1963, Nagaland became a full-fledge State of the Indian Union. Thus, at this stage the main activities included incorporating several changes and clarifying service rules, streamlining the staffing pattern for new recruitments and regulating employees' behaviour and conduct. All these activities and the extensions of Central Acts signify the existence of a formalised personnel function from the time of inception.

### **Second Stage (1970s)**

Administrative Training Institute was established in the year 1972 which now functions under the control of the Department of Personnel and Administrative Reforms, Government of Nagaland. It also maintains a close link with the Department of Personnel & Training, Government of India. As the Management Training and Consultancy arm of the Government of Nagaland, the mission statement of the ATI is:

- (a) To help the Government Department tackle their challenging and complex public administration issues with a view to make continuous improvement in their performance.
- (b) To develop ATI into an Institute of Regional importance through building up the knowledge base in core areas of public management, research and consultancy and training competencies.<sup>64</sup>

---

<sup>64</sup> Administrative Training Institute, Nagaland: Kohima, Research & Development Cell ATI, Kohima.

With gradual expansion of the role of HR functions, the need for a separate department was realised and consequently in 1976 the Personnel and Administrative Reform Department (P&AR) was set up.<sup>65</sup> The Department assists the Government in achieving excellence in governance and to make optimum use of the human resources. The main functions include:

- (a) Formulating rational personnel management policies for all departments that will increase efficiency in Government and ensure proper career planning for officers.
- (b) Laying down procedures, standards and norms in recruitment, regulation of service conditions, postings, transfers, deputations and pension matters and providing advice to departments on all matters related to public service.
- (c) Enhancing transparency and accountability in Government and formulating appropriate public grievance redressal policies.
- (d) Codification and simplification of procedures.
- (e) Combating corruption through preventive and punitive vigilance.
- (f) Providing quality training and motivation to Government employees by promoting modernization and enhancing skills, and
- (g) Maintaining Government Records in a systematic manner.<sup>66</sup>

In respect to the above third function, with no appreciable progress made in the first attempt in 1975, the Public Grievance Committees was set up only in 1977. The P&AR Department issued clear guidelines of setting up the Public Grievance Office at the Secretariat level and the District Public Grievance Office at district level.<sup>67</sup> This decade signifies the recognition of public as also an important stakeholder of the organisations. However, in respect to the first part of 'enhancing transparency and accountability' closely related to the fifth function of 'combating corruption' is yet to be effectively carried out.

During this period, ban on ad-hoc appointment had been imposed on all departments (1975) and also practices of direct recruitment that were taking place without publicly inviting application (1976) was notified to be discontinued.

---

<sup>65</sup> OM NO.AR-8/8/79 dated Kohima, the 15<sup>th</sup> May 1980, P&AR Department, GON.

<sup>66</sup> Department of Personnel & Administrative Reforms, Nagaland: Kohima.

<sup>67</sup> Department Letter, NO.AR-11/2/76 dated Kohima, the 2<sup>nd</sup> Sept. 1977, P&AR Department, GON.

In respect to the sixth function of P&AR, in 2004, a new well framed State Training Policy discussed in chapter three was introduced to make this function more effective. However, it is found in chapter four that motivation is lacking and positive attitudinal change is strongly required.

Regardless of the drawbacks, moving on from the myriad functional areas of human resources from encompassing responsibilities of recruitment and staffing, to regulating employees conduct and behaviour, during this stage a significant development of the human resources function is the recognition of the need for continuous enhancement and building of HR capacity.

### **Third Stage (1980s)**

In 1980s, reiterating the ban on ad-hoc and casual appointment,<sup>68</sup> the extension of in-service or re-employment of retired employees was also banned.<sup>69</sup> During this period, the Deputy Secretary of P&AR department were directed to be associated with all Recruitment Board falling outside the purview of NPSC to ensure 33% Reservation Policy for backward tribes.

Another important event in this decade is toning up the administrative machineries in Government departments. To foster more effective control and better administration, it came up with certain action plans of which few have been briefly highlighted below.

- (a) Commissioners/Secretaries shall restrict field tours and become more desk-oriented so that they remain where they are wanted most to deliver goods to the people at the grass-root level.
- (b) Official written correspondences should be promptly attended to.
- (c) Lack of seriousness of senior officials to attend all official functions and parties on National or State Days or to meet visiting dignitaries shall in future be viewed with concern it deserves.
- (d) Home Department should initiate suitable procedures to enforce regular office attendance, punctuality and discipline of officers and staffs and make appropriate arrangement to take basis of discussion in the meeting.<sup>70</sup>

---

<sup>68</sup> OM, NO.AR-2/1/87 dated Kohima 16/09/1987, P&AR Department, GON.

<sup>69</sup> OM, NO.PAR-1/16/77 dated Kohima 27/4/1983, P&AR Department, GON.

<sup>70</sup> Memorandum, NO.AR.12/1/85, dated Kohima, the 22<sup>nd</sup> March 1985, P&AR Department, GON.



Action plans one to three, indicates that leader(s) have been failing to adhere to the norms of office duty and discipline. This could be the reason behind the failure of the numerous prescriptions of rules and regulations observed in the first stage and trainings in the second stage turning out futile. Action plan four reflects this scenario. The need of toning up of the administrative machineries has been correctly identified and initiated. In terms of promptness and effectiveness, based on the long term impact on improving employees' behaviour, however, as found in chapter four do not indicate a positive impact.

#### **Fourth Stage (1990s)**

In 1992, the Government notified all Heads of the Directorates to visit at least three offices under their jurisdiction every month located in different districts for not less than two days in each visit.<sup>71</sup> This instruction must have been followed because in 1994, finding out that employees lacked commitment and dedication towards their assigned duty, the provisions of the Fundamental Rules 17 (1) which enunciates the Principles of "No Work No Pay" was invoked. The provision of this rule was enforced upon all categories of Government officers and staff.<sup>72</sup>

Another event of worth noting is, moving from the approach of seniority-cum-merit in appraising employee towards adopting a more performance oriented system of merit-cum-seniority in 1996.<sup>73</sup> Further, training for Nagaland Civil Service was enhanced from six months to one year and with the help of National Informative Centre, computer training was also introduced for the first time in the year 1996.<sup>74</sup>

Apart from the steady progress observed, in continuation from the previous orders in respect to trimming its manpower strength, in the year 1999, the Governor reiterated orders to all Administrative Heads and Heads of Departments on banning of creation of new posts and engagement of Work-Charged staff.<sup>75</sup>

In this stage, the introduction of the new performance appraisal system shows an improvement in moving away from traditional PM approach towards the modern concept of HRM. However, it is also found that the previous attempts of streamlining its manpower strength and taking stringent measures to foster employee commitment

---

<sup>71</sup> Notification, NO.AR-15/9/91 dated Kohima, the 5<sup>th</sup> January 1992, P&AR Department, GON.

<sup>72</sup> OM, NO. AR-13/5/89 dated Kohima, the 5<sup>th</sup> Sept 1994, P&AR Department, GON.

<sup>73</sup> OM, NO. AR-12/3/89 dated Kohima, the 24<sup>th</sup> June 1996, P&AR Department, GON.

<sup>74</sup> ATI, Nagaland: Kohima, Research & Development Cell ATI, Kohima, p. 2.

<sup>75</sup> OM, NO. AR-3/Gen-41/99 dated Kohima, the 26<sup>th</sup> Aug. 1999, P&AR Department, GON.

is once again emphasised in this period. This continuous attempt manifests the continuing ineffectiveness of the existing mechanism in monitoring the recruitment and selection practices and regulating employees' behaviours. We could say that this is because the planning has been more of theory than practice.

### **Fifth Stage (21<sup>st</sup> Century)**

In this stage, the growth of strategic management perspective is observed. For instance, in the year 2000, for the first of its kind to be organised in the State in collaboration with the GOI, a four day workshop cum seminar on 'Transparent and Accountable Administration' was held. The outcome of this workshop is the setting up of 'Vision Groups' in 2001 in each Government department. The vision is to guide the department to come up with short term and long term action plans and set time-bound goals for making the activities of the department relevant and beneficial for the people of the State. The Groups, firstly, aims to identify the shortcoming of the department preventing its effective functioning. Secondly to identify what needs to be done to make the department relevant to the people and thirdly, to identify what changes are required in its policies and schemes in the foreseeable future.<sup>76</sup> Further, to ensure that it is having the desired impact for the welfare of the people and development of the State, the Groups resolves to evaluate the current activities of the department; to devise procedures for optimal utilisation of resources; and to suggest changes and come up with appropriate activities meaningful and relevant for the people as when necessary.<sup>77</sup>

Thus, we see the emergence of strategic planning that aims to influence utilisation of resources, performance, and improvement initiatives at this stage. In the same year, it is found that in collaboration with the UNICEF a seminar on 'Motivational Training for Policy Makers in Nagaland' was organised to help break the fatigue of pessimism and negativism.<sup>78</sup>

Following this progress, in 2004, State Training Policy was introduced with the need to gear up its workforce for better service delivery. The initiative is found to have put a major thrust on the key role of HRD and the training spheres in producing the desired "efficiency, effectiveness, sensitivity and responsive behaviour". The

---

<sup>76</sup> ATI, Nagaland: Kohima, Research & Development Cell ATI, Kohima, p. 5.

<sup>77</sup> Memorandum, NO.AR-3/GEN-10/97 (PT)/B dated Kohima, the 5<sup>th</sup> March, 2001, op cit.

<sup>78</sup> ATI, Annual Administrative Report for the Year 2001-2002, p. 3.

policy reiterating the need of strategic management emphasised the need of top management level namely, Addl. Director/Director and Addl. Secretary/Secretary to focus on policy analysis, strategic planning, lateral thinking, policy formulation and project monitoring and project management.<sup>79</sup>

After introduction of the policy, on the fourth year that is, 2008, for the first time in the history of ATI, an orientation programme on TNA was conducted for the officers of ATI. After the programme, the ATI officers conducted TNA in some selected key departments in the State. The analysis of TNA reports had been considered during the formulation of the training calendar year 2008-09. Further, a module on Etiquette for the first time was included and conducted for the NCS officers of 2006 batch during this period.<sup>80</sup>

Simultaneously, with all the above strategic planning formulated in this decade, starting from 2001, reiterating that ban on extension/re-employment continues to remain in force;<sup>81</sup> the Government is seen making another effort to streamline the procedures for appointment through formulating a revised guideline. This revised guideline is found to have been introduced due to violation of the existing orders/rules/procedures governing appointments which had been issued from time to time. In connection to this, the Work-Charged and Casual Employees Regulation Act, 2001 (Act No. 1 of 2001) was enacted followed by constitution of the Work-Charged and Casual Employees Commission.<sup>82</sup>

In 2004, with the realisation of absence of transparent and rational policy and criteria for regularising the services, the Government also adopted another policy and scheme for regularising the service of Work-Charged and Casual Employees serving under various department of the State Government. It also stressed the need to vigorously bring down the strength of the Work-Charged workforce to the recommended level.<sup>83</sup> Further, with the absence of uniformity and frequent violation of the principles of natural justice in recruitment and promotion of Ministerial Staffs in the Directorates, the Service Rules was introduced only in the year 2006.<sup>84</sup>

It is observed that the twenty first century marked the dawn of the concept of strategic HRM system in Nagaland. This new emphasis placed on the HR function for

---

<sup>79</sup> State Training Policy, Department of Personnel and Administrative Reforms, GON.

<sup>80</sup> ATI, Annual Administrative Report of ATI for 2007-2008, Nagaland: Kohima, p. 4.

<sup>81</sup> OM, NO.AR-5/ASSO/98 (B) dated Kohima, the 26<sup>th</sup> Feb' 2001, op cit.

<sup>82</sup> Notification, NO.AR-2/1/87 dated Kohima, the 31<sup>st</sup> March, 2001, op cit.

<sup>83</sup> OM, NO.AR-3/Gen-67/2001 (Pt) dated Kohima, the 22<sup>nd</sup> Sept. 2004, op cit.

<sup>84</sup> Notification, NO.AR-5/ASSO/98 dated Kohima, the 16<sup>th</sup> Nov' 2006, op cit.

setting up a Transparent and Accountable Administration is noticeably an outcome fostered by the prevailing ineffective system of managing the human resources. This is reflected from the various HR interventions of the Government. On one hand, it is devising several progressive measures to train up its huge number of workforces, on the other hand it is seen struggling to trim its workforce to an adequate level that has been unfruitful despite the numerous efforts since from the 1970s.

The main reason behind the abnormal increase of workforces is because of random illegal appointment that is still continuing to take place beyond the sanction norm. Considering the magnitude of corruption that is taking place in Government departments, unless the Transparent and Accountable Administration system and the strategic HR agenda developed to reform the administrative actions is strongly enforced and constraining issues tackled effectively, the effort will be futile.

## **2.8 Level of HRM and HRD in Nagaland State**

In order to get a clear and realistic view of the level of HRM and HRD in Nagaland, firstly, based on the above historical evolution observations have been drawn. This is followed by a comparison of the current policies and practices with Guest's 'Ideal Types' of the modern concept of HRM as suggested by Henderson (2009). This could facilitate to identify whether we have reached the level of HRM in the true sense of the term or we are still following the traditionalist PM approach. For this purpose, observation from chapter three has also been reflected.

After attaining Statehood, evolving from the PM approach, the concept that HR as the most valued asset need to be nurtured well is reflected in the early to mid 1970s when ATI and the Personnel and Administrative Reform Department were set up. However, the term 'HRD' and 'strategic planning' is observed to have evolved only during the twenty first century firstly, when the programmers conceived of the need to set up a 'Transparent and Accountable Administration' and the need for a new State Training Policy.

Secondly, this shift in paradigm towards the need for strategic management is the forming of 'Vision Groups' which could have been inspired mainly due to the continuous failure to maintain a transparent and accountable administration.

Thirdly, the framing of the State Training Policy according to the above observations is prompted by the lack of disciplined behaviour towards their assigned duty. The repeated attempt and failure to bring the workforce to an adequate level also

shows that practice has not been consistent with the planning. Therefore, it would be misleading to claim that Public Sector organisations in the true sense of the term have installed the HRM system or engaged in strategic management.

Although, the attempt is evident, implementation of the concept has been weak and ultimately resorting to reactive approach to problems hampering the work performances. This approach of Public Sector people management functions (this term is used for now instead of HRM) corresponds to PM model. Other aspects corresponding very closely or identically to PM model include the organisational structure and organisations of the functions. The hierarchical and vertical integration and the bureaucratic centralised function is a clear replica to PM model. The remuneration system also reflects the PM model which is based on pay by position and collectivist based rate. In respect to employee relation perspective, the existence of unions and associations is a clear orientation to PM model. Even job design, the bureaucratic, centralised function and huge applications of rules and procedures reflects PM model.

Training and development activity is also found resembling the PM model. This is because though training is provided to the employees it is mostly job-related, limited, and also demarcating minimal cost for this activity. HRM emphasises on creating a learning organisation culture by focusing on continuously developing employees for sustaining competitive advantage. In Nagaland Public Sector organisations, this culture is missing. Emphasis towards training on management and leadership development has been noted but it is yet to be seen as creating a competitive advantage for the organisations.

The welfare role, though in PM model is viewed as unnecessary expense and aims to reduce and control the labour cost, it is not totally overruled whereas in HRM there is explicitly no welfare role. The expectations of the employees for fuller welfare aspect and the activities carried out to meet this expectation basically to overcome dissatisfied employees more or less correspond to PM model. However, no indication on cost control is found.

In PM model, commitment of employees is sought through compliance based approach. In HRM model, it is based on seeking willing commitment of the employees. In Public Sector, neither of the approach is found working though compliance based has been sought through promulgation of various rules and codes of conduct.

In many aspects, though Public Sector people management function corresponds to PM model of the ideal types, in other aspects, it neither reflects a PM model nor HRM model. For instance, in both models, sophisticated recruitment practices is adopted followed by strong reliance on external labour market of which in HRM model this external labour market is applied mostly for non-core employees such as grade III and IV employees. In Public Sector people management function, though the intention is to follow the HRM model (because normally for senior post the ratio of internal recruitment is higher than direct external recruitment), the recruitment in reality is neither adopting sophisticated recruitment practices nor heavily relies on external labour market.

In respect to criteria for success of the function, both models emphasises on cost control whereas in Public Sector, this aspect has been overlooked and as noted in case study 2 (P&AR) and 3 (DIC) departments are found making overdraft for payment of employees salaries. Public Sector, funded from a central source of government funds is accountable to multiple partners and stakeholders. To secure value for public money, it should aim at controlling HR cost and focus on improving the economy, efficiency and effectiveness of those programmes and services for which funds have been sanctioned. In this, it is worth underscoring that the role of leadership is paramount in strategic planning or management of both human resources and other resources.

Leadership, as stated by Denhardt and Denhardt (2006) is a practice-based art, not a science, and requires knowledge of how to apply the practice in context to be successful and also the practice of having the passion in leading effectively.<sup>85</sup> Unless the Government wants the visions and missions statements of HRD and the visions of the Vision Groups to become a mere as Bryson et al. (2010) puts it “artefact”,<sup>86</sup> a strategic (addressing both current and future challenges) and a coherent approach (each sub-system of HRM supporting one another) need to be strongly applied. This should be practiced with all passion exerted in their daily practice (doing and producing and reproducing) to realise the goals of the missions and visions.

An important aspect that needs to be highlighted is the never ending fruitless attempt in reducing the HR strength to the required level has to definitely end. This

---

<sup>85</sup> Denhardt & Denhardt (2006) in John M. Bryson, Frances S. Berry & K. Yang (2010), *The State of Public Management Research: A Selective Literature Review and Set of Future Directions*, *The American Review of Public Administration*, XX (X), pp. 1-27.

<sup>86</sup> John M. Bryson, Frances S. Berry & K. Yang, *op cit.*, p. 9.

approach and attempts is only exhibiting the vulnerability of the system, inefficiency and ineffectiveness of the enforcers of the various rules, guidelines, orders etc. Unless, it is strongly committed to enforce these rules or guidelines, another paper containing the orders will become just a showpiece on the notice boards later to accompany those that have failed in the P&AR department's huge collections and compilations of records. It needs strategic planners to work out the most appropriate HRM downsizing strategy or separation measures such as VRS, retrenchment, dismissal or discharge etc.

This must be done as per the provisions of The Industrial Disputes Act 1947 & The Nagaland Industrial Disputes Rules, 1979 that governs these types of measures. Since the aim is on downsizing the HR, external mobility will initiate the need for internal mobility such as promotion, transfer etc. as well. Therefore, both HRD practitioners and HR personnel need to play a key role before and after such measures have been taken. They need to reorganise the organisational structure considering the contextual variables that shapes the organisations structure. It need to carefully work out what jobs will not be required, to see that it does not result in losing competent employees in the process, to gain the support and approvals of the unions, and to plan for rehabilitation.

The role of Private Sector organisation in the State is not significant as that of the Public Sector organisation. According to the Annual Employment Review, as on 31<sup>st</sup> December, 2013 there had been 1,141 establishments in the organized sector. Of this, only 204 (69 are Act Establishments and 135 Non-act establishments) is in the Private Sector and the total employment provided by Private Sector is 4,686 (2,798 in Act Establishment and 1,888 in Non-act establishments).<sup>87</sup> This statistics provide enough evidence that organised sector is dominated by Government employment with rudimentary organised Private Sector participation. Thus, Jamir (2011), Additional Chief Secretary & Development Commissioner, Government of Nagaland also remarked that “huge pool of human resource is grossly underutilised due to non-existence of Private Sector players to absorb the manpower.”<sup>88</sup>

Apart from these observations, most of the private enterprises covered under this study have only few years of experience. Against this sample profile, it is not

---

<sup>87</sup> Annual Employment Review 2012-2013, State Employment Market Information Unit, Directorate of Employment & Craftsman Training, Nagaland, Kohima.

<sup>88</sup> Department of Planning and Coordination (2011), Livelihood and Employment Opportunities in Nagaland - Sectoral Issues: A Thematic Report, GOI-UNDP Project, GON, p. iv.

possible to trace the early development of HRM or HRD in this Sector. Hence, based on the observation of HR practices as reflected in chapter three, attempt is made here to assess the level of HRM and HRD in this sector.

In studying the HRM practices across the Private sample organisations in chapter three and four, the study shows that the strategic nature, training and development, psychological contract, and criteria for success resembles the PM model. Few organisations did acknowledge the need to motivate employees, but owing to lack of strategic capabilities, awareness and expertise in HRM the techniques applied is found ineffective and faced with retention problem. These organisations are more business driven and aims at cost minimisation. Adequate investment in training and development activities is found lacking both for core and non-core employees and reflecting PM model. In respect to functions of the organisations, no separate and specialised HR departments exist to look particularly after the personnel needs. This could be because most of the organisations range from small to medium size. Administrators are appointed but high involvement of proprietors in issues relating to HR has been observed. This reflects more or less a paternalistic PM model. With the system of compliance and less autonomy observed, the job design reflects PM model.

Just as the Public Sector, no formalised approach of recruitment and selection methods is followed reflecting neither of the models. In respect to organisational structure, it reflects the HRM model with less hierarchy and horizontal distribution of responsibilities. In regard to welfare role, absence of explicit welfare role in HRM is because it is based on unitarist approach. In this, employers focus on finding ways to communicate with their employees to achieve perceptions of fairness, legitimacy in pay rates and employment conditions. In this way, gaining high commitment, involvement and motivation is sought. Therefore, though the Private organisations do not have explicit welfare roles for their employees, it is not based on unitarist approach. This is because the strategy for seeking high commitment is not found significant.

Remuneration is said to be individual based but no competitive compensation policies is found across the organisations. No formal application of performance appraisal is observed. In respect to employee relation, employees are allowed to individually bring forward their grievances but it is not explicitly stated nor observed



as effective. Thus, it can be stated that these three features of rhetoric HRM is more of delusional in Private Sector than experienced in reality.

It is not possible to expect either of the models in their entirety. The end result or 'profit' can also be attained via both the soft and hard models. However, the very word 'human' in HRM reminds us of the humane aspects that is, not only the economic aspect but also the social and psychological aspects. In addition to this, the defeat of American corporations in both the domestic and global market due to increased globalisation and competitive market is a clarion call to once again consider if PM approach is appropriate in our present context. HRM gives a strategic direction to achieve competitive advantage.

In Public Sector, the study reveals that HRM so far is only at theoretical level. In Private Sector, there is a gap between rhetoric and reality of HRM. A strategic or in other words a practice based approach that requires taking a multiple stakeholder perspective is found lacking in both the sectors. It needs to take into consideration all the people that can be affected by those decisions that are taken within the organisation. This includes not only those working within the organisation that are directly affected but also those at the community level.

The rural inhabitants that constitute the major portion of the Naga population have been marginalised. It has failed in bridging the gap between the advanced and the so called less privileged regions in the State. Adequate attention has not been paid to the plight of the huge educated unemployed in the State.

HRM and HRD play a crucial role in this. Unless HRM focuses on developing the human resources effectively, it is less likely to have any positive impact at the societal level. Managing and developing human resources cannot be separated for both aims at improving quality of life at the macro level. Reflecting at the eighty per cent rural population that still remains to experience the fruit of modernisation, explains that HRM as a system has failed to recognised the key role of its subsystem that is, HRD. It is, thus, evident that in Nagaland the people management function so far have not yet fully evolved and practiced in the true sense of the term- HRM or SHRM.

## **CHAPTER 3**

### **HR PRACTICES: AN OVERVIEW OF THE SELECTED UNITS**

As clearly stated in chapter one under research methodology, this study covers two main sectors namely Public Sector and Private and other organisations. From Public Sector, twelve units have been identified which include ten State Government departments and two Central Government departments. In addition, we have selected eleven units to represent Private and other organisations. This includes three quasi organisations (Semi-Government), six private owned enterprises, one non-Governmental Organisation (NGO) and one Joint Venture. Considering the nature of the study area, the overview of the HRM practices are presented in two parts as per the ownership pattern.

Part I deals with the Public Sector where the overview of HR practices in State Government department is presented first followed by Central Government department.

Part II deals with Private and other organisations. In this part, overview of Private enterprise is presented first followed by quasi organisation and lastly the Joint Venture.

The overview begins with brief description of the organisational set up followed by the HR practices namely, Recruitment and Selection methods, Training and Development, Performance Management system, Salary Administration and Policies, Communication system and Conduct and Discipline.

### **PART I: PUBLIC SECTOR**

#### **3.1 State Government Department**

##### **I) Organisational Set-up**

The Government of Nagaland shows a vertical hierarchical structure. The Chief Secretary is the administrative head at the Government level. His immediate subordinates are Commissioner & Secretary/Secretaries who heads not less than two departments. At the State level is the Directorate which is the Head of the Department

headed by a Director/General Manager/Engineer in Chief/Principal Chief Conservator of Forest etc. as the case may be.

In general, the organisational hierarchy in our ten selected sample is found to exhibit same pattern. The structure, therefore, has been discussed in general. The structure follows this pattern such as the Director > Additional Director/Additional General Manager > Joint Director/Joint General Manager > Deputy Director/Deputy General Manager > Assistant Director/Assistant General Manager > ministerial staff such as Upper Divisional Assistant, Lower Divisional Assistant, and Typists etc. followed by fourth grade staff such as peon, chowkidar, sweeper etc. that form the last in the hierarchy.

In respect to decision making, all administrative and establishment matters are the responsibilities of the Commissioner & Secretary/Secretaries. He is responsible for co-ordinating with other departments like the Planning Department, Finance Department etc. and also for representing the department in all meetings concerning developmental programmes/activities and other issues at the government level.

At Directorate level, the Director is delegated with certain administrative and financial powers subject to the ceiling limit issued by the Government from time to time. The Director is empowered for appointment of the non-Gazetted staff. He is assisted by the Additional Director or the Joint Director/Joint General Manager or the Deputy Director who is assisted by a Registrar.

The Registrar is assisted by Superintendent/U.D.A in all subject matter.

At the District level are the subordinate offices headed by General Manager (DIC), Divisional Manager (NST), and Executive Engineer (NPWD) etc. as the case may be. The District head is directly responsible for overall supervision and execution of all activities under their respective District/Division. However, the normal channel for submission of cases and their final disposal rest with the Director/General Manager. In respect to major cases requiring Government approval/sanction, etc., files are sent with approval of the Director to the Government.

The structure of State Government department shows a pyramidal and mechanistic structure with rigid hierarchy, multiple levels, and narrow span of control. Just as it is said that inappropriate organisational structure hinder organisational performance,<sup>1</sup> this structure is observed to slow down the decision

---

<sup>1</sup> Henderson, Ian (2009), op cit., p. 64.

making process and creating large communication gap between the higher and lower level employees. It has diverted its focus away from result oriented performance.

## **II) Recruitment and Selection as per State Service Recruitment Rules**

The allotted quota to each source of recruitment for direct and through promotion is found to vary from department to department. In this, the ratio of internal recruitment for core employees is found higher than external recruitment.

Normally, for recruitment to Nagaland State Service, two methods have been prescribed namely:-

### **1. Direct Recruitment by Open Competition**

Under this pattern two methods are applied. First is, direct recruitment of posts falling within the purview of the Commission. This includes Class II and above category posts. For these posts, four rounds of selections are conducted namely preliminary exam followed by main exam and then viva voce. After qualifying these three rounds, a physical fitness exam is conducted. Having clarified this test, the candidate is finally put on probation for a period of two to three years as per the Service Rules of respective departments.

The second method is recruitment of candidate falling outside the purview of NPSC. This includes all non-Gazetted posts. For these posts, in accordance with Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 (Act 31 of 1959), respective Heads of Department (HODs) are required to notify the vacancies to the Employment Exchange or advertise it through news media. The examination and/or interview are then arranged by the respective HODs in accordance with the Rules and syllabus as prescribed by the Government from time to time. This exam and/or interview under various HODs are conducted by the Departmental Promotion Committee (DPC) who also functions as the Selection Board (SB).

The actual procedure as discussed above shows an intensive method of selection and also dependence on external labour market for recruitment of particularly the non-core employees. However, in reality, deviation from the stated norm is found highly practiced. Advertisements are not notified as per the exact number of vacancies. Instead, most employees are recruited through backdoor without undergoing any selection procedure. They firstly join on ad-hoc/contract/casual basis and after serving for certain period of time, their service are regularised through Suitability Test. These irregularities have been observed to be one of the main

drawbacks in State Government department hampering a competitive work culture and resulting in low employee productivity.

## **2. Recruitment by Promotion**

For promotion of Gazetted Officers, the DPC headed by the Chairman of NPSC conducts exam/interview. For non-Gazetted, the DPC/SB headed by the Director of concerned Department as the Chairman conducts the exam/interview. The DPC is subject to re-constitution from time to time by the Governor of Nagaland.

Even in this, deviation from the prescribed method and procedure is found. Even at Gazetted levels, it is reported that certain number of employees are regularised through Suitability Test and not through NPSC/DPC. Further, political interference and favouritism in promotional aspect has been noted. Such practices diminish staffing quality (a person's qualifications relative to the requirements of the job or organisation), demotivate performers, hamper competitive spirit and generate increased losses in productivity from reduced effort.

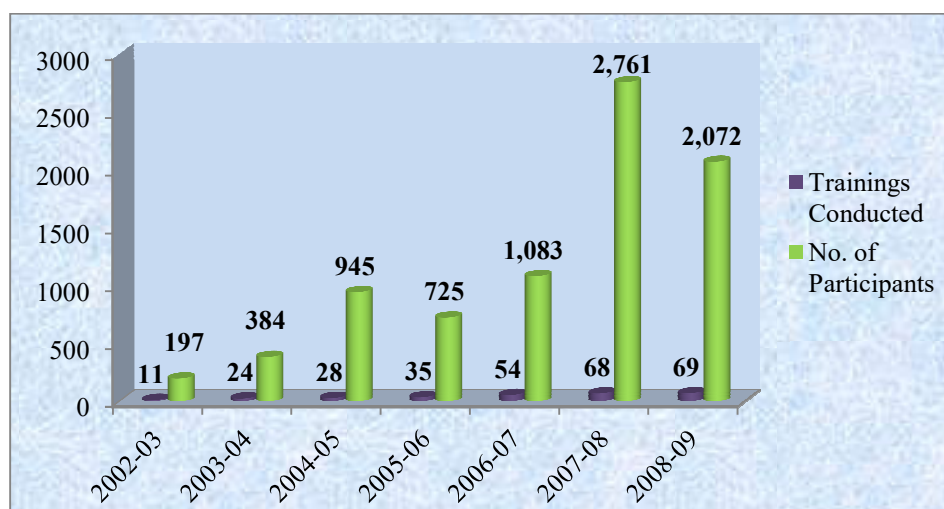
## **III) Human Resource Development**

The Administrative Training Institute located in Kohima, is the apex Training Institute and Consultancy arm of the Government of Nagaland. The Institute is headed by a Director who is a senior Officer from the All India Service Cadre. It has its own team of permanent, professional and experienced trainers in various fields like Management, Public Administration, Accounts, Financial Management, Computers, Disaster Management, Behavioural Sciences and Economics. Subject experts and guest faculties are also invited from within and outside the State from time to time. The course contents are constantly upgraded and designed as per the user requirements, based on feedbacks received from previous courses and as per the latest policies and trends of the government.

Figure 3.1 shows that during 2008-09, ATI conducted 69 training courses that had been attended by 2,072 employees. The total number of trainings and trainees from one of the selected organisation namely Department of Industry and Commerce is displayed in Table 3.1. The table shows that since 1978 till the year 2009, only 352 training programmes had been conducted within and outside the State. In respect to training beneficiaries (officers/staff), it is observed that certain employees especially

the non-core have attended training only once since their joining of service while from officer level few had attended more than once.

**Figure 3.1 Trainings Conducted and No. of Participants, 2002-2009**



**Source:** Furnished by ATI

**Table 3.1 Total Training/Trainee in Industry & Commerce Department**

	1978-04	2005	2006	2007	2008	2009	Total
Training Programme	279	15	20	32	01	05	<b>352</b>
Trainees	75	60	55	137	02	14	-

**Source:** Furnished by Industry & Commerce Department

Figure 3.1 show that training activities has progressed as compared to the past. However, if we look at the total number of regular employees during 2008-09, that is 87,541<sup>2</sup> it indicates that only 2.37% of the employees had acquired training at ATI during this period. It is found that during 2006-2007, State Government employees (regular and fixed) which was 1,02,225 increased to 1,04,594 during 2007-2008.<sup>3</sup> During 2010-11, it reached to 1,11,038 that further increased to 1,20,819 during 2012-2013. Even in respect to Industry department, as on 2012-13, there had been a total of

<sup>2</sup> Directorate of Economics and Statistics, GON.

<sup>3</sup> Livelihood and Employment Opportunities in Nagaland, Sectoral Issues, Department of Planning & Coordination, GON, p. 16.

1,003 employees.<sup>4</sup> The figures, thus, indicate that many have not availed any training programme.

Training and re-training helps determine the skill base and the level of competence in the organisation and to get better returns from those investments. Returns not only indicate profit in monetary term but also include improvements in employees' performance, productivity, flexibility, and innovativeness. The limited training, therefore, could indicate employees falling short of these training outcomes in many departments.

### **State Training Policy**

The new State Training Policy introduced in the year 2004 has put a major thrust on the key role of HRD. It aims to produce the desired "efficiency, effectiveness, sensitivity and responsive behaviour"<sup>5</sup>. For this, five basic areas of focus (noted within double inverted commas) have been highlighted which is worth reviewing in this discussion.

Firstly, we can say that the emphasis on "Information Technology" is well conceived because with increased technological innovation, employees in State Government department need to keep up with the advancement. However, the challenge lies in fully leveraging digital technology and the Internet facility. As observed in the study, with highest number of employees having low educational profile, motivation as well as adequate literate knowledge would be required to deliver such input. Even as of now, many employees were found not having email IDs. This could indicate that they are not internet savvy. Moreover, it is observed that not all departments have been fully computerised and manual records (registers) are still maintained. As a result, data are not promptly updated. Most departments were also found not having their own websites apart from the particulars that are furnished to the RTI.

Secondly, the need for a shift from "centralised planning to decentralisation and encouraging people's participation in training programmes" is indeed highly appreciable. Under this, it is of worth noting that massive initiatives have been taken as part of aiding development by providing several kinds of trainings, seminars, and workshops with high emphasis on agricultural related activities. However, it is

---

<sup>4</sup> Statement under The Nagaland Fiscal Responsibility and Budget Management Act, 2005 (Laid in the NLA along with the Budget 2013-14), Finance Department, 18/07/2013, GON.

<sup>5</sup> State Training Policy, Department of P&AR (AR Branch), 2004, GON.

observed that these interventions have been taken without an analysis of the ground realities. The indication is the infrastructure such as market outlet, road linkages, transport or the poor quality of seedlings, continuous diversion and misappropriation of funds. So the question is will such decentralisation or trainings really bring any improvement in a society where it is found that ethics and integrity is totally lost? Can we say the expenditure on this activity has been effective when many farmers have seen their months of hard toil rot away in a single clear day light?

Thirdly, to incorporate “understanding and application of the modern concepts of management besides rules and procedures to improve the overall functioning of the organisation” indicates the need to move beyond the traditional focus that is, Personnel Management function. But the study shows that “rules and procedures” through written means are still highly applied in running of the organisations. Thus, the “modern concepts of management” as the Policy highlighted shows that it is yet to be practiced. This has already been discussed in chapter two.

The fourth focus is the need for “greater emphasis on ethics and value based administration and on all emergent issues in the society”. For the very first time in the State, ethical training received attention only in the year 2005. This needs more emphasis because unethical work practices are found still highly prevalent and hampering the performances of the organisations.

Lastly, it is observed that the focus on “training employees in the latest techniques of project monitoring and management” have not yet received adequate attention. This is also one of the major shortcomings that have been largely liable for the weak performance of the departments. Even after almost a decade that is, till 2013 when this focus had been conceived, “project monitoring and management” techniques is still found ineffective. Many projects/schemes are found abandoned or delayed or incomplete due to weak project monitoring and implementation. This finding is highlighted in chapter four.

The policy also highlights the need for “imparting training to top management level on policy analysis, strategic planning, lateral thinking, policy formulation and project monitoring and project management”. Till now, it is found that none of these areas of focus has received adequate attention. It has failed in creating a work culture where organisational values, goals and objectives are transformed into personalised employee’s objectives. More precisely, the “efficiency, effectiveness, sensitivity and responsive behaviour” as conceived by the HRD policy shows to be lacking.



Thus, the challenge that remain is how to produce such behaviours when organisations have randomly recruited employees without giving a thought of whether they have recruited the right person for the right job and in the right place? This is because, characteristic of workforces have significant relationship with their motivation, commitment and productivity level. Nevertheless, on the positive side, with the introduction of Training Needs Analysis in the year 2008, it is hope that this will help the Department identify the right training needs which is of outmost importance for enhancing employees' performance level.

#### **IV) Performance Management System**

The performance appraisal in State Government department is carried out on annual basis. This appraisal earlier was called the Annual Confidential Report. However, from the year 2010, a new appraisal known as the Annual Performance Assessment Report (APAR) has been adopted. This method is uniformly applied for all Nagaland Government Servants (both Gazetted and non-Gazetted). On the basis of the APAR, the DPC selects competent officials for the next promotion.

It is found that the guidelines of APAR encourages maintaining transparency in the assessment. It highlights the need to communicate the overall grade and integrity to the officers reported upon after it is finalised by the cadre controlling authority/custodians of APARs. This new method, however, was introduced only after the questionnaires had been filled and collected. Regardless of this, few major improvements observed in the new method from the former one is discussed here.

In the self assessment report, a new question observed is the assessment of one's own training need requirement for upgrading one's skill both for the present and for future career. This is an important aspect that TNA basically emphasises on which earlier had been overlooked. This provides the scope for preparing oneself to assume greater responsibility in future. Here, the one major challenge for the departments would be meeting one's career aspiration to make the appraisal more realistic than just a formality. This is because in a condition where departments are overstaffed, many may not get the opportunity to reach higher level or in other words accomplish their career aspirations. Vacancy may arise, but ratio of recruitment also has to be maintained. In addition to this, age bar and length of service has been restricted to thirty five years or till attaining the age of sixty years. These conditions can have

significant impact on employees' career aspirations that can affect their quality of work life and productivity level.

Another question which earlier was found assessed by the reporting authority but in the new method is self assessed is the exceptional contribution he/she feels have made to the organisation. This gives fairer representation and scope for motivating employees. This is because when one feels that he/she has done an outstanding job but the reporting authority fails to notice or acknowledge it, it can have adverse impact on the employee's motivation and performance level.

Further, assessment on work output (accomplishment of task including exceptional and unforeseen tasks performed, quality of output, and analytical ability), personal attributes (attitude to work, sense of responsibility, capacity to work in team spirit and time limit etc.), and functional competency (strategic planning ability, decision making, co-ordination etc.) were found newly introduced. These assessments are more standardised, realistic and offer more effective way of appraising employee's performance as compared to the former. Effectiveness, however, would depend on how well without any prejudices, biasness, and most importantly compromising actual performance with sentiments of hurting a subordinate/relative/community, the appraisals are performed.

As far as the former method of appraisal is concerned, it was found ineffective. It reflected an activity that was carried out merely to fulfil the formalities of personnel administration function. As per the rule, appraisals were regularly (annually) conducted while the main purpose for identifying and rewarding actual performers as per their actual contributions was found missing. Apart from favouritism and political influence that have been observed, the assessment of merit-cum-seniority method was found overwhelmed by personal sentiments of the appraisers towards the appraisee. With new format introduced, if as per the guidelines, appraisals are carried out, it would facilitate the departments to devise the right motivational techniques and training needs. This will have significant positive impact of employees' performance level and organisational productivity.

## **V) Salary Administration and Policies**

All matters relating to the salaries, allowances, increment etc. are regulated by the Nagaland Services (Revision of Pay) Rules. The new revised pay according to the classification of post is displayed in Table 3.2.

**Table 3.2 Classification of Posts**

Classification in Previous Scale	Classification in Revised Pay Band
Group A: all post carrying a scale of pay with maximum of not less than Rs. 13500/-	Grade Pay of Rs. 5400 to Rs. 10,000/-
Group B: all post carrying a scale of pay with a maximum of not less than Rs. 9750/- but less than Rs.13500/-	Grade Pay of Rs. 4400 to Rs. 4600/-
Group C: all post carrying a scale of pay with a maximum of not less than Rs. 4400/- and above but less than Rs. 9750/-	Grade Pay of Rs. 1800 to Rs. 4200/-
Group D: all post carrying a scale of pay the maximum of which is Rs. 4400/-	Grade Pay of Rs. 1300 to Rs.1400/-

**Source:** Govt. of Nagaland, Finance Department, 2010

**Table 3.3 Schedule of Various Posts**

Sl. No	<b>Group A:</b> Designation
1	Addl. Director, Jt. Director, Sr. Lecturer (Management), Registrar in Directorate, Stenographers Grade-I, Lecturer (Comp), Lecturer (PA), Lecturer (Accounts), Superintendent.
2	<b>Group B:</b> Designation
	Research Officer, Librarian
3	<b>Group C:</b> Designation
	Stenographer Grade-II, Library Assistant, Care-taker, U.D.A., Accountant (Directorate), Research Assistant, Stenographer Grade-III, Projector Operator, Driver Grade-I, L.D.A. (Directorate), Receptionist, Typist Grade-III (Directorate), Driver Grade-II.
4	<b>Group D:</b> Designation
	Duftry, Sweeper, Cook, Bearer, Mali, Chowkidar, Peon

**Source:** Handbook on Nagaland Services Revision of Pay, 2005

The schedule of various post under different Departments clubbed together according to the Group under which it falls is exhibited above in Table 3.3.

Under the welfare schemes, employees/officers are entitled to various monetary and non-monetary benefits as per the post/grade and nature of work. Some of which include HRA or Government quarter, children education allowance (Group D employees), medical allowance, travelling allowance entitlement of retiring employees, travelling allowance for journey on tour, mileage allowance for journey on road, daily allowance on tour, hotel & lodging charges provided no accommodation is available at the State Guest House etc. Top Class I officers are also provided with Government vehicle till their retirement.

Employees are also entitled to casual leave, sick leave, earned leave, leave encashment, maternity leave, study leave, provident fund, annual increment, gratuity and pension (for employees appointed prior to 2010)/Defined Contribution Pension Scheme (for new entrants), Modified Assured Career Progression Scheme, etc.

If we are to compare the provisions of the State Government employees with that of the Private Sector employees in Nagaland, it is found that Government employees are receiving higher remuneration. However, the question is, are they in tune with their remuneration contributing to the State's socio-economic development? This has been critically discussed in chapter four. Here, based on the financial position of State Government, the contribution of the organisations' HRM system in adding to organisational productivity is briefly discussed.

The total expense on salary and wages alone during 2010-11 was reported of Rs. 2033.93 crore which increased to Rs. 2246.96 crore in 2011-12.<sup>6</sup> With increase in central Grants, it is found that the State deficit has also been increasing. In 2009-10, the total deficit was reported of Rs. 494.23 crore. This increased to Rs. 601.44 crore in 2010-11 and to Rs. 760.52 crore in 2012 incurring a deficit of Rs. 159.08 crore.<sup>7</sup> Apart from the deficit, it is found that the Government also has huge outstanding liability (state debt) which during 2010-11 was reported of Rs. 5864.53 crore increased to Rs. 5991.26 crore (against the Budget Expenditure of Rs. 5296.72 crore) in 2011-12. On the other hand, the State's own revenue for 2011-12 was reported of Rs. 435.20 crore only while Interest payment was Rs. 434.69 crore.<sup>8</sup> What we see here is that, the revenue equals to the interest payment. This indicates that it has not been able to meet the actual loan repayment.

It is observed that despite huge liabilities, the Centre had been generous to help the State meet the expenditure for implementation of the 6<sup>th</sup> ROP. The Centre granted Rs. 712 crore tied to the Grant for Nagaland during 2009-10. Of this total amount, it is found that only Rs. 472,55,74,000/- had been released for provisions of 6<sup>th</sup> ROP while the remaining Rs. 239,44,26,000/- were not accounted. Of this amount released for the ROP, it is found again that most departments had credited 40% of the amount to the employees GPF account which comes to Rs. 189,02,29,600/-.<sup>9</sup> This

---

<sup>6</sup> CAG Report, 2011-12.

<sup>7</sup> Expose, Congress Bhavan op cit.

<sup>8</sup> Ibid.

<sup>9</sup> Ibid.

amount including the unaccounted amount indicates the possibility of misappropriation.

What is intriguing is despite generous sanction from the Centre, liabilities (State debt) keep surmounting. At the same time, many departments have been frequently facing shortage of fund to meet employees' salary. Above all, expenditure on developmental activities continues to receive least priority. So the question is not only where the fund is disappearing that these problems continue to persist but more important is why? This could mean a deteriorating accountability system. Accountability can happen only when organisations focus on effectively managing the human resources and the allocation of work within an organisation which in the words of Netra et al (2009) is called the "employer functions".<sup>10</sup>

## **VI) Communication System**

With decision making concentrated only at higher level, the rigid and tall hierarchal structure is observed to effectively rule out team work and resulting in slow decision making process. This has created a huge communication gap between the higher and lower level employees.

During the time of data collection, surprisingly it was found that most employees do not know which officer or which section is dealing with what types of work. To collect training information from the Directorate of Industry and Commerce department, the researcher had to climb from one storey to another several times and run from one section to another to and fro due to wrong direction given by the staff. Further, as discussed earlier, due to limited use of computer, the training data was also found manually recorded in a thick four to five registers.

Similarly, even at PWD to get a copy of the Service Rule, almost one whole day but in vain the researcher had a merry go round the huge building. None of the staff or even the Engineer in Chief had the Service Rule handbook. At the end of the day, it was learnt that the new Service Rule proposed long ago was yet to be drafted as there was problem with the old one. This shows that information is not disseminated properly to the employees.

Adding to this internal communication gap, written communication is again found highly relied upon than personal or verbal communication. Downward flow

---

<sup>10</sup> Netra et al. (2009), op cit.

refers to the communication from superiors to subordinates, and corresponds to the chain of command or line of authority.

In every department, for downward communication written diffusion methods through letters, circulars, memorandums, standing orders, notifications etc. is highly applied for giving specific task directives, informing new procedures and practices or any other information. Repeated orders and notifications against the same activity e.g. filing of petition through proper channel have been observed. This indicates that employees are not giving enough attention to written orders and this high reliance on written diffusion method is not effective in controlling employees' behaviour. The tall hierarchical structure can also be attributed to this failure because to reach the final decision making authority, the file has to pass through many desks and layers.

The practice of giving continuous feedback on performance or indoctrinating the organisation's goals is also found rarely practiced. In this case, it is not possible to expect employees to meet the goals of the organisation when it has not been properly communicated to them. For HODs and officers meetings, seminars, workshops including training programs are organised from time to time. However, officers and staff meeting are rarely conducted to discuss work related matters. This shows that continuous communication and consultation is not maintained. Communication potentially alters employees' behaviour. Poor internal communication prevents the organisation from having the desired degree of open work culture based on trust and give rise to internal conflict. This can put both the organisation and the individual integrity at risk.

It is found that the State Government also accord recognition to Service Association. Further, Public Grievance Offices have been set up in each district. However, in respect to IT, the adoption of modern information technology is still in its infancy stage. Technology driven organisations fosters more efficient and effective way of information sharing and information handling.

## **VII) Conduct and Discipline**

It is found that "The Nagaland Government Servants Conduct Amendment Rules, 2000" (first formulated in 1968) has prescribes various rules that every government servant at all times must abide by. "The Nagaland Services (Discipline and Appeal) Rules, 1967" on the other hand lays down minor and major penalties

which for good and sufficient reasons could be imposed on a Government servant and also prescribes the procedures for imposing such penalty.

The Conduct Rules handbook contains thirty one rules excluding the general rules, the definitions, explanations etc. It has again many sub-rules, clauses, explanations and notes. With lengthy and numerous rules, employees probably do not have the time or the interest to look at it because so far only very few officers were found having this handbook. With much difficulty, for the purpose of this study, these Conduct/Discipline handbooks including Service Rules were obtained. In respect to the Conduct and Discipline Rules, four points are found worth of discussing.

Firstly, Conduct Rules are not strictly enforced.

Secondly, the rule has defined government servant as “any person appointed to a public service or post in connection with affairs of the State of Nagaland”. This then includes the grade four employees as well. But when majority of even the grade three employees are under-matriculates, organisations need to question whether grade four employees will have such knowledge to understand what all these rules imply. With limited verbal communication, formal and informal gathering between superiors and subordinates, and no initiative taken to indoctrinate the organisation’s goals, it is essentially important to question who will take this job of explaining these lengthy codes of conduct to this member (grade four employees). Most importantly, when higher authorities are failing to abide by these rules, it is important to question again whether the lower level employees will ever take interest to learn about the Rules. However, with weak communication system, the written codes of conduct alone, that is also not available to all, is barely to have any positive impact.

Thirdly, “The Nagaland Services (Discipline and Appeal) Rules, 1967” lays down minor and major penalties. Few of the major penalties mentioned includes compulsory retirement, removal from service but not barring one from future employment under the Government, dismissal from service with disqualification for future employment under the Government, etc.

One loophole observed in these handbooks is, in the Conduct Rules apart from stating as “no Government servant shall” or “a Government servant shall” or “treated as speculation” no where it is found mentioning that violation of these rules shall be subject to disciplinary actions nor referred to the Discipline and Appeal Rules. Similarly, in the Discipline handbook, apart from stating as “misconduct/

misbehaviour” or “criminal charge” or “moral turpitude”, no where it is found referring to violation of the Conduct Rules.

These two rules were formulated at different interval of time. The Conduct Rules, with incorporation of “Prohibition of sexual harassment of working women” on 22<sup>nd</sup> May, 2000 had been renamed as “The Nagaland Government Servants Conduct Amendment Rules, 2000”. Though, the implication is obvious, explicitly no relations between these two rules is manifested as in the quasi organisations’ Service Rules discussed in later part of this chapter. Here, apart from stating the expected behavioural conducts, the kinds of behaviour that could summon disciplinary action have been lucidly reflected.

Fourthly, in the Conduct Rules, certain clauses are found that is also worth discussing. For instance, sub-rule 2 of Rule 8, states “on occasion, such as weddings, anniversaries, funerals or religious or social practice, a Government servants may accept gifts from his near relatives but he shall make a report to the Government if the value of any such gift exceeds- (i) Rs. 500.00 in the case of Government servant holding any Class I or II Class post, (ii) Rs. 250.00 in the case of a Government servant holding Class III post; and (iii) Rs. 100.00 in the case of Government servant holding Class IV post.” On occasion as are specified in sub-rule 2, sub-rule 3 relates to gifts from personal friends having no official dealings with him if it exceeds- (i) Rs. 75.00 in the case of Class I or II Class post, and (ii) Rs. 25.00 in the case of Class III or IV Class post.

These rules are not only outdated but socially irrelevant. There are number of cases, few of which have been highlighted in chapter four where crores of fund are continuously misappropriated and misutilised. This would imply that stating numerous rules of conducts may not generate positive result from the employees. Rather, it is important that these rules should be context specific, relevant, and rooted in real problems. It should clearly define what kind of violations is sanctionable, under what circumstances and the corresponding sanctions and penalties which is found missing in the State’s conduct and disciplinary rules.

Overall, we could say that both horizontal and vertical integration of HR practices is lacking. The shortfalls indicate weak human resource planning.



### **3.2 Central Department (Banking)**

#### **I) Organisational Set-up**

Under Central Government department, we have selected two banks namely the State Bank of India (evening branch) at Dimapur and Vijaya Bank at Kohima. The overview begins with brief discussion of the organisational structures followed by the HR practices.

State Bank of India was formed in 1955 by an Act of the Parliament, that is, The State Bank of India Act, 1955 (Act) and nationalised in the year 1969. It has a four tier structure with Corporate Centre (Apex Office), Regional Offices, Local Head Offices/Circles and the branches at the lowest. The Bank has a Central Board and a Local Board for each Circle. The Corporate Centre headed by the Chairman is located in Mumbai.

At every centre where the Bank has a Local Head Office (LHO), Local Boards/Committees of Local Boards are functional who as per the powers delegated to them by the Central Board exercises and performs their functions. The Heads (Chief General Managers) of all Local Offices are directly responsible to the Chairman of the Bank.

Under the CGM, there are two General Managers (GMs). The Regional Office headed by Assistant General Managers (AGMs) functions under GMs and all branch managers in the region reports to AGM. Under CGM, there are 58 modules where Deputy General Managers (DGMs) have been posted. It was found that this DGM structure has been set up for closer supervision and monitoring of regional offices and the branches. As on 31<sup>st</sup> March 2013, there were 14,816 branches. The branch is the closest unit to the customers and is headed by a Branch Manager. He is assisted by managers, officers and clerks.

In respect to delegation of powers at the lower levels, it is decided upon by the Central Board as per the organisation's requirement and also Government/RBI guidelines that is revised from time to time. For instance, for considering loan proposals, each officer of the Bank take decision in terms of the scheme of delegation of powers. However, if bank need to purchase any kind of equipment like computers or software branch managers are required to take permission from the high authority. Thus, we see that though depending on the position there is delegation of certain financial and administrative powers, this decision making power is limited.

The second bank selected for this study is Vijaya Bank. The Bank is another mainstream Indian Public Sector bank formed in 1931 and nationalised in 1980. It consists of three tiers namely, the Head Office, Regional Offices and the branches. The Head Office headed by the Chairman and Managing Director (CMD) is located in Bangalore.

The Head Office has various functional departments that are instrumental in policy formulation, setting targets and monitoring the performance of regions. It has twenty four Regional Offices headed by experienced Executives in the rank of Senior and Top Management Grade to exercise immediate supervision and control over the 1,359 branches under their jurisdiction. It has twelve service branches which handle the work relating to collection of instruments drawn on branches in these centres and clearing functions. These Regional Offices report to different functional departments at the Head Office. Further, as the extended wings of the Central Inspection Department, the Bank has set up eleven Regional Inspectorates and fourteen Retail Asset Centralised Processing cells.

Similar to SBI, decision making power shows to be highly centralised. The Bank functions under the overall control and supervision of Board of Directors. The Board formulates the policies pertaining to the Bank's functioning. For implementation, every officer depending on their positions is delegated with powers to discharge their functions as defined under Section 6 of the Banking Regulation Act, 1949. Apart from supervision from the Head Office, officers are also issued a Book of Instructions for discharging function in their respective department.

As per the organisational structure, Vijaya Bank shows a flatter structure. However, in respect to decision making, limited discretion and autonomy at the lower levels of the organisational structure is observed in both Banks. Regardless of this, we can say that there is a well defined system with clear cut roles and responsibilities and clear line of authorities. This reduces ambiguity and helps organisation to remain focussed on its specific business need and priorities. Further, despite the large size of its operations, it is observed that the continuous communication and consultation is serving as an effective tool for the Banks in improving the work system and also in facilitating faster decision making process.

## **II) Recruitment and Selection**

These two Banks were found utilising several sources of recruitment. Apart from internal recruitment for officers' cadre, both Banks utilise Campus Selection process. For recruitment of other cadres, the Banks employ agencies such as Employment Exchanges, the Special Employment Exchange, Vocational Rehabilitation Centre, The Zilla Sainik Boards/Rajya Sainik Boards/Directorate General of Resettlement/Ex-servicemen Cell of Directorate General of Employment and Training. The Banks also ensure that GOI directives are followed in recruitment of SC/ST/OBC and Persons with disabilities candidates.

During the year 2012, SBI advertised 20,682 vacancies for the post of assistant while Vijaya Bank initiated a recruitment process of 819 posts of officers through direct recruitment. What is observed here is that, the ageing workforce and the educational competency could be the reason for Vijaya Bank initiating a high recruitment process for this cadre through direct recruitment. This is because, as compared to SBI, Vijaya Bank showed only 13.33% (02/15) between the age-group of 20-39 while at SBI 58.33% (14/24) were of this age group. Even in respect to educational qualification, SBI showed higher per cent of more qualified personnel that is 83.33% (14/24) graduate and above as compared to Vijaya Bank that showed 60% (09/15). The sample branches are small units as compared to the entire workforce strength of the Banks. Regardless of this, it indicates that SBI is more focussed in attracting younger and dynamic workforce in order to cope up with the changing banking scenario.

In respect to the above observation of Vijaya Bank, for core employees, internal recruitment rather than external/direct recruitment could offer greater advantage. Employees are not only familiar with its internal working system but also create avenues for employees to meet their career aspirations. On the positive side, however, the Bank is found having a higher number of officers cadre that is, 5652 as against 4255 clerical staff as on 2013 while SBI showed 80,796 officers as against 1,09,686 clerical staff. Core employees are crucial for organisation's success because they possess the critical knowledge or skills and have high market value.

At SBI, though the selection process is conducted by the Central Recruitment and Promotions Department, the procedure is found similar to that of the Institute of Banking Personnel Selection (IBPS) that all Public Sector Banks are today utilising.

To address skill needs and appropriate staffing requirement in the Banks, an intensive and meritocratic selection procedure is applied.

Eligible candidates appear for the Common Written Exam (CWE). After qualifying this exam, candidates are issued a score card that is valid for one year from the date of issuing. Then depending on the number of vacancies, the bank reserves the right to call only those candidates who have scored sufficiently high in the CWE for Group Discussion and/Interview. For the final selection, the overall performance in IBPS CWE, Group Discussion and Interview is assessed.

After completion of the selection process, pre-appointment formalities are conducted to check all the eligibility norms before offering appointment to the selected candidates. After this, clerical candidates are put on probation for a minimum period of six months whereas for the officer's cadre they are put on probation for eighteen months. Before the end of probation, the performances of the newly recruited employees are evaluated. Based on the assessment, the probation period of employees whose performance fails to meet Banks' expectation could be extended or even terminated from the job.

Overall, the recruitment and selection process reflects a competency based approach. The application of several external agencies not only shows that Banking sector aims at taking full advantage of selecting the best candidates from the widest pool of talent but also in giving equal employment opportunity. It also highlights the appreciation of the labour market diversity and the need of having a workforce that is representative of the society. This helps balance the right diversity and skill mix fostering greater flexibility and productivity of the firm.

The selection process also shows that the Banks are more focussed in attracting employees who have the zeal and the capacity to deliver the required performance level to contribute to achievement of the Banks' goal. As compared to State Government department, the emphasis placed on attracting and recruiting merit candidates reflects a more sophisticated recruitment strategy that has significant impact on organisational performance. Despite this attempt, it was reported that the Banks have been facing tough competition in retaining its core employees who are offered better opportunities by Private Sector banks. As such both Banks have been continuously working towards improving its HR practices. SBI has even gone to the extent of adopting the Performance Linked pay which is a motivational tool highly practiced in Private Sector banks.

### **III) Human Resource Development**

Both Banks have their own training centres and are found actively involved in training up its workforces on a continuous basis.

SBI has five Apex Training Institutions (ATI) namely State Bank Staff College (Hyderabad), State Bank Academy (Gurgaon), State Bank Foundation Institute (Chetana, Indore), State Bank Institute of Rural Development (Hyderabad) and State Bank Institute of Information and Communication Management (Hyderabad). In addition to this, it has forty seven training centres spread across nineteen states of the country. During 2012-13, it was found that SBI imparted training to 1.76 lakhs employees covering 90% of the Officers and 60% of the Assistants. The Policy of the Bank is that every single employee in every grade must attend at least one training programme every year.

Vijaya Bank also has its Staff Training College in Bangalore. During the year 2012-2013, it is found that the Bank imparted training to 8,381 employees constituting 66.5% of the total staff strength.

It is observed that the Banks have effectively aligned their HR policy to manage innovation and change and to maintain a competitive advantage in a business environment. The Banks were found proactively monitoring the technological environment. For instance, whenever a technological up-gradation is on the plan, keeping in mind the essential inputs required for the employees to handle both present and future assignments, the Banks training programme are redesigned. The emphasis on continuous technology upgrade is also found to have enabled the Banks to embrace a fast-changing technological environment and to offer more additional IT oriented services to the customers.

Apart from this, the Banks also ensures that training programmes are designed with the focus on bringing about an attitudinal change to help employees right to the grass root level develop a more customer-centric approach. Employees are trained to warmly greet and service the customers with pleasant attitude so as to win customer's confidence and satisfaction. It is also found that SBI has installed an e-learning portal to inculcate self learning culture that has over 280 lessons with more than 70,000 employees using the portal while 94% have registered.

The effectiveness of the HRD intervention was observed at one time, while the researcher took a relative for opening an account to a newly opened SBI branch (old market) in 2013 at Dimapur. The Branch Manager after completing all the necessary

work of form verification and signing took the initiative to pitch some of their newly introduced investment schemes.

The timing and approach of delivering the information had been very appropriate, polite and convincing as that of a professional sales person. Coming to know the amount of cash the customer wanted to deposit in savings account, he informed her that keeping such amount in savings would be waste. He suggested her to invest in one of their scheme for elderly people that would give her a higher return. This shows not only the skill of the manager in approaching customer but also reflects the motivation and commitment to add business to its branch and a concern for the customer. Putting into practice what has been learned that is to gain customer's satisfaction and confidence shows the effectiveness HRD intervention in eliciting the right behavioural expectation.

Apart from training and development activities, both the Banks are also found involved in various welfare and social activities. During 2012-13, for the first time in the history of the SBI, the CSR activities was reported of crossing the milestone of Rs. 100 crores and touching Rs. 123 crores.

SBI's involvement in many CSR activities is evident even in Nagaland state. For instance, marking its 54<sup>th</sup> Bank Day on 1<sup>st</sup> July 2009, SBI, Chedema branch (Kohima) adopted three girl children and presented them pass book. SBI, Dimapur evening branch (selected branch of this study) adopted two more girl child which till date was reported of six. SBI, Leire branch, Kohima also felicitated their four adopted girl child by distributing gifts and sweets.

Vijaya Bank has also carved a distinctive mark in various CSR namely serving national priorities, promoting rural development, enhancing rural self-employment through several training institutes and spreading financial inclusion objective. During the Financial Year 2012–13, the CSR initiatives at thirteen villages at twelve different districts of the country included financial support and adoption of needy fifteen girl students from rural background for their studies up to graduation level, construction of Bus shelter at villages, providing drinking water facility at village Government schools, and establishment of rural health centres at villages with doctor facility and medicines.

The expansion of the branches that is, 719 at SBI and sixty (60) at Vijaya Bank as on 2013 also reflects effectiveness of the HR interventions. The implication is effective utilisation of its available HR helps organisation to become productive and

thereby to expand and grow. In this way, both Banks have contributed in generating employment opportunities and also in improving the overall quality of life of the community as reflected in the CSR activities.

It is observed that training and management development is a continuous process and not one time activity. The emphasis laid on customer satisfaction in their entire training programme also reflects the Banks' commitment to serve its customers to their utmost satisfaction.

#### **IV) Performance Management System**

At SBI, it was found that the Bank has launched the Performance Linked Incentive Scheme for the Branch Managers/AGMs (Region)/DGMs (Module) and Team Incentive Scheme for the staff members of the Branch. This system is based on the basic pay plus additional incentives. The Scheme of the Bank has been adopted with the aim of fostering team spirit amongst the employees and to motivate them to excel in customer service.

Further, it was found that the Bank plans to cover all categories of staff by this scheme for promoting high performance culture. Certain objection had been raised by the SBI Officers' Association that this would be highly subjective and hence highly de-motivating rather than an incentive. Nevertheless, this scheme of rewarding the performers manifest that the Bank acknowledges that for attaining high profitability customer satisfaction should be the central priority and if employees are satisfied they would work wholly and solely for the banks. This incentive scheme is found to have been successful in enthusing and motivating the staff members of the Branch and garnering business for the Bank.

In the case of Vijaya Bank during the time of data collection that is in 2009 the performance management system was referred to as Performance Appraisal System. However, it is learnt that the Bank has introduced the APAR just as in all Public Sector Banks excluding SBI. Moreover, it was found that the format for APAR at various levels in Public Sector Banks was not uniform as formats had been devised with different parameters of evaluation and marking system. Hence, in 2012, only after consultation with the Public Sector Banks, it was finalised to apply a uniform format for officers at all levels namely Scale- I to VI (Budgetary), Scale- I to VI (Non-budgetary), Scale- VII (General Managers), and CMDs & EDs. Thus, in Vijaya Bank it could take some time to ascertain the effectiveness of the APAR.

As per the old system, it was noted that the appraisal system had several limitations as observed in State Government departments. It lacked in maintaining transparency and failed to give feedbacks about the ratings. Virtually, no interaction was reported of taking place between appraisee and the appraiser. The appraisals had upward bias with many appraisees getting 'excellent' ratings and failing to distinguish between performers and non-performers. Due to this associated deficiencies, it could be possible that Public Sector Banks have introduced the new system for exploiting the new emerging business opportunities.

Apart from the formal appraisal, it is found that SBI has devised several HR tools to motivate employees to perform better. A series of non-business HR initiatives observed at SBI include recognition of dinners, Best Employee of the Month, Best Regional Manager, monetary incentives, productivity week, innovation week celebration and quality night. This recognition of Best Employee of the Month was observed at the main branches in Kohima and Dimapur where the names of the employees were displayed on a board at the back end of the transaction counters.

At Vijaya Bank, though these non-business HR interventions were not found highly practiced as compared to SBI, the Bank has a formal process of compensation benchmarking where they have an inbuilt process for annual review. In order to motivate the employees, a rigorous and transparent performance pay scale program is adopted to ensure that high performers are well-compensated both monetarily and in stock. In this way, the Bank ensures that employees' contribution to the Bank is acknowledged and rewarded. Inter-bank competitions are also conducted from time to time to motivate employees.

Both Banks shows focused on linking employees' performance with organisational goals and objectives. However, clear demarcation between outstanding performers as well as below par employees is important which in fact SBI have adopted this system. At recent times with Public Sector Banks competing neck to neck with Private Banks, it is hope that the new appraisal will help the Banks retain its core employees.

## **V) Salary Administration and Policies**

Issues relating to wages and service conditions for all PSBs are negotiated and decided at the industry level. In 1979, with the introduction of Officers Service



Regulation as suggested by the Pillai Committee report, the industry wide standardisation of the pay scales, allowances, and perks of officers was adopted.

**Table 3.4 Pay Scales of Public Sector Banks** (revised w.e.f. from 2007)

Grade / Cadre	Pay Scale	Approximate total monthly emoluments <sup>11</sup>
Officers in SMG-S-VII	46,800 to 52,000	-
Officers in SMG-S-VI	42,000 to 46,800	-
Officers in SMG-S-V	36,200 to 40,400	-
Officers in SMG-S-IV	30,600 to 36,200	52,147/-
Officers in MMG-S-III	25,700 to 31,500	43,883/-
Officers in MMG-S-II	19,400 to 28,100	32,258/-
Officers in JMG-S-I	14,500 to 25,700	26,000/-

**Source:** Vijaya Bank, RTI Act 2005 & SBI Officers' Terms & Conditions of Service Handbook

This led to structuring of seven scales in four grades as displayed above in Table 3.4. Pay-scales are found uniform across the board, however, performance-linked incentives and flexibility to pay extra is limited. The salary of the Chairman and Managing Director is fixed by the government keeping in mind parity with the Indian Administrative Service.

In Staff Welfare, it was found that GOI has laid down uniform criteria for nationalised banks in the matter of allocation of amount. These provisions are as per the Banks' extant instructions applicable from time to time. Out of net profit, amount for staff welfare in a year is not to exceed 3% subject to a ceiling of Rs. 15 crores. In the case of SBI, the ceiling is fixed at Rs. 52 crores.

As reflected in staff compensation system and business per employee<sup>12</sup> discussed below, shows that employees are being well looked after and also the investment has been worth it.

Comparing to SBI, Vijaya Bank shows higher employee performance level. As of ending March 2013, Vijaya Bank showed Rs. 13.86 crore businesses per employee against SBI with Rs. 9.44 crore. Despite this difference, both Banks shows that employees' performance have been progressing each consecutive period from 2010-11 to 2012-13. This shows that employees have contributed well to their

<sup>11</sup> Approximate total monthly emoluments inclusive of Basic, DA, CCA, HRA etc. at the start at metropolitan centres

<sup>12</sup> Business per employee reveals the productivity and efficiency of human resources of bank. It is calculated by dividing the total business with total number of employees.

respective organisations. Compensation is one key determinant of job satisfaction and is said to have positive relation with employee productivity level.

Of the two banks, it is found SBI have received recognition in various fields both at national and international level. The Bank have received several awards some of which include Asia's Best CSR Practice Award- 2012, Asian CSR Leadership Award - 2012, Most Caring Companies of India Award- 2012, Star of the Industry Award for excellence in Banking (PSU), Golden Peacock Award- 2012 in Corporate Governance, Golden Peacock National Training Award- 2012, Golden Peacock Award for CSR- 2012, Best Trade Finance Bank in India Award- 2012 by The Asian Banker, NDTV Profit Business Leadership Award twice in a row that is 2011 and 2010 for organisational excellence, ICAI Award for Excellence in Financial Reporting- 2011, etc. This recognition and achievement reflects the effectiveness of the Banks' HRM system.

Starting from the recruitment and selection practices, we have found that both Banks are focussed in recruiting professionally committed employees, continuously training and developing the employees to excel to greater heights, maintaining the highest level of ethical standards, professional integrity, corporate governance and regulatory compliance and also ensuring that employees are well compensated and motivated. Thus, employees' productivity level as discussed above reflects the effectiveness of the Banks' HRM system because the ultimate aim of HRM is productivity and satisfaction of all stakeholders.

## **VI) Communication System**

Developing healthy employee relation is an important activity in HRM. In this, communication system plays a vital role in building this relation. In both the Banks, it is found that several channels of communications are applied to keep employees well informed about its objectives and growth plans of the organisations. For instance, pro-active measures are taken to provide a clear big picture of the Banks' vision and strategic plan during the training programmes and meetings. Work procedures, instructions or any changes in policies are promptly communicated to all staff through circulars, training programme and meetings.

Apart from the written and oral method, advances made by technology are also applied extensively for strengthening the communication system and ensuring efficient and prompt delivery of services. For instance, the Banks have installed the

HRMS. It is a software programme for automating its HR process. It helps to bring efficiency in all HR operations and facilitate the Management in making employee related decisions faster. However, SBI is found more technology oriented than Vijaya Bank in communicating change initiative. For instance, for internal communication SBI also uses Corporate Video clips and runs video campaigns through strategically placed plasma TVs. Such innovative approach also serves as an effective tool to help employees refocus on their behaviour and performance.

Even in respect to industrial relation, pro-active measures were found applied in both the Banks. The Banks encourages open and inclusive work culture for maintaining smooth industrial relations. For instance, SBI focuses on having inclusive Town Hall meetings with Unions and Association leaders, Open House hours for all staff with Circle Management Committee (CMC), holding workshops for Top Management and Top Union and Association leaders of its Associate Banks. The Board as well the various Committees holds periodic and regular meetings whenever there are enough proposals to be considered. Though at SBI, incidence of strikes and protest have been more prominent than in Vijaya Bank, the Bank ensures that all Industrial Relation related issues are sorted out through healthy dialogue/discussion with members of both the staff and officers federation.

Vijaya Bank follows an open door policy for the purpose of maintenance and furtherance of cordial and harmonious industrial relations with Trade Unions in operation in the Bank. The consultative committee meetings and negotiating committee meetings are held with the representatives of the recognized unions at regular intervals to sort out the grievances of the employees and to settle the disputes, if any, amicably. These meetings are attended by the top executives of the Bank as well. Apart from formal forums set up for discussing and resolving areas of conflicts and demands, the informal channel of communication has always been kept open. These channels, thus, reflect the Bank's concern and effort for improving staff relations at both organisational as well as at interpersonal level.

In addition to this, annual, half yearly and quarterly results of both the Banks are published in all leading newspapers of the country and also in its websites that are updated periodically. These Reports are sent to all shareholders of the Banks. Such broad based and open communications reflects the Banks effort to promote transparency and accountability. Even in issues relating to Reservation Policy, in order to effectively redress the grievances of SC/ST employees, both Banks were

found having separate Cell for SC/ST. Meetings are held periodically between representatives of SC/ST employees and the management.

The recognition of unions just as in State Government department basically reflects a pluralist approach to management in Public Sector. This implies that though the management leads, the recognition of unions is a manifestation of conflict of interest and where the management authority is legitimately contested and questioned. Despite this, the consultative meeting practiced by the Banks shows a proactive approach to keep at bay untoward incidence that may adversely hamper the performance of the organisation's functioning and also for timely decision making.

From the above observation, we could say that both the Banks have devised and installed effective mechanisms for developing employee relation. Moreover, a wide variation has been observed with that of State Government department that relies heavily on written method. The communication system installed in the Banks is a clear manifestation of the Banks effort to promote smooth relation with its entire stakeholders namely the employees, its customers, unions and investors.

## **VII) Conduct and Discipline**

Both SBI and Vijaya Bank have their respective service rules for regulating the conduct and discipline of the employees. SBI service rule is known as the 'SBI Officers' Service Rules Disciplinary & Vigilance Proceedings' and Vijaya Bank's as 'Vijaya Bank Officer Employees (Conduct) Regulations, 1981' and 'Vijaya Bank Officer Employees (Discipline & Appeal) Regulations, 1981'.

The shift from punitive vigilance to preventive and proactive vigilance for fostering employees to behave in a sensible manner is observed in the Banks. For instance, Vigilance Department have been set up to check against non-compliance of rules and regulation. The Department devises and implement various measures of preventive vigilance by reviewing the systems and processes to ensure a higher effectiveness and the least vulnerability. It carries out surprise inspection of branches, concentrating on preventive vigilance. The department reports to the Chairman directly and conducts its affairs independently. In addition to this, a committee has been constituted as per the RBI guidelines (Committee to Review Fraud Cases). On quarterly basis, fraud cases of Rs. 1.00 lakh and above are apprised of to the Audit Committee of the Board.

Unethical work-related practices impinge on the effectiveness of the organisations. Such problems manifest in low morale and commitment, and in diminished performance. However, because of the proactive measures taken by the Banks for monitoring of fraud and other unethical business practices, in both the selected branches, occurrence of such instances were not evident. Work ethics such as maintaining office timing, irregularity, and leave without permission or negligence of one's duty were found strictly monitored and controlled.

It is said that poor standards of conduct emanating from the top management affect employee motivation and commitment to organisational goals. In the Banks, it is observed that this has been well taken care off at the top executive levels. For instance, to reiterate the high standard of conduct that is associated with ethical business practices, the Banks have voluntarily adopted several codes of conducts. As part of Corporate Governance, the Banks have a Code of Conduct for its Directors on the Central Board and its Core Management which after having received and read they are required to put their name and signed in agreement to comply with the same.

In respect to accountability to external stakeholder, since the Banks are a trustee and custodian of public money, the Banks have adopted the 'Code of Bank's Commitment to Customers' as its fair practice code in dealing with customers. This has helped the Banks maintain and continue to enjoy the trust and confidence of public at large. This zero tolerance policy for fraud, corruption and financial irregularities are also exemplified by the Banks encouragement of "Whistle blowing" as a matter of corporate culture. For effective result, protection has been ensured to the staff from any punitive action for being a whistleblower.

Promoting a code of conduct, with emphasis on ethical values, such as integrity, honesty, public service, justice, transparency, accountability, and rule of law is an important activity of HRM. This would imply that, no matter how far HRM may work to improve the behaviour of professionals through codification of several conduct rules, if organisations have only little respect for ethical or even legal considerations over and above the generation of profit then the pursuit of an ethical HRM is essentially futile.

As compared to State Government departments, we could say that both the Banks have effectively installed the HRM system. At organisation level, though staff productivity indicated higher effectiveness at Vijaya Bank, SBI at its own level has effectively managed its employed HR. This is observed not only from the progress in

staff productivity level but also from the CSR activities, the branch expansion and the prestigious awards. And as compared to Vijaya Bank, SBI is observed to follow a more modern and effective approach to managing the human resources for attaining satisfaction at all stakeholders level.

## **PART II- PRIVATE AND OTHER ORGANISATION**

### **3.3 Quasi Organisation**

#### **I) Organisational Set-up**

Under Quasi organisation, we have selected three organisations namely Nagaland Industrial Development Corporation Limited (NIDC) and DIMUL Ltd. at Dimapur, and Japfu Hotel Ltd. at Kohima. First, the overview of NIDC is presented followed by DIMUL and lastly Japfu Hotel.

The apex body of the Nagaland Industrial Development Corporation Limited (established in 1970) is constituted by 8 Board of Directors. The corporation having its registered office in Dimapur is headed by a Managing Director (MD). Being the Chief Executive Officer of the Corporation, it was found that all functions and activities are under her control.

Displaying a tall hierarchy, the arrangement shows that under the MD, there are three General Managers (GMs) heading different department. The GMs are assisted by several Managers under whom there are Deputy General Managers and Assistant Managers heading different sections respectively. The ultimate decision making powers rest with the MD. In cases where delegation of power is there, however, files are directly disposed-off at the level where officer has the delegated power.

For Administrative and Financial Decision, though recommendations of the subordinates (assistant managers and above) are also taken into consideration, the final decision is made by the MD. In certain cases pertaining to planning and administrative decision requiring the Board's attention, the CEO sends the files back with advice to place proposal for Board approval.

In the decision making process, though suggestions and recommendations are sought, autonomy at the lower level is found very limited.

The second organisation that is, DIMUL Ltd. located at Dimapur was established in 1984. The Union is controlled by 17 Board of Directors (BOD) who are

considered as the runners of the organisation. It consists of 12 farmers and 5 Government Officials who function under an elected Chairman. The Central Dairy Plant of the Union located at Dimapur functions under the authority of the CEO who is assisted by one Sr. Supervisor. Under the Sr. Supervisor, there are three Supervisors who head over the Jr. Supervisors and the other subordinate staff.

Two categories of fixed employees were found to exist in the Union namely, the daily wagers who work at the production unit and casual labours who work in the security section. For employees on fixed pay basis, the appointment is purely temporary. Since the Union is a manufacturer of ice-creams and cold products, the strength of daily wagers was found to fluctuate as the manpower requirement is less during the winter season.

The third organisation namely Japfu Hotel Ltd. located at Kohima is a three star category hotel established in the year 1988. It was established first as a unit of Ashok Group of Hotels which later in the year 2001 was found to be officially taken over by the Nagaland Hotels Limited (NHL).

NHL is a subsidiary unit of NIDC Ltd., the holding company with 51% share. At the apex level of NHL/NIDC is the Board of Directors headed by an elected Chairman (MLA) who formulates the overall policies and programmes of the organisation. The Managing Director/CEO of NHL is a deputationist from the holding company (NIDC Ltd.) and the officiating G.M. from Industry and Commerce department - the Government Undertaking Department of NIDC Ltd. The entire Administrative and Financial powers rest with the Board of Directors.

At the Unit level, the Deputy General Manager (DGM) is the head. The DGM is assisted by a Manager and Deputy Manager. Under the Deputy Manager, there are six Assistant Managers, one Senior Cook, one Supervising Security and one Foreman each in charge of different units. The hotel provides 24 hours round the clock service and as such the work schedule of the employees is divided into three shifts.

Of the three, NIDC Ltd. resembles the State Government department with many layers in the hierarchy while DIMUL showed a flatter structure. However, decision making in the entire three organisations is found highly centralised with limited devolution of power at the lower levels. Hierarchical exercise of authority though may provide certain control of quality and integrity of decision-making it often leads to delays and takes the focus away from delivering results.

## **II) Recruitment and Selection Method**

Advertisement, promotion, and deputation from State/Central Government are the officially prescribed sources of recruitment in these three organisations. However, reflecting absence of search for high quality workforce, employee referees and political appointees have been noted.

The selection process is also found lacking intensive and competitive selection strategy. For instance, at DIMUL and NIDC for direct appointment, interviews are conducted by respective organisation's recruitment Committees. After selection, employees are placed on probation for one year period. Confirmation in that grade is communicated through a written order by the competent authority subject to production of medical fitness certificate from a registered medical practitioner.

At Japfu Hotel, Kohima, the service rule was found still under formulation. No official procedure for selection or probation period existed at the time of data collection. It was reported that most employees initially join on ad-hoc basis and only at the time of service regularisation, the Selection Committee either conducts written/personality test or oral interview. Moreover, until the year 2011, no guideline prescribing the educational qualification for recruitment and promotion existed. This clearly indicates absence of human resource strategy and resorting to reactive action that is, making provisions for appointment as and when the need arose.

Violation against the officially prescribed recruitment strategy has been observed in NIDC and Japfu Hotel. For instance, employees/managers cited of political appointments taking place in the organisations. This indicates that certain employees are selected without any assessment of their knowledge, skills, abilities and other characteristics needed to perform that particular job effectively. At DIMUL, though the CEO stated that based on analysis of the candidate's background, few employees are personally handpicked; it may not offer high reliability of their personal judgement on the attitude and aptitude level of the employees. This absence of competitive recruitment strategy shows possibility of the quality of certain number of the human resources not being highly adaptable ones to have positive impact on the organisations' effectiveness.

## **III) Human Resource Development**

Training and development activity in the entire three organisations is not found receiving adequate attention. However, of the three, Japfu Hotel shows to be



giving the least priority. For instance, it was found that only three training programmes and one workshop had been organised by the Hotel after NHL took over. The lack of training or in other words, leveraging employees' capability shows that it is not focussed on winning customer satisfaction for profitability of the Hotel. As observed under banking industry, gaining customer satisfaction by continuously training employees that have close dealing with the clients and customers should be their highest priority for accomplishing organisational goals.

**Table 3.5 Training attended by Officers (NIDC Ltd., Dimapur)**

Sl. No	Designation	Department/section	No. of training attended
1	G.M.	Planning & Development	1
2	G.M.	Personnel & Administration (P & A)	1
3	Manager	P & A- Finance & Accounts	13
4	Manager	Planning & Development	4
5	Manager	Operation- Loan Section-II	11
6	Manager	Operation- Loan Section-I	10
7	Manager	Operation- Legal Section	6
8	P.S. to M.D	N/A	1
9	Deputy Manager	Operation- Loan Section-II	3
10	Deputy Manager	Operation- Loan Section-II	6
11	Deputy Manager	Operation- Loan Section-I	2
12	Deputy Manager	Operation- Loan Section-I	2
13	Deputy Manager	Planning & Development- Engineering	1
14	Assistant Manager	Operation- Loan Section-II	1
15	Assistant Manager	Planning & Development- Project	1

**Source:** Furnished by Department (as on 2009)

At NIDC Ltd., apart from seminars and workshops that are seldom conducted, it was found that as on 2009 only thirty four training programmes had been conducted. Of this, Table 3.5 shows that maximum officers have attended only once. Some officers on deputation could have joined the Corporation late. Despite this, what is observed here is the highest training beneficiaries are those from the loan section. However, the Corporation is found running in losses and one of the reasons found was due to bad recovery of loans (apart from excess employee expenditures). This could indicate that trainings have not been very effective.

At DIMUL Ltd. as on 2009, fifteen officers/staff (regular) were found to have attended several training courses. The trainings include specific skill trainings, supervisory trainings, and on-the-job trainings. This shows that a good number of

regular employees have acquired training because in DIMUL of the total fifty employees, 46% constitute of temporary workforces.

As part of management development program, it was found that job rotation is also practiced among the managerial level at NIDC. Even at DIMUL, this method is applied where employees are moved from one job to another. This method is advantageous particularly for managerial level as they gain different knowledge and experience. Nevertheless, at DIMUL, it is found that this method has been effective for the non-core employees as well in acquiring multi-skills.

For instance, one of the Dairy Attendant who joined as daily wage started off his job as an electrician and after which he was transferred to Dahi (curd) making and then finally to ice-cream unit. Another respondent initially put up at ice-cream manufacturing unit was transferred to milk testing and then finally moved to machinery line as plant operator.

For managers and supervisors at DIMUL, on-the-job managerial trainings are also provided or through Job-Instruction method where they are confined to a single job and training is provided step by step. For new recruits in production unit, trainings are provided on-the-job by their respective supervisor and co-worker till they have mastered perfection over the particular task. Lectures and demonstrations are also provided when new technologies are adopted for upgrading the equipment.

In the case of NIDC Ltd., though it was found that subordinate staff are provided specific skill trainings from time to time at ATI, Kohima, the HRD intervention shows to be having least impact on the employees. Bringing the right behavioural expectation for enhancing employee productivity was found lacking. Thus, of the three organisations, DIMUL Ltd. could be said as performing comparatively better in training up its workforces.

#### **IV) Performance Management System**

In respect to Performance Management System, it was found that same procedure and format of State Government department's performance appraisal system were applied in the entire three establishments. Earlier, it was using ACR but now these organisations have also introduced the APAR method of appraisal.

The questionnaires had been filled and collected before the introduction of the new appraisal method. As per the previous method, the records of employees were

evaluated mainly at the time of promotion. However, similar to State Government departments, overall, the system showed absence of robust performance measurement.

Reflecting at the number of trainings provided and the performance management system, it shows that training needs are not identified based on this appraisal. Performance appraisal should identify both strength and weakness of individual employees and accordingly appropriate training needs to be devised for correcting the shortfall as well for upgrading the strength of an employee.

Job rotation that is practiced in NIDC is also a way of motivating and developing employees but this is found confined to only officer level. Effectively managing employees performance requires initiating several HR interventions on ongoing basis for both core and non-core employees.

Apart from the formal appraisal, it was found that in DIMUL and Japfu Hotel certain motivational techniques are applied such as awarding best performers, organising special events and acknowledging employees' contribution. These techniques, however, were not found effective in attaining satisfaction at all stakeholder level. At DIMUL, staff turnover have been observed while at Japfu Hotel, the organisation is found running in losses.

This shows that the performance management system is not focussed in creating a work environment where employees are developed and motivated to the fullest to perform to the best of their abilities. It also reflects the weakness in the ACR system and lack of top management support in making the system effective.

## **V) Salary Administration and Policies**

The pay scale of officers/staff of NIDC was not available. However, as per the benefits provided to the employees, the Corporation is found compensating their employees well. As stated in their service rule handbook, it was found that employees are not to compare their pay with any other organisation. This basically indicates expectation of parity with State Government department. In respect to other benefits, the Corporation is found to follow the provisions of State Government norms.

For instance, employees are entitled to annual increment, anti-stagnation measures, special increment, D.A, Additional D.A allowances, Inter-line Compensatory allowances, Winter Allowances, Children Educational allowances, fully furnished quarter or HRA and T.A and any other allowances applicable to

various posts at the rate prevailing in the State Government. These allowances are revised as and when there is revision by the State Government.

Other benefits entitled for all classes of employees include Contributory Provident Fund, Family Pension Fund, Gratuity, Group Insurance Scheme, Bonus, and Family Benefit Scheme. Class IV employees and drivers are also entitled to liveries. Depending on the class, employees are entitled to various loans such as car loan, scooter loan, cycle loan, housing loan, consumer loan, and special loan.

In respect to leaves, employees are entitled to casual leave, sick leave, earned leave, special casual leave, extra ordinary leave, maternity leave and study leave. Compensatory leave are applicable for class III and IV employees because of their nature of service where they are required to perform duties on holidays as well as night duties.

Though, the pay scale may differ from State Government employees, the compensation shows that employees of the Corporation are well looked after.

**Table 3.6 Revised Scale of Pay DIMUL Ltd. (in Rs.)**

Post	Scale of Pay
Chief Executive Officer	10000-325-15200
Manager	8000-300-9500 EB-350-1125-EB 400-16050
Assistant Manager	7050-270-9750-EB-300-13690
Officer	6300-180-8280-EB-210-10800-EB-240-12000
Sr. Supervisor	5000-150-5750-EB-180-6650-EB-210-9170
Supervisor	4500-120-470-EB-135-5955-EB-165-8760
Jr. Supervisor	3750-90-4200-EB-105-5040-EB-120-6840
P&I Assistant, Sr. Driver	3000-80-3400-EB-95-3895-EB-120-5335
Attendants, Sweeper/ Peon/ Chowkidar - Grade 2	2700-75-3075-EB-90-4335-EB-120-5415
Attendants, Sweeper/ Peon/ Chowkidar - Grade 1	2400-54-2670-EB-60-3150-EB-75-4425

**Source:** Furnished by Department (DIMUL Ltd., 2010, Dimapur)

In the case of DIMUL, the pay scale is highlighted above in Table 3.6. Apart from the pay scale, one notable difference observed from the other two organisations is, employee's outstanding ability or meritorious service and special qualifications are given due recognitions. For this, it was found that competent authority is empowered to sanction maximum two premature increments subject to approval of the Board of

Directors. Further, the Board is empowered to sanction special pay to employees for specific period considering the special nature of work or additional work and responsibilities entrusted over and above his duty. The Board can also pay honorarium for any work which is occasional in character and of special merit.

This recognition and acknowledgement of deserving performance, however, is found rarely practiced. This practice can serve as a great motivational tool provided the Union make its existence known by continuously encouraging and communicating to the employees about such provisions.

In respect to other allowances and benefits, we can say that adequate compensation is provided. For instance, the Union provides contributory provident fund, gratuity, overtime allowances for employees engaged in dairy plant, risk allowances for attendants and operators working in boiler plant, supply of uniforms and liveries for regular attendants/drivers/chowkidars/peon once in two years, bonus, travelling allowance (as per their basic pay, daily allowances, mileage), lodging and expenses allowances, transfer grant, travelling allowance on transfer, retirement, for attending seminars/conference etc. As per leave rules, employees are entitled to casual leave, special leave, earned leave, sick leave, maternity leave (female), extra ordinary leave, and study leave.

For employees on fixed pay basis, it was found that appointment is purely temporary. Remuneration of few of the employees employed on fixed pay is displayed below in Table 3.7.

**Table 3.7 Fixed Pay of Employees before & after Regularisation (in Rs.)**

Year of Joining	Post of Respondent	Starting Pay	1st Increment	On Regularising	Current '2009'
1991	Dairy Attendant	600	-	1400	4900
1998	Plant Operator	1500	-	3600	3900
1998	Dairy Attendant	1500	-	3300	4100
2000	Dairy Attendant	1500	2400	3686	3686
2004	Daily Wager	1800	2100	-	2400
2005	Security Guard	2250	-	-	2500
2005	Security Supervisor	2250	-	-	2800
2006	Daily Wager	2100	-	-	2400
2007	Daily Wager	2100	-	-	2400
2008	Daily Wager	2100	-	-	2400

**Source:** DIMUL Ltd., Respondents, 2008

The wages are paid as per actual days of performance of duty based on normal working hours excluding off days. The extension of term is strictly based on satisfactory performance report and the union reserves the right to discontinue or terminate the service with or without assigning any reason or prior notice.

With the market prices rocketing every year, it is found that most of these low paid employees find difficult to manage their family requirements in spite of the increment. During summer, since they are engaged in manufacturing of perishable goods very often they are required to work overtime and for which a sum of Rs. 20/- is paid for every two hours. Further, it was found that their monthly wages are very often delayed for 10-15 days. Due to such irregularities, the workers who are supporting their elderly parents and their own children's education have to face the maximum hardship as compared to unmarried workers. This is a manifestation of lack of perceived fairness and concerned which can have adverse impact on their motivation and commitment level.

Japfu Hotel is also observed to be adequately compensating its employees both in monetary and non-monetary aspects. The revised pay scale is exhibited in below Table 3.8.

**Table 3.8 Revised Pay Scale of Japfu Hotel Ltd. (in Rs.)**

Category of Post	Pay Band	Grade Pay
General Manager	15600-39100	6600
Dy. General Manager	15600-39100	5700
Manager	15600-39100	5400
Deputy Manager/ Accounts Officer	9300-34800	4600
Assistant Manager, Office Superintend etc.	5200-20200	4400
UDA, Accountant, Supervisor, Sr. Store Keeper etc.	5200-20200	2800
LDA, Accounts Assistant, Front Office Assistant etc.	5200-20200	2000
Store Keeper, Head Waiter, Linen Keeper etc.	5200-20200	1900
Typist, Plumber, Electrician, Senior Washer-man	5200-20200	1800
Waiter, Waitress, Assistant Store Keeper, Security man	4400-17200	1400
Peon, Mali, Sweeper, Utility worker, Store Helper etc.	4400-17200	1300

**Source:** Furnished by Department (Nagaland Hotels Limited), ROP 2010

Various benefits provided include provident fund, pension, medical reimbursement, transportation and conveyance reimbursement, bonus on special occasion, leaves, refreshment, free accommodation/HRA for outstation employees etc. are provided. As per leave rules, irrespective of their grade, it was found that all employees are eligible for casual leave (12 days), sick leave (3-18 months as per the length of service), earned leave, extra-ordinary leave, maternity leave (female), compensatory leave, and festive leave.

As compared to DIMUL, Japfu Hotel shows higher pay scales. Even when compared with the old pay scale of NIDC, DIMUL was found having a lower scale. However, in respect to financial performance, it is found that DIMUL is incurring profit while NIDC and Japfu Hotel are running in losses. Failure of the employees to fulfil the basic purpose of their employment that is generating profit for the firms reflects that human resources are not being effectively utilised.

## **VI) Communication System**

In respect to communication system, it is found that the communication channels adopted at NIDC is limited and highly formalised. All information flows through the line of authority linking a position to its line of superior or in other words 'through proper channel'. For instance, in matters relating to administrative and financial decision, the Personal Secretary (PS) to MD prepares section wise agendas containing suggestions or recommendations of the subordinates (Assistant Managers to Managers) and puts it up to the Board. During board meetings, the PS to MD monitors the follow-up action on the decisions taken up by the Board of Directors. Listing down the Board minutes and instruction issued from the desk of CEO, the information is disseminated to all section heads through a circular.

At DIMUL, in respect to written method, similar pattern as in NIDC is practiced. Any requests such as applications representation or grievances are channelised through the respective head of the wing/unit that is 'through proper channel'. Additionally, considering the nature of the workforce characteristic, oral communication is equally applied to ensure that every employee including plant workers who are not well verse in English has well understood the message. Regardless of the workforce characteristic, it is said that personal way of face to face communication serves as a more effective way of information transmission.

It is also found that various types of meetings are conducted such as annual board meeting, supervisors meeting, annual general meeting for all employees and half yearly meeting for security guards. During such meetings, employees are given the opportunity to voice their grievances or to put forward their ideas and suggestions for improving the operational efficiency of a work system. Application of this interpersonal communication is also another face to face communication that fosters two-way communication. It ensures fair and just representation by encouraging employee involvement and participation.

Similarly, at Japfu Hotel, it was found that apart from grievances that are addressed in written application and forwarded through respective unit in-charge, unit heads meeting are taken every once a month or once in two months. Prior to 2010, it was reported that annual general meeting were organised every year end involving all employees. During this meeting which was also considered as pre-Christmas celebration, various matters relating to customer service, cost and profits incurred during the year, and hardships faced by the organisation were communicated to the employees. Such information sharing encourages transparency at the same time giving due recognition of employees' contribution boost employee motivation and commitment level.

However, unlike DIMUL, at NIDC and Japfu Hotel, it was found that for any decisions affecting employee such as discipline, trainings, interviews, holidays, leaves, reassignment of duties and reallocation of task, allowances, and social activities, written method is relied upon more.

Of the three, though at DIMUL a more effective means of communication is applied, lack in reciprocating to matters relating to various HR maintenances has been noted. Thus, failure to accomplish the purpose for which it has been installed fails to justify its existence. NIDC and Japfu hotel, on the other hand, is found highly formalised and lacking interpersonal and intra-personal communication. Absence of continuous communication and consultation between the employees and management and the narrow channel of communication hamper in monitoring employees behaviour that ultimately affects organisational productiveness.

## **VII) Conduct and Discipline**

In the entire three organisations, it is found that apart from the conducts, which 'acts' and 'omissions' constitutes 'misconducts' have also been clearly stated



in simple and understandable manner. Under disciplinary measures, it stated that any of the misconducts observed will be awarded penalties.

For misconduct, DIMUL highlighted that, “Notwithstanding anything contained in other rules the following acts and omissions on the part of the employee shall be deemed as misconduct”. For example under Rule 24, one of the misconduct read as “Habitual neglect of work or gross habitual negligence”.

Under disciplinary rule, it highlighted that, “An employee who commits on any of the rules of the Union or commits any act of misconduct including those enumerated under rule (24) shall be liable to the following penalties” e.g., “Censure or warning”.<sup>13</sup>

Similarly, NIDC stated that, “Without prejudices to the general meaning of the term misconduct, the following acts and omissions shall be treated as misconduct”. One of the misconduct read as “Habitual breach of any rules in force”.

Under discipline, it stated that, “Without prejudice to the provisions of other regulations, an employee found guilty of any misconduct on the basis of the records available or on enquiry shall be awarded penalties as hereinafter provided”. It highlighted four minor penalties e.g., “Warning”, “Censure” etc. and four major penalties e.g., “Reduction to a lower rank, to a lower scale of pay or to lower stage in the pay scale”, “Dismissal for work” etc.<sup>14</sup>

Although, at NIDC clear distinctions have been made in regard to penalties, such distinction between minor and major misconduct as noted in Japfu Hotel is found missing.

At Japfu Hotel, it stated that, on first and second occurrence of violation of any of the eleven minor breaches, employee will be given a written warning notice with a copy placed in the employee’s file. On third occurrence, employee will be suspended or dismissed. For violation of any of the seventeen major breaches, employee will immediately be dismissed from the service.<sup>15</sup>

Of the three organisations, it is observed that except Japfu Hotel has explicitly classified what constitutes minor breach and major breach. Just as minor and major breaches have been defined, clearly stating which misconduct could lead to minor or major penalty clears confusion. It also reflects a fairer judgement as it leaves no scope

---

<sup>13</sup> Service Rules of the Dimapur District Milk Producers Union Ltd., Dimapur, Nagaland.

<sup>14</sup> NIDC Ltd., Service Rules, Dimapur, Nagaland.

<sup>15</sup> Nagaland Hotels Ltd., A Standing Order- NHL/G-51/2011/342, dated 26 September, 2011.

for subjectivity to occur that is, one does not get major penalty for minor breach. However, the effectiveness of it is yet to be known because the rules had been formulated only in the year 2011.

At NIDC, despite these rules, frequent breach of conducts has been noted. It was found that several times, management tried to regulate the punctuality and attendance of employees but to no avail. Bio-metric attendance machine was installed during the year 2004. However, due to technical problem the system stopped functioning since mid 2011 and the Corporation went back to the old system of maintaining attendance register. The register is kept at the reception from 9:30 a.m. till 10:30 a.m. for entry and for exit from 3:00 p.m. to 5:00 p.m.

One of the office orders dated March 23, 2010 observed on the notice board read as follows, “Late coming or early leaving after/before the designated time shall be taken as half day and the principle of “No work no pay” shall be strictly implemented.” Further it stated that, “The following benchmarks shall be applicable: (a) Imposition of “No Work No Pay” shall amount to wilful absence, (b) 5 days or 10 days half days of wilful absence shall invoke issuance of explanation call, (c) 10-20 days half days of wilful absence shall invoke issuance of show case notice, and (d) 15-30 days of wilful absence shall cause suspension from service”.

In the latest office order dated May 18, 2011, it is found that employees were once again reminded that, “Habitual absenteeism and habitual late attendance shall be considered as ‘Misconduct’ as defined in Article 59 of the Service Rule of the NIDC Ltd. 1991 and action taken accordingly”.

The above notification indicates that employees have been failing to comply with the office rule. The reason for this continuous violation can be summed up by the comment given by one of the employees,

“These office orders/benchmarks are just for name sake. So far no action/benchmark have been imposed on any of the employee. It is only part of office formality”.<sup>16</sup>

Attendance’s register were also reported of being easily manipulated. Most employees sign their entry and exit time according to office schedule time and not as per their actual entry and exit time. This habitual occurrence of misconducts as observed in the study is mainly because the organisation rarely stresses on ethical

---

<sup>16</sup> During discussion with employees at NIDC Ltd., Dimapur, Nagaland, 26/09/2011.

values and their leniency in taking corrective action. As observed earlier, the poor communication system could also be responsible for these irregularities.

As compared to NIDC and Japfu, violation of conduct rules in DIMUL was not observed during the study. This does not indicate that rules are not violated. The implication is, when there is frequent breach of rules, it becomes prominent.

The overview of the entire three quasi organisations shows that HRM system has not been properly installed in any of the organisations. Each sub-system of HRM lacked coordination and failing to support each other. However, as compared to NIDC and Japfu Hotel, we could say that DIMUL Ltd. is performing considerably better.

### **3.4 Private Organisation**

#### **I) Organisational Set-up**

Under this sector, we have selected five organisations. Brief introduction of the organisations' structure is presented followed by an overview of the HR practices. The overview begins with Org 1 followed by Org 2, Org 3, Org 4 and lastly, Org 5. Names of the organisation have not been disclosed for maintaining confidentiality.

Org 1 is a Taxi Association established in the year 1978. It is an organisation that looks after the smooth functioning of both registered local and zonal taxis operating in Nagaland State. The head office is located in Kohima.

The executive body of this Association is headed by a President in each zone. He is assisted by a Vice-President who carries out the President's powers and function during his absence. Each member is delegated with specific roles and responsibilities and also empowered to take certain decision in their respective arena of work. The entire executive member of the association is working on voluntary basis while the non-executive members are paid employees.

Org 2 is one renowned Hospital located in Kohima. It was established in the year 2000 and is headed by a Managing Director. He is assisted by one Administrator and one Medical Superintendent (MS) who as per the delegated authority has the power to take part in decision making in their respective position. However, the final authority lies with the MD. The Administrator is the overall in charge of office administration, lenient, sanitation, waste disposal, discipline and conduct, attendance etc. while the MS is in charge of laboratory, pharmacy, consultants/doctors, radiology etc.

Org 3 located at Dimapur is also one renowned Hospital. It was established in 2003 and is headed by the CEO (Proprietor). During the period of establishment, it was reported that a post of Director existed. However, during the first field visit in the year 2008, there was no Director and the CEO was found assisted by a Medical Superintendent and one HR & Marketing Manager. In the subsequent visit, the post of HR & Marketing Manager was also found vacant. The reason could be due to the authoritarian management style. According to the information obtained, although the HR manager had been appointed, the entire financial and administrative decision was made by the CEO.

Org 4 is a Construction Company, established in the year 2000. It is located at Dimapur and is headed by the Managing Director (Proprietor). All financial and administrative power lies with him. He is assisted by a Supervising Director for administrative work and a Junior Engineer for other technical matters.

Org 5 is a Computer Education Centre located at Kohima while the Headquarter for the north east state is located in Kolkata. The centre was established in the year 1998. At the apex level, the Managing Director who along with the Board of Directors constituting of three members formulates the overall policies and programmes of the centre. At the operational level, the Head of Centre (HOC) looks after the entire activities and operation between the centre and the Headquarter and also empowered to discharge certain matters at his level.

As compared to the Public Sector, this sector shows a flatter organisational structure. This type of structure gives scope for broader span of control, helps to remove duplication of work responsibilities and enhances faster decision making process. However, in respect to decision making, though certain level of variation has been observed across the organisations, overall, it manifest an authoritarian management approach that is, the employer's prerogative in decision making is final. This approach reflect the hard HRM where conflict of interests is suppressed rather than applying sophisticated HRM policies for removing any need for oppositions. Such approach may work to the advantage of the owner but at employee level, it may fail to elicit positive behavioural response.

## **II) Recruitment and Selection**

Advertisement in daily post is the main source of recruitment in the entire five organisations. In addition, it was found that eligible casual callers and employee

referrals are also applied while few candidates were reported of being handpicked by the runners of the organisations from their well-known circle. Apart from these sources, Org 5 (Computer Centre, Kohima) also recruits eligible candidates through employment exchange. However, it was found that most faculty members are recruited from within the Org 5 community. This is because most trainees after completion of 4<sup>th</sup> semester prefer to pursue their Professional Practice (P.P) in teaching line for completion of the Graduate Program.

In respect to selection method, it was found that no systematic procedure is applied at Org 1 (Taxi Association, Kohima). Simple oral interview is conducted by any of the executive members during which candidates are briefed about their duties, responsibilities, and remuneration. In most cases, on the day of interview appointments are given on the spot.

In the case of Org 2 (Hospital, Kohima), Org 3 (Hospital, Dimapur) and Org 4 (Construction Company, Dimapur), it was found that at the time of screening applications an important eligibility criterion the management attend to is the educational qualification, which should be as per the requirement indicated by the management. Work experience in similar field is given extra weightage for selection.

However, it is observed that interviews are informal and mostly confined to verifying the information furnished in their bio-data and discussing the job profiles, remuneration, and the rules and regulation. With no specific question focussed on identifying their values, aspirations and other characteristics related to attitude and aptitude level, such selection practices may not be effective in choosing the best candidates.

Successful candidate(s) are informed about their selection through telephone while few are offered the job on the spot. On the first working day, new recruits are introduced to their respective supervisor or other staff in the same post.

At Org 5 (Computer Centre), it was found that a more systematic procedure is applied for selection. For non-teaching staff, oral interview is conducted either by the HOC or by the Board of Directors and seldom by both the parties. In respect to the percentage scored in the last qualified exam, marginal relaxation is given for non-teaching faculties to apply for the post. For the teaching faculties, only those candidates who have scored 70% and above are selected for appearing the interview.

For the P.P. trainees, interviews are held at their respective Centre where they have completed their 4<sup>th</sup> semester. After passing the interview, the candidates for

teaching post (both P.P. Trainees and non-P.P.) are provided induction training at Guwahati. By end of the training program, final selection is conducted through online test. P.P. trainees who have score 80% and above are selected to pursue the Graduate program. The unsuccessful candidates are given two more chances to qualify. On the first day of duty, the HOC introduces the new recruit to the entire Org 5 team (staff) but in his absence any other employee can take the in-charge.

The above overview shows that, apart from Org 5 (Computer Centre, Kohima), the recruitment and selection practices followed in the organisations is very simple. Testing candidate's attitude and aptitude level and most importantly making sound judgement on whether candidate will be committed and endure in the organisation is found lacking. Just as it is said recruitment and selection practices have significant impact on employee turnover and retention, this problem have been observed in this sector. As of now the organisations have survived this problem, however, in the later years when competition grows it can have adverse impact on the prosperity of the organisations.

### **III) Human Resource Development**

At Org 1 (Taxi Association, Kohima), with the job-content confined mainly to tax-collection, no formal training is provided. However, it was noted that during inspection and meetings, employees are constantly reminded about maintaining work ethics by the officials.

At Org 2 (Hospitals, Kohima) and Org 3 (Hospitals, Dimapur), technical trainings are provided to technician when new machines are installed or upgraded. For this purpose, professionals are hired from outside and trainings are provided on the job. At Org 2, it was found that seldom technicians and nurses are sent outside the state for training while Org 3 arranges resource persons or companies from outside to conduct seminars on topics related to health issues.

At Org 4 (Construction Company, Dimapur), technical and specific skill trainings are provided periodically by expert arranged by the Company. Quarterly seminars on various topics related to civil construction, electrical, mechanical and automobile are held for employees, clients, and other professionals related to the Company. Through such programme, it aims to give the opportunity to communicate ideas and enhance their knowledge on new technologies.

In fulfilling of CSR, Org 1 (Taxi Association) was found involved in various activities. During national holidays, charity works such as cash donation to orphanage, purchasing computer for schools etc. are done once every year.

As observed, these organisations are more focussed on technical skills, knowledge and abilities but lacking the development component that is, preparing employees for taking up higher responsibilities in future. This can reduce employee commitment level and control over staff turnover. It is also observed that though these organisations are involved in direct relation with customers and clients, professional training on delivering service in the most efficient and effective way is lacking.

Private organisations are known to have more sophisticated equipments and better facilities as compared to Public Sector. Moreover, Nagas by nature are also known to be hospitable. However, in the long run these strengths alone cannot sustain a business unit. Continuously improving service delivery by providing its HRs with professional customer service training can help organisations gain higher customer satisfaction and to attract more clients and business.

#### **IV) Performance Management System**

Apart from Org 5 (Computer Centre) and Org 4 (Construction Company), none of the selected organisations were found having any formal performance appraisal system. Instead, for promotion or salary increment, the authorities observe on employee's conduct and discipline, sincerity, regularity, efficiency level over their duties and most importantly seniority and loyalty to the organisations. These assessments are tracked through attendance record, employee's personal office file and immediate supervisor's comments.

At Org 5, appraisals are conducted half yearly whereas in Org 2 (Hospital, Kohima) and Org 4 the appraisal is done on annual basis. In the case of Org 3 (Hospital, Dimapur) and Org 1 (Taxi Association), there is no time frame rather it was said to depend on the management's discretion of when to promote or raise pay. At Org 3, it was also reported that till the year 2009 best performers were acknowledged and rewarded.<sup>17</sup> However, for effectively managing employees' performance, other HR interventions such as compensations, trainings and development, communications

---

<sup>17</sup> Former Radiologist, Org 3 (Hospital, Dimapur), Case Study, dated 7/10/2011.

systems need to support each other. Implication is acknowledgements and rewards alone may not generate effective result.

At Org 4 (Construction Company), a Review Skills/Competencies form is used for appraising employee's performance. Here, it is found that employee skills and behavioural competencies such as in team-work, problem solving, creativity etc. are evaluated. In this form, several anomalies and ambiguities is observed. It contains two columns where the first is a self-assessment by the appraisee on these key areas. The second column contains review and remark by the Line Managers or person who has direct responsibility to employees. This review and remark is based on merely 'yes' or 'no' assessment without showing any ranking. This lack of professional standard of assessment and experience indicate requiring major improvement.

At Org 5 (Computer Centre), a 360 degree method of appraisal is applied. Including self-rating, this method applies assessment from both their peers and students apart from the HOC. Based on the assessment of each employee's performance reports, salary increment, promotion, discharge, financial rewards, training needs, and other actions that require differential treatment among members of a group are decided by the Managing Board. This method is most appropriate for assessing HR present and future capabilities because it gives a much wider range of performance-related feedback though for large organisation it can be time consuming.

As observed above, apart from Org 5, effective performance evaluation systems where actual performers, rewards and training needs can be identified are lacking. Further, empowerment, an effective motivational tool is overlooked in performance appraisal. Employees especially at lower levels do not have the privilege for exercising their creativity or rights as stakeholders of the organisations. Employees are in every ways expected to adhere to the organisations' philosophy, ideology and practice of managing the HR and the business. Added to the above, the meagre monetary (discussed below) and non-monetary benefits also shows that there is no coherence among the HR activities required for effectively managing employees' performance.

## **V) Salary Administration and Policies**

The salary structures were not disclosed by any of the organisation. Moreover, due to confidentiality and security reason, most employees were reluctant to disclose the same. Hence, attempt was made to interview few employees who quitted the job



and based on the information collected the salary of some of the post from few organisations have been displayed in Table 3.11 and 3.12. Two criteria were stated of being taken into consideration while determining the salary packages of employees that is the general/technical qualifications of fresh applicants and second, the work experience and educational qualification.

At Org 1 (Taxi Association), depending on the seniority level, the salaries incurred by the employees in Dimapur and Kohima were found varying from Rs. 2000/- to Rs. 2500/- to Rs. 3000/- per month. For the employees in Kohima, it was found that a sum of Rs. 500/- is deducted per month from their salary as security which is paid after completion of one year. At Mokokchung, the yardmasters unlike the Line Masters in Kohima and Dimapur are employed on daily wage basis that is, they are entitled to 20% from the total tax collected in a day.

The mode of payment of the Yard Master in Mokokchung could be more effective for fostering higher performance level. Since their pay is based on the amount collected the more sincerely they perform their duty the higher they can earn. Further, the increasing number of taxis is evident from the registration affected. During 2008, it was reported that from around 150 taxis, it increased to about 180 taxis in 2009. This shows that daily wage basis offers a higher scope to earn extra which can have significant impact on their job satisfaction level.

For Line Masters in Kohima, there is no provision of regular refreshment though once in a week during submission of tax in the office tea and porridge (*ghalo*) is provided. Showing comparatively a better quality of work life, Line Masters taking in charge of railway taxi stand in Dimapur was found that a sum of Rs. 50/- per day is given to them for refreshment.

The Association also organises district wise annual picnics for all members (Executives, taxi owners, and drivers including the Line/Yard masters). During such picnics, depending on the profit incurred the Association extends financial help for the expense and seldom awards cash bonus to all the drivers. During special occasions, seldom employees are also awarded cash bonus. However, the welfare provision is found insignificant as compared to other organisations.

Officially, no structure for availing leave was found in existence. Instead, during sickness depending on the severity leave is granted up to one month. If an employee desires to take off on some days, he can request a fellow worker to cover up his shift. There are two shifts, of which the first shift starts from 4:30 a.m. to 11:30

a.m. and second shift from 11:30 a.m. to 5:30 p.m. The decision in respect to allocation of shift is decided amongst the employees. This flexible work schedule is an advantage because this can help employees balance their work and family/social life and thereby enhance their quality of work life.

At Org 2 (Hospital, Kohima), the various benefit provided includes HRA or accommodation for out station employees, provident fund for permanent employees, maternity benefit for insured female employee, and also extra daily allowance, night shift allowance, free medical care, bonuses on special occasion, sublet, knick-knacks, incentives and performance based rewards (certificate & cash/kind).

In addition to this, it was found that employees above the fourth grade staff are entitled to yearly leave which include earned leave (25 days), casual leave (9 days), and sick leave (6 days). For chowkidars, sweepers, peons and drivers yearly leave entitlement includes special leave (10 days), casual leave (9 days) and sick leave (6 days). For nurses, leaves are routed through the Matron to the Administrator while leave for all other staff are routed through their immediate superior to the Administrator. As per earned leave, it was found that every confirmed employee can avail the same as per the rules enforced from time to time. However, earned leave cannot be encashed. Further, employees cannot avail leave more than three days at a time and cannot exceed three occasions in a year.

Though, these provisions have been clearly defined, in respect to salary and increment, it is found that the basis of fixing or determining the amounts for different categories or even employees in same cadre is neither conveyed nor fixed uniformly. One of the former respondents stated that,

“My first salary was 2700/-. Yearly increment then was Rs. 500/- but after three or four years they stopped the increment without stating any reason except that they were planning on reviewing and increasing the salary. We have no idea on what basis the amount of salary or increment are fixed by the management. Some employees get increment of Rs. 1000/- while others get only Rs. 500/- to Rs. 300/.”<sup>18</sup>

This lack of transparency and justification can create feeling of discrimination and hostility among the peers when salaries vary from each other.

At Org 3 (Hospital, Dimapur), it was found that employees are provided HRA or accommodation for out station employees, provident fund, free medical care, free noon-time refreshment (tea), bonuses on special occasion, attendance bonus and

---

<sup>18</sup> Former Computer Assistant, Org 2 (Hospital, Kohima), dated 12/04/2012.

performance based rewards (certificate and cash). However, at the time of the field study no leave structure was found in existence.

The salaries and increments displayed below in Table 3.9 have been obtained from the former employees who quitted their job at different intervals of time (2008-11) and re-employed in another hospital.

**Table 3.9 Salary Structure and Increment at Org 3 (Hospital, Dimapur)**

Year of Joining	Designation/ Post	Qualification	Starting Pay	Amount & Year of Increment
2004	Technician (Lab)	10+2 (Science)	Rs. 3000/-	Rs. 500/- (2006)
2004	Technician (Radiographer)	10+2 (Science)	Rs. 3800/-	Rs. 700/- (2006) Rs. 1000/- (2008) Rs. 500/- (2010)
2004	Staff Nurse (GNM)	10+2 (Arts)	Rs. 2000/-	Nil
2004	Sweeper	Class V	Rs. 50/- per day	
2005	Staff Nurse (GNM)	10+2 (Arts)	Rs. 2500/-	Nil
2006	Staff Nurse (GNM)	10+2 (Science)	Rs. 3500/-	Nil
2006	Technician (Lab)	10+2 (Science)	Rs. 3000/-	Nil
2006	Staff Nurse (GNM)	Graduate	Rs. 3500/-	Nil

**Source:** Former Employees of Org 3 (Hospital, Dimapur), 2011

Similar to Org 2 (Hospital, Kohima), variation is observed in the salary and also the increment obtained by the employees.

It shows that two Staff Nurses (GNM) of different qualifications employed in the same year were paid the same amount of salary. On the other hand, the two Technicians of same qualification employed in the same year were offered different salaries. This shows that the basis of fixing the pay is neither standardised nor based on skill-based pay such as the level of qualification and experience as the managements claim.

Org 4 (Construction Company) provides bonus on special occasion, picnic, HRA/accommodation (out station employees), periodical dinners and early time-off, trainings/seminars, special assignment and performance based rewards (certificate and cash) and leave as per the prevailing Labour Law in Nagaland.

Org 5 (Computer Centre) provides bonus during special occasion, free accommodation for outstation employees (one Bedroom Hall Kitchen flat on sharing basis) with monthly ration allowances, discount offer to those employees who are interested in taking up any of the courses, knick-knacks, free noontime snacks, awards

(certificate), special assignment, casual leave up to 12 days in a year and sick leave as per the severity of the case.

As displayed below in Table 3.10, Org 5 (Computer Centre) is found following a standardised basic pay. However, for increment, it depends on the reports of the Performance Appraisal as mention earlier. Based on the overview, overall, the salary administration and policies shows that in this sector, no systematic and standardised mode of payment is followed.

**Table 3.10 Salary Structure at Org 5 (Computer Centre, Kohima)**

Designation	Starting Pay (Rs.)
Head of the Centre cum Teaching	15,000/-
Teaching Faculty	6,300/-
System Administrator	6,300/-
Counsellor	4,000/-
Office Assistant	2,000/-
Store Keeper	2,000/-

**Source:** Faculty cum System Administrator (2009)

No criterion for determining the pay and wages is observed rather it is found to depend on the individual owners' decisions. Compensation management of which, the amount of pay or the basic rate forms the foundation for an individual's reward package. Inequitable and inadequate compensation as reflected above could induce undesirable employee behaviour such as conflict, low commitment and loyalty and high staff turnover which can have a direct bearing on the organisational performance.

## **VI) Communication System**

Unlike the Public and quasi organisations, it is observed that Private organisations rely more on verbal communication such as meetings, group discussions, social gatherings and personal contact than on written means.

For instance, Org 1 (Taxi Association) provides a platform for every category of members to participate in the functioning of the Association. For this, three types of meetings are conducted. This includes unit-wise General Meeting held every once a year for Executive Members, drivers, taxi owners, and employed staff; unit-wise Executive Member meetings at least five to six times in a year and thirdly, entire District Executive Meeting for all district Executive Members that are held five to six times a year.

The General Meeting provides opportunity for every member and staff to have a face-to-face interaction and sharing of information on any matters that is affecting the functioning of the Association. During such meetings, problems or grievances faced by the members are discussed and settled through negotiation or discussions with concerned parties or authorities with whom the disputes have occurred.

Ineffective method of dispute settlement prolongs conflict that adversely influences the organisation. However, despite having diverse stakeholders, the participative management have served the Association in furthering smooth industrial relations. As such, seldom has the association resorted to taxi strike/ban. This open culture of where ideas and suggestions are sought and grievances are discussed promotes transparency and accountability.

The Association also organises social events like the annual picnics for its member and staff. This is found helping the members of the Association keep a strong sense of camaraderie and also in breaking the fatigue from the routine work. At Org 2 (Hospital, Kohima), for any information concerning the duties and responsibilities or any modification in rules and regulation affecting the employees, the Administrator arranges a suitable time and day for those matters to be disseminated through meetings. Employees are encouraged to bring forward their views and suggestions during group meetings and discussions. In addition to this, the hospital also follows open door policy for employees to ventilate their problems and grievances.

Similarly, at Org 4 (Construction Company, Dimapur), apart from using written means such as print notice, office circular, and even e-mail, communication is also maintained through verbal instruction, over-phone and open-door-policy/step-ladder policy. In this later method, the aggrieved employee is allowed to present his/her problem to his immediate superior. If the employee is not satisfied with the superior's decision, then he is free to meet the management of the Company. In addition to this upward and downward flow of communication, periodical dinner meetings are also convened at decent hotels for all day briefing sessions joined by various Executives and Financial Director.

In respect to the open door policy as practiced in Org 3 and Org 4, it is said that bypassing middle layer poses a concern of what subordinates may say about them

to top managers, thus, creating tension between subordinates and middle manager.<sup>19</sup> In Private firms, with the organisations having a flat hierarchy to some extent solves this problem. However, care should be taken that skip level communication do not lead to conflict between managers and their subordinates.

In the case of Org 5 (Computer Centre), apart from conducting frequent meetings and timely dissemination of information to the subordinates the institute also conducts Job Satisfaction Survey once every year. The survey is carried out in a descriptive manner where the employees are given the opportunity to express their feelings. The Directors also visit the Institute three to four times a week encouraging face-to-face interaction and ensuring effective communication between employees and the management board.

In respect to publicity, apart from Org 5, just as the Administrator of Org 2 (Hospital, Kohima) said that the organisation is not keen on advertising or publicity, other organisations were also found barely using newspaper for advertisement or other social media.

In Nagaland, with very few renowned private organisations such as the selected ones in this study, competition is found low. This is one reason why publicity is not given much importance. Assumption is that customers/clients that have availed the services of the organisation will perform the job. Further, this is one reason why salary compensation is not found competitive across the organisations. Nevertheless, as compared to Public Sector, it is possible to say that the internal channel of communication is installed more effectively in this sector.

## **VII) Conduct and Discipline**

The conduct and discipline of every Org 1 (Taxi Association) members are regulated by Article 21 of Org 1 Constitution. The article lays down impeachment rules for executive members on violation of the constitution. In the case of employed staff, the post is temporary and therefore can be terminated at any time if the Association is not satisfied with their conduct and performance. Most importantly, frequent absence from work is strictly monitored and disciplinary measure implemented through direct termination from the job.

---

<sup>19</sup> Friebel, G. and Raith, M. (2004), Abuse of Authority and Hierarchical Communication, RAND Journal, 35, pp. 224-244.

During inspections, employees are constantly reminded about maintaining work ethics by the official. Despite this, incidences of employees disappearing with the collected tax have been noted. The Computer Assistant narrated that in Kohima, one of the Line Masters ran off with the accumulated tax (around Rs. 10,000/-) of one week and with this case not being for the first time.<sup>20</sup> This incidence firstly reflects ineffective recruitment and selection practices. It is important that employee's background, personality and various behavioural traits needs to be intensively studied.

Secondly, absence of proper training in ethics is also one reason. This training should be provided by the head of the executive body rather than just as a casual advice during visits to the sites. To make such training effective, it needs to steer away from abstract philosophical discussions and focus on specifics of the work environment.

At Org 2 (Hospital, Kohima), Org 3 (Hospital, Dimapur) and Org 5 (Computer Centre, Kohima) employees' conduct and disciplinary rules are verbally communicated to the employees. Emphasis on regularity, sincerity, and punctuality of employees are given highest attention. Depending on the severity of violation, employees are either warned in private and given a chance to improve or terminated straight away from the service.

Case studies 2, 3, and 5 reiterate the same that entry and exit timings are strictly monitored. If they reached late, they have to give justification otherwise that day is considered as leave even if they have worked for the day. Absent days wage are deducted when anyone is found absent without informing in advance. Moreover, leave exceeding the permitted number of days were stated to incur in salary deduction.<sup>21</sup>

At Org 4 (Construction Company), every staff is expected to strictly adhere to conduct and discipline rules as enlisted in the Company's service rule book. Apart from this, the Company's "Office Rules" has been put up on the noticed board. As observed in the office rule displayed below, it is notable that just as the other organisations, strict attendance and maintenance of office timing is highly expected from the employees.

---

<sup>20</sup> Computer Assistant (Org 1, Taxi Association, Kohima), Case Study, dated 21/3/2009.

<sup>21</sup> Org 2 (Hospital, Kohima), Org 3 (Hospital, Dimapur), & Org 5 (Computer Centre, Kohima), op cit.

**Figure 3.2: Office Rules of Org 4 (Construction Company, Dimapur)**

<b>OFFICE RULES</b>	
All Staff are expected to follow the rules given below. Staffs are to co-operate in ensuring a peaceful atmosphere in the office.	
-	Office timing and attendance register to be maintained strictly (Morning and evening).
-	Lunch hour will be at 2.00 P.M.
-	Leave application should be submitted to the office in advance (failing to will be counted as absent).
-	Leave during working season will not be granted (only in case of emergency).
-	No leave of absence will be granted for more than 20 days in a year (unless on genuine reason)
-	One must be habitually clean
-	One must dress decently. Monday to Thursday in formal and Friday and Saturday in casual.
-	One must shoulder responsibilities, lead disciplined life and use no foul language.
-	Office phone and internet should not be used for personal needs.
-	Resignation letter must be given two months prior notice in writing.
-	Management's decision is final and shall be binding on all staff.

**Source:** Org 4 (Construction Company, Dimapur), 2010

The absence of several codified rules and regulation and emphasis more on verbal communication is a manifestation of trust. However, as observed, this trust is oriented more towards seeking adherence to office discipline and not on the capability to take higher decision. Regardless of this, the strict enforcement have benefited the organisations in cost savings and fostering regular attendance. This similar strategy to regulate employees' attendance has been noted in Public Sector organisations including NIDC as well. However, because of its weak implementation, the attempt was unsuccessful and resulting in excess avoidable expenditure and low employee productivity.

### **3.5 Joint Venture: Nagaland Empowerment of People through Energy Development (NEPED)**

The final organisation discussed here is NEPED. It is a Joint Venture project initiated by the Government of Nagaland, International Development Research Project Centre and India-Canada Environmental Facility. The project was implemented first in the year 1994 with the goal of sustainable management of land base by the intensification of slash and burn cultivation systems practiced in Nagaland. The Project have used different acronym for NEPED. In Phase I (1995-



2000), it was named as Nagaland Environmental Protection and Economic Development; Phase II (2001-2006) as Nagaland Empowerment of People through Economic Development; and Phase III (2007) as Nagaland Empowerment of People through Energy Development.

During the period of this research work, NEPED had ventured into its third phase. It is engaged in two projects namely Energy Development Project and Environment Development Project and with the Project Operation Unit (POU) divided into two teams. Phase III seeks to integrate the strengths of the first two phases and institutionalise and concentrate on strategic value addition, leadership development, research, and outreach, while lengthening the jhum cycle.

It was found that while some of the members had been in the Project since Phase I and II, others had been newly drawn. Some of the major achievements of NEPED since Phase I is highlighted in the last part of this section.

#### **I) Organisational Structure of NEPED**

NEPED featuring a distinctly different work culture from the conventional government or private organisations, the overview of its HR interventions have been discussed as per the nature of the project. The organisation's structural arrangement and the roles and responsibilities are briefly discussed here.

NEPED constitute of participants drawn from different government organisations. The project has been set up without ranks and cadres. The Chief Minister as the Minister in-charge is responsible for ensuring that without any extraneous interference the project is implemented smoothly.

The Chief Secretary designated as the Chairman of the Project Steering Committee (PSC) play a vital role in ensuring quick, clear, and firm decisions on policy matters. The PSC is formed consisting of representatives from the community, government, funding agencies and other local groups.

The Project Operation Unit (POU) is a separate organisation formed for the implementation of the project. It is guided by the PSC in the implementation process. The POU directly receives and handles the funds without going through the normal Government procedures of clearances and approval. This has ensured timely availability of funds for implementation of the project.

The unique characteristic of the POU is highlighted below:

- a. The team members have been drawn from various departments of the State Government going beyond the agriculture and allied sector departments to the social security and welfare department and even from the 'General Administration' department of the State Administration.
- b. The team members represent different disciplines (agricultural sciences, engineering, social sciences, etc.).
- c. The members had been selected through reference and intensive background analysis for identifying dedicated people and good problem-solvers.

Another important member of this Project is the "Local Experts". It was found that NEPED has thirteen local experts. They are a group of knowledgeable and respected men, drawn from various tribes, and are representative of the cultural diversity of Nagaland.

ICEF, IDRC, CIDA and GON are the donor Agencies.

State Agriculture Research Station, Yisemyong, Mokokchung has been inducted as the research team to execute and implement the research component of NEPED project.

A senior Government servant both in age and hierarchy and drawn from the All India Allied Services has been appointed as the Team Leader. Decision-making is based mainly on the consensus of the team. However, when no consensus can be reached the Team Leader plays a decisive role. He assumes mainly a co-ordinating role.

The District Support Unit (DSU) consists of officers from inter-disciplinary department. The unit has been formed in the entire district to implement the NEPED activities.

The Village Development Board (VDB) is a legal body strongly linked to the traditional Village Council. From the start, the project was designed to be built upon indigenous knowledge and to be implemented through traditional institutions such as the VC and VDB. Thus, it was found that all decision making at the grass root level are undertaken through such institutions.

The flat organisational structure without hierarchy and the highly decentralised system as observed in NEPED promotes team work, faster decision making process, improves the quality of decision and also strengthens the accountability level. It helps in demarcating clearer roles and responsibilities which

prevents diverting the focus away from delivering the results and help in developing a performance oriented system for individual members.

## **II) Key HR Interventions at Project Operation Unit (POU) Level**

Before the commencement of the project activity, it was found that every participants of POU member had been well oriented about the practices and culture of the organisation and also acquainted to one and other and to the donor agencies of the project. The project also ensured that each participants/members were well informed in advance about the core objectives of the project plan, the rules and procedures to be followed on implementation of the project, individual/team roles and responsibilities, including information on trainings and provisions for equipment/transport.

This proactive approach and effective communication system helps organisation to avoid any untoward incidence. The appropriately designed and managed induction training as observed above fosters faster adjustment and adaptability of the members to the organisation's work culture and the environment.

One of the most distinguishing features of NEPED is the emphasis in fostering a non-governmental culture. It was found that all POU members had shed their seniority in the parent departments. Leaving behind their cadres and designations until the project is over, every team members work on equal footing. Except in decision-making, the Team Leader was found to play a decisive role when no consensus can be reached.

In respect to empowerment and capacity building, NEPED emphasises in taking a proactive measure. For instance, all POU members were found well equipped with appropriate IT skills. Apart from providing them computers, POU members are provided various training, workshop programmes and seminars in different fields at the state and national levels. In addition to this, as part of study tour, it was found that POU members had visited several countries such as Indonesia, Vietnam, Laos, Thailand, Nepal, Costa Rica, Japan, China and Canada.

Such interventions as observed have contributed to the quality and content of the project. For instance, the international exposure helped the POU to establish links with many national and international organisations such as Lead International, Kalpavriksh, Goetingen University, UNDP-SGP etc. and enhance the stature and the scope of their project.

Another major feature in NEPED is the dynamism and creativity. This flexibility in the project has been a motivating factor that gave rise to many new initiatives in the project one of which is the current project. POU members are not only empowered to make decision but also allowing their creative solutions to be tested. As such the capability of the project to absorb new ideas and act on them has given the project a tremendous scope to be not only creative but to be a leader in many fields in the State.

Above all, the project places premium on transparency assuring accountability. NEPED lays emphasis in continuously managing and monitoring project information so that accurate and timely information of the progress is reported to stakeholders. In addition to this, it was found that accounting, allocation and distribution of the funds of the project are done jointly by the team members. The planning and implementation of the project is based on the Project Management Plan worked out jointly through work plans. This involvement of all in the budgetary processes is found to add deeper dimensions to the implementation of the project ensuring ownership, commitment and accountability of each team.

Team formation can be seen as one of the driving force fostering greater accountability. Team accountability not only strengthens and fosters a shared accountability relationship but also inspire members to accept the liability for those results. This is an important aspect in HRM that determines the success of any project initiative and to become result oriented. Thus, establishing effective accountability and transparency system in NEPED is observed to be one of the major strengths of NEPED that have added to the success of the earlier two phases.

### **III) Key HR Interventions at Local Level**

At the local/village level, it was found that Participatory Rural Appraisal (PRA) method is used extensively. It involves the local people by considering their views and enabling them to participate in the development process.

To make this approach more effective, it was found that a Participatory Extension is applied for dissemination of knowledge and mass motivation. The various strategies applied includes television, radio, published briefing papers and books, local experts, documentary, articles in the leading newspapers, plant identification package, community groups and NGOs.

The ability of the project to identify and apply appropriate strategies have tremendously facilitated NEPED in accomplishing one of its main objectives that is, creating awareness of the needs to preserve and protect the natural resource. This has facilitated the Project to encourage contribution of qualitative ideas right from the grass root level and also empowered the poor and weak to assert their priorities through participation.

Moreover, it was found that all decision making at the grass root is undertaken through traditional institutions such as the Village Councils and Village Development Boards. Incorporating indigenous knowledge by NEPED has helped revive the traditional age old practices and wisdom that was almost on the verge of being forgotten. It has also motivated the local farmers, gained their confidence, cooperation and participation.

To encourage the rural folk to act as catalyst for other farmers, NEPED lays emphasis in training them. While training farmers, NEPED encourages the villagers to discuss the issues, problems and approaches that are needed to incorporate in various plantation activities undertaken in the project. Apart from training, workshops, seminars, experience sharing, exchange visits, exposure trips, and study tours are also provided. These interventions have helped NEPED develop a better coordination with village functionaries and the wider community of farmers, enabled the farmers/beneficiaries develop a sense of ownership, and strengthened the relationship between the various stakeholders of the Project.

#### **IV) Achievements of NEPED**

NEPED have contributed and continue to facilitate positive change in the overall development of Nagaland State. The project implementation methodology and the programme approaches have been an eye opener to the public and the Government of Nagaland. The project team is now a strong asset to and for the Government of Nagaland. They have gone beyond the call of project activities to initiate and support numerous other programmes. The structure and work-culture of the POU are being emulated by the government agencies both within and outside the State with encouraging results.

Introducing trees as an additional crop in shifting cultivation fields have tremendously fostered the concept of tree raising in Nagaland and has now spread much beyond what the project envisaged. One of the most remarkable outcomes of

the Phase I project is the way tree planting is widely adopted by both the farmers and entrepreneurs all over the State. It was found that the project has planted over six million trees and an external evaluation cited that replication is to the ratio of 1:6 (about 33,000 ha) and could be much higher now.

This achievement of NEPED has been personally witness by the researcher at Tsufeme Vegetable Village under Phek district. In the year 2008 (26-28<sup>th</sup> June), when the farmers had faced a severe cabbage crisis, a three day visit was made to this village. During this visit, it was found that the interventions of NEPED at this village level had been effective.

NEPED encouraged the farmers to plant one more crop called “tree crop” along with their regular jhum crops. It suggested that nitrogen-fixing species like alder trees reduce soil erosion and improve fertility. This was found practiced by the farmers of Tsufeme Vegetable Village.

The farmers have two types of plot for cultivation. First is the Permanent Field at Ruzuphoa with an allotment of 6 hectares and second Individual/Main Field at Tisuzu with an allotment of 40 hectares. As suggested by NEPED, in these fields, it was found that Alder trees have been planted measuring few distances from each other. Instead of felling these trees, the villagers pruned the branches during the winter season and use it either for domestic purpose or sell it to the market as fuel wood. Pruning that is, removing unwanted branches or crooked trees help maintain proportionate height and grid. Further, in the individual field, it was found that a mixed/double cropping such as potato and maize, potato and cabbage or cabbage and kiwi fruit as encouraged by NEPED is also practiced.

It is evident from this finding that the intervention of NEPED has been effective. Firstly, farmers have learnt a better way of cultivation by adding one more crop that is, trees. Secondly, it has prevented the farmers from felling trees before maturity. Thirdly, saving trees for higher return in the future while at the same time finding solution to make ends meet by pruning the branches.

This successful project implementation is further evidenced from where it has influenced policies and work plans of both state and central governments. It was found that a high-level commission report to the Prime Minister of India especially recognised the project’s potential for mapping, conserving, developing and exploiting the enormous biodiversity of the region. It has been reported that the Ministry of

Environment of India is considering replication of the project's afforestation programmes all over Northeast India.

Further, before the project, farmers accessed loans from banks at individual capacities and often used to default in payment. This adversely affected the record of Naga farmers as unreliable creditors. However, it is found that the intervention of NEPED of establishing the rural micro credit system in the form of the revolving fund has led to almost 100% repayment rates. This has impressed financial and banking institutions to review their policy on Nagaland. The micro credit success therefore not only facilitated profitable farming, empowerment of women and vulnerable groups but also influenced the policy of banking and financial institutions.

Given the fact that value-addition of many crops produced by farmers would be technology-dependent, which in turn is energy-driven, the project started to look for options. This then culminated in what is called NePED- Nagaland Empowerment of People through Energy Development in the year 2007 as a direct outcome of the existing NEPED Project. The rapid growth of NePED activities and success has been further witness during a discussion with the POU members.

On 16<sup>th</sup> of November, 2009, the researcher got the opportunity to meet twelve POU members and have a brief discussion with them. It was found that every POU member had been assigned different tasks such as watershed management, re-enforcing jhum, installation of hydrogers, investigation of rivers etc. to be covered in certain number of targeted villages. On inquiring about the approximate per cent of their targeted village covered by the programme, four members stated that, 100% have been fully covered; seven said 80-90% while only one said 70%. In addition to this, it has been observed that Energy development has now become an add-on intervention and NEPED has so far introduced the technology in 10 villages across the State.

The above achievements of NEPED clearly reflect an effective management of human resources. NEPED has been able to identify and apply the right HR strategies as per the objectives and goals of the project.

Some of the major HR intervention that have contributed to the success of the project and which differentiates it from the rest of the organisation overviewed in this chapter has been briefly highlighted below. In doing so, attempt has been made to compare which sector and unit were found applying effective HR practices. However, it is to be noted that these comparison has certain limitations because employee's

perception of HR practice is not included. This is because the assessment of effectiveness at this level has been combined broadly under the two sectors that is, Public Sector and Private and other organisation in chapter four.

### **3.6 Comparison of HR Practices Sector and Unit Wise**

Of the entire organisation and types of sector overviewed in this chapter, we could say that NEPED (Joint Venture) has installed more effective HR policies and practices suiting the organisation's purpose and its stakeholders.

The creation of a decision making oriented system by adopting a flat structure has contributed in enhancing the project's performance. This highly decentralised system with adequate devolution of power to every member/group has not only strengthened the scope for faster decision making but also enhanced the motivation, commitment and HR productivity level. Flatter structure is said to facilitate effective management of human resources by optimising the focus on productivity of the organisation.

The absence of hierarchy has further boosted in establishing a strong team work culture and strengthening the overall performance of the organisation.

The capacity building and exposure of the POU to a variety of experiences, has been a very important factor influencing the quality of the project. It has helped in nurturing new ideas and building their knowledge and confidence. When inputs are sought on a continuous basis, it enhances employee's knowledge and boosts their enthusiasm level and commitment to the organisation.

Another major strength of NEPED including the Central Banks that differentiates it from the other organisations is the intensive surveying of the requirements of human resources in terms quantity and quality. Effective HRP system helps organisation lay a strong foundation for devising the right techniques required for continuously developing its HR.

In respect to accountability and transparency, it is observed that NEPED and the Banks have laid a greater thrust on this aspect as compared to Private, quasi and the State Government departments.

The effectiveness of HRD at the organisational level in NEPED has shown positive impact at the community level. The effective intervention has enabled the members to contribute effectively in strengthening the livelihoods of the farmers and natural resource management practices for food security. This has both short term and



long term benefits for the farmers and the Naga society at large. Similarly, the Banking sector through continuous development of human resources has greatly helped the organisation to grow and expand thereby creating employment opportunities and also to expand its CSR activities for the needy.

In respect to private firms, Org 5 (Computer Centre, Kohima) is found applying a more intensive recruitment strategy and performance management HR practices. However, in terms of effectiveness, it has failed in retaining core employee. This is because certain HR practices such as compensation system and motivational techniques failed to cohere with other HR practices.

Among the quasi organisation, DIMUL showed a better performance with more effective HR practices particularly in training intervention and communication system. The Union is found to have also devised effective motivation policies that can enhance HRs motivational level. However, this is yet to be really practiced as envisaged by the management.

Overall, of the two sectors, it could be possible to say that Private and other organisations are performing considerably better.

## CHAPTER 4

### RESULTS AND DISCUSSION

This chapter presents the data collected from the selected organisations of Public Sector and Private and other organisations. The data has been collected from two types of respondents. The first is the employees where total 400 respondents have been selected from twenty two units. From this, 256 respondents from eleven units represent the Public Sector while the remaining 144 respondents from another eleven units represent the Private and other organisations. For selection of employees, proportionate stratified sampling has been applied.

The second type of respondents is the trainees (students) where total 105 respondents have been selected from seven Training Institutes. From this, five units represent the Public Sector and two the Private Sector. Applying disproportionate sampling, fifteen respondents each has been selected from the entire units representing the two sectors. One of the units that is, SEFTI from the Public Sector has been selected exclusively for assessment at trainee's level. The remaining six units have been drawn from the units selected for assessment at employee's level.

Thus, the total number of units covered in this study is twenty three units.

For data analysis, quantitative data were assigned with numerical value and entered into a Microsoft Excel spread-sheet. Descriptive statistics have been used to analyse the data. Descriptions for each of the evaluation question/statement have been presented using general frequencies, percentages and charts. To provide more depth to and insight into the research finding, qualitative data is integrated in the analysis and interpretation of quantitative data. Suggestions of respondents have been quoted within double inverted commas. In addition to this, three case studies from the Public Sector have been critically analysed in the last part of this chapter in support of the findings derived from other primary and secondary sources.

Based on the analysis of data, overall effectiveness of HRM is discussed. As per the conceptual framework highlighted in chapter one, the interpretation and discussion of data are presented in five categories that is, from Part I to V stating the level of satisfaction as follows:

### **Part I: Satisfaction at Owner and Investor Level**

As shown in the left most box of the framework in chapter one, Part I discusses the satisfaction at owner and investor level. As highlighted in the middle box, HRP is examined first based on the demographic profile of the employees. In this, the recruitment and selection practice is also examined for determining HRP effectiveness. This is followed by assessment of employees' perception of the HR practices and employees' commitment to the organisations. Lastly, the financial performance of Public Sector is examined in terms of its financial viability and effectiveness in delivering 'Core Public and Merit Goods', staff productivity in Banking sector and the Return of Investment (ROI) of quasi organisations.

### **Part II: Satisfaction at Employee Level**

In Part II, satisfaction at employee level is examined based on employees' rating of their Job Satisfaction level and perception of their Quality of Working Life.

### **Part III: Satisfaction at Trainee Level**

Part III examines trainees' satisfaction level with the quality of training course and the services provided. Trainee here refers to only the respondents from the Training Institutes and not the employees.

### **Part IV: Satisfaction at Societal Level**

At this level, the first activity highlighted in the middle box of the framework that is, 'Establishment of Legal and Ethical Management' is examined and discussed.

### **Part V: Environmental Factors**

Concluding this chapter, attempt has been made in Part V to examine the environmental factors that is, the Internal and External factors influencing the HRM practices in the selected organisations in Nagaland.

Based on the analysis, attempt is made to draw a comparative study between the Public Sector and the Private and other organisations in particular and in Nagaland State in general.

## Part I: Satisfaction at Owner and Investor Level

### 4.1 Human Resource Planning (HRP)

The quality and quantity of HR reflects the effectiveness of an organisation's HRP skill. Hence, a larger sample is examined to arrive at a more realistic view. For this, demographic profiles of the employees' have been examined on two types of data namely, the respondents and second the entire employees from the selected organisations. To identify the difference between these two samples, in each table within bracket that is, (employees) and (respondents) has been reflected. Tables showing class wise indicate the class category of employees in Public Sector as per the Rules of Pay as stated in chapter three. Table 4.2 to 4.5 and 4.8 to 4.16 are enclosed in annexure A. Only Table 4.6 and 4.7 have been reflected in this chapter.

#### 1) Educational Profile: Public Sector

Table 4.6 shows that in Public Sector, matriculates and below qualified (M&B) employees constitute the highest that is, 61.56% (1,939/3,150). In this, Figure 4.1 (Table 4.8) shows highest entry of employees in service during the 1980s that is, 30.95% (975/3,150). Figure 4.2 (Table 4.8) further reveals that highest per cent of M&B qualified employees had been recruited during this period that is, 21.9% (690/3,150). This indicates that during the 1980s there was shortage of qualified personnel and at the same time a high recruitment drive took place.

**Table 4.6 Class Wise Educational Profile: Public Sector (Employees)**

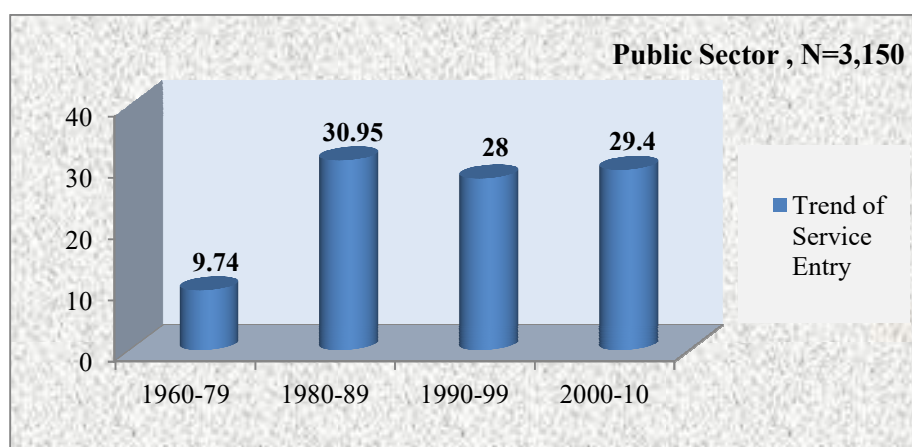
Class Particulars	1960s-2010			Total (N)
	M&B	HS&A	NA	
1	2	3	4	5
Class I & II	28 (7.78%)	285+02 (79.72%)	35+10 (12.5%)	360 (100%)
Class III	1,329 (65.69%)	563+01 (27.88%)	119+11 (6.43%)	2,023 (100%)
Class IV	580+02 (75.88%)	33 (4.3%)	118+34 (19.82%)	767 (100%)
Total	1,939 (61.56%)	884 (28.06%)	327 (10.38%)	3,150 (100%)

The highlighted figures in 2<sup>nd</sup> and 3<sup>rd</sup> column indicate year missing while the 4<sup>th</sup> column indicates both year and qualification missing.

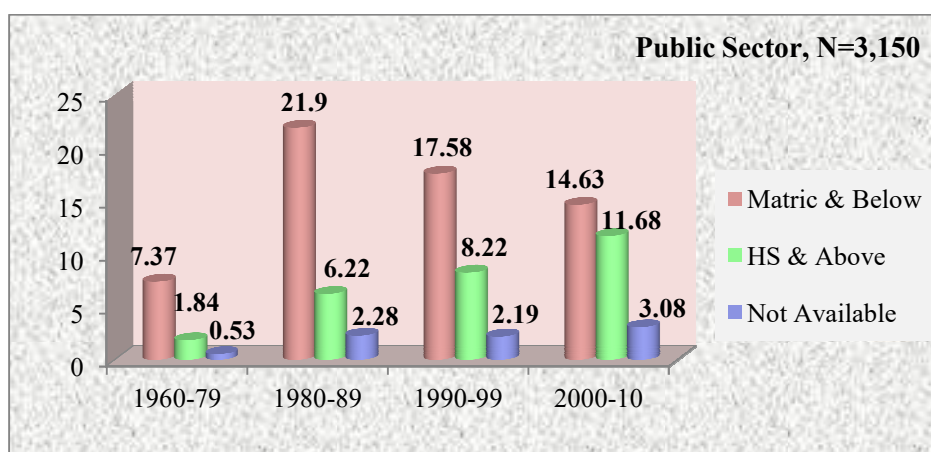
M&B= Matriculate and below, HS&A= Higher Secondary and above, NA= Not Available

Table 4.6 further shows that Higher Secondary (HS) and above qualified constitute 28.06% only (884/3,150) of which Figure 4.2 (Table 4.8) shows highest entry in service during the period 2000-10 that is, 11.68% (368/3,150). It is also found that from 1980's onward, there has been a declining trend of M&B qualified that is, 21.9% (1980's), 17.58% (1990's) and 14.63% (2000-10) respectively and growth of HS and above qualified that is, 6.22%, 8.22% and 11.68% respectively. This shows the current growth of education in the State.

**Figure 4.1 Service Entry Decade Wise: Public Sector (in %)**



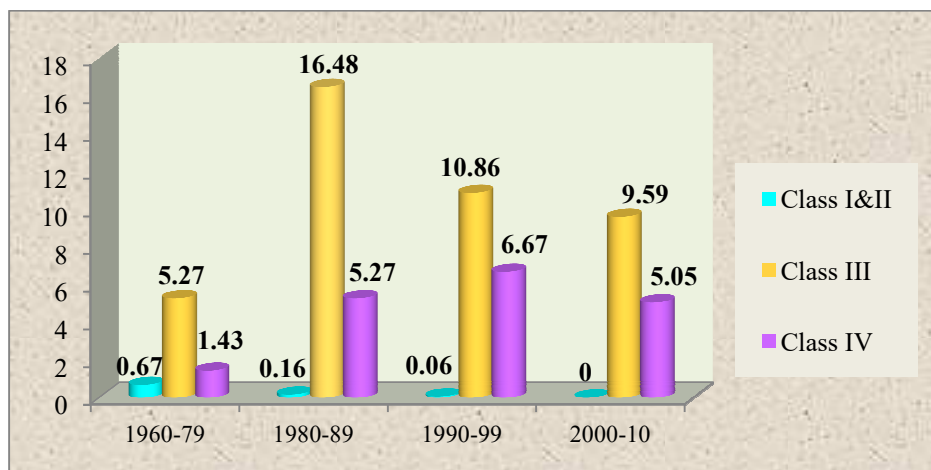
**Figure 4.2 Educational Profile: Public Sector, 1960s to 2010 (in %)**



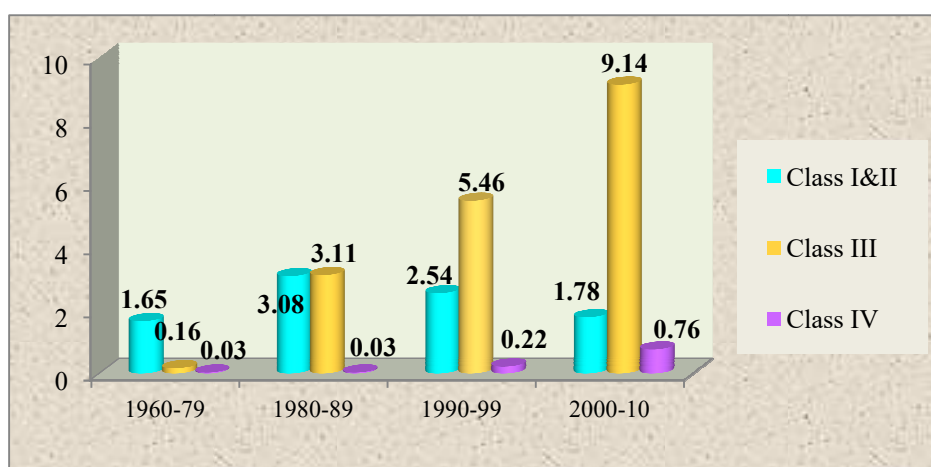
Class-wise, Table 4.3 shows that in Class I & II category, only 7.78% (28/360) are M&B qualified employees while Table 4.4 and 4.5 shows that in Class III and IV categories, M&B qualified constitute the highest that is, 65.69% (1,329/2,023) and 75.88% (582/767) respectively. However, as displayed in Figure 4.4, it is found that the growth of HS and above is more significant in Class III and IV categories. In

Class I & II category, M&B qualified shows nil by 2009 but at the same time as displayed in Figure 4.4, a declining trend of service entry at this level is observed.

**Figure 4.3 Class-wise Matriculate & below Qualified: Public Sector (in %)**



**Figure 4.4 Class-Wise HS & above Qualified: Public Sector (in %)**



The above figure reflects the retirement trend of M&B qualified and the increasing educational growth and absorption of HS and above qualified in the State. Further, it indicates that during the 1980s where highest recruitment of M&B qualified took place, most likely due to low educational status and poor scope of career growth, employees have been unable to reach the highest level. Hence, by 2009 Class I & II shows absolute nil of M&B qualified. Although, the trend is appreciable, as observed in Figure 4.2, it is found that M&B still continue to outnumber the HS and above qualified employees. This is because firstly, age manipulation as cited in case study 3 (DIC) could have slowed the retirement of many low qualified

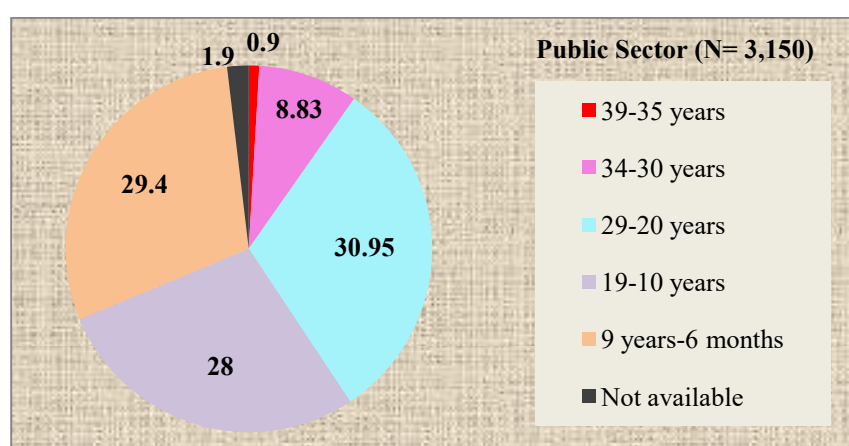
employees. Secondly, random recruitment without taking into consideration the prescribed qualification and thirdly, illegal appointment without sanction post.

Further, speculating at the educational profile, matching the right employee with the job best suited shows instances of employees not in the right profession such as Bachelor in Theology and Bachelor of Education as Lower Divisional Assistant or Masters of Science qualified as a typist (Table 4.4) at PWD and DIC. Similar instance of mismatching is noted in case study 1 (NST). This indicates an ineffective HRP. It shows the absence of forecasting the labour market trend and the future consequences. As such, there is still highest M&B qualified employees even after the mass retirement in 2009 while the educated unemployed is on the rise as examined below.

## 2) Work Experience and Age Group of Employees: Public Sector

As observed earlier in Figure 4.1 that highest per cent of employees in Public Sector had been recruited during the 1980's, Figure 4.5 also shows highest per cent of employees that is, 30.95% (975/3,150) with work experience of twenty nine to twenty years (29-20). Class wise, Table 4.3, 4.4, and 4.5 shows highest per cent of employees from Class I & II and III categories with work experience of twenty nine to twenty years (29-20) that is, 30.56% (110/360) and 32.53% (658/2,023) respectively. Class IV category shows highest per cent that is, 32.59% (250/767) with work experience of nineteen to ten years (19-10).

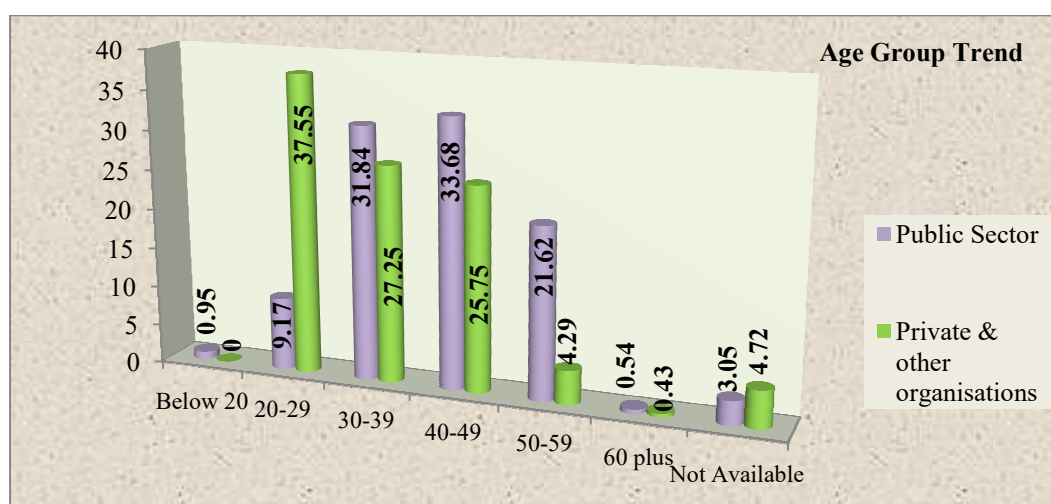
**Figure 4.5<sup>1</sup> Work Experience: Public Sector (in %)**



<sup>1</sup> Figure 4.5 shows the work experience of entire employees from Public Sector (district offices and directorates of sample units) whereas in Private and other organisations since the same was not available, only the respondent's data has been analysed.

Reflecting at the age group, Figure 4.6 (Table 4.11) shows highest per cent of employees within the age group of forty to forty nine (40-49) years that is, 33.68% (1,061/3,150). This indicates possibility of a good number of these employees recruited during the 1980s that is, the period that depicted the highest recruitment drive (Table 4.8). Although, Table 4.12 represents only the respondents' data, the age profile shows that a higher per cent of this group of employees that is, 21.1% (54/256) are on the higher side that is, within forty five to forty nine (45-49) years. This shows the possibility of joining service at mid-teenage to early twenties thus indicating premature retirement. The bottom line responsible for this consequence is poor manpower planning failing to forecast the consequences of early service entry.

**Figure 4.6 Age-Group: Public and Private & other organisations (in %)**



The long endurance could mean being loyal or committed. However, the finding shows that this commitment has led to overstaffing in most Government departments that even respondents suggested the need to “downsize the number of workforce” to an adequate level. For example, NPWD as on 31<sup>st</sup> March 2011, on account of 990 excess staff resulted in avoidable expenditure of Rs. 15.49 crore during 2010-11;<sup>2</sup> Education Department faced with shortfall of almost Rs. 28 crore in meeting salary needs during 2008-09 due to excess employees<sup>3</sup> etc. Former State Chief Minister Rio recently stated that, there are presently 54,689 (as on 2014) excess government employees.<sup>4</sup>

<sup>2</sup> Report No. 2, CAG, for Year Ended 31 March 2011, 2012.

<sup>3</sup> Quoted by Minister for school education and SCERT, N. Konyak in Nagaland Post dated 23/6/2009.

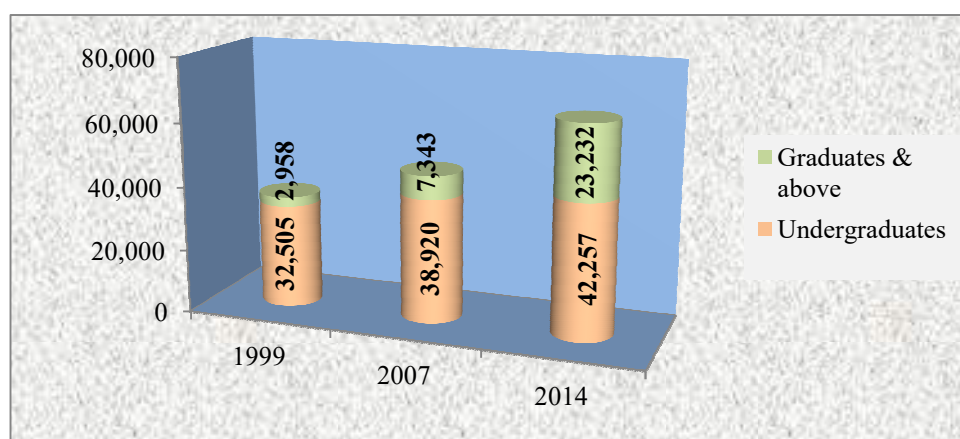
<sup>4</sup> Nagaland Post, dated 25 March 2014.



As displayed in Figure 4.7, it is found that the number of applicants remaining on the Live Register of Employment Exchange as on December 31<sup>st</sup> 2014, the figures for the State as a whole is 65,489. Of this, post graduates stand at 3,746, graduates at 18,772, pre-university at 13,632, matriculates and below at 28,001, degree (Tech) at 714 and diplomas at 624.<sup>5</sup> These figures may not reflect the actual unemployment situation because all unemployed person does not register. However, it indicates the growing trend of unemployment in the State. Between 2000 and 2008, an average of 2,319 students; 2,100 graduates and 219 post graduates per year completed their studies under Nagaland University (NU). Between 1997 and 2006, a total of 31,137 candidates appeared the State Civil Service Examinations conducted by Nagaland Public Service Commission for 419 posts.<sup>6</sup> During the recent exam conducted by NPSC on June 14<sup>th</sup> 2014, 13,942 candidates applied vying for 71 posts.<sup>7</sup>

These instances indicate the severity of unemployment faced by educated youth. What is observed here is that the State Government is on one side experiencing overstaffing particularly with low educated workforces, while on the other side, it is troubled by an alarming growth rate of educated unemployed. This shows its failure to balance between jobs and job seekers.

**Figure 4.7 Unemployment Trend in the State (in number)**



**Source:** Directorate of Employment and Craftsman Training, 2014

After a long debate over the unemployment problem, the State Government finally passed 'The Nagaland Retirement from Public Employment (Second

<sup>5</sup> Directorate of Employment and Craftsman Training, Kohima: Nagaland, 2014.

<sup>6</sup> Kohima District Human Development Report, op cit, p. 111.

<sup>7</sup> Nagaland Post, dated June 12, 2014.

Amendment) Bill, 2009'. As per the Second Amendment Bill, the length of service of State Government employees has been restricted to thirty five years from the date of joining of service or till he/she attains the age of sixty years, whichever is earlier. Basing on this, of the total respondents, 2.34% (06/256) as exhibited in Table 4.1 and 0.92% (29/3,150) as exhibited in the last row of the second column in Table 4.2 [should] have retired by virtue of the Bill.

As per the figures highlighted by the State of Nagaland Organisation, it is found that 3,098 employees retired from October 31, 2009 to December 31, 2009 by length of service before attaining the age of sixty years. Of these 3,098 retirees, 181 that is, 5.84% retired at the age of fifty three years and 512 that is, 16.52% retired at the age of fifty four years. It further stated that 145 employees joined the Government service at the age of nine to seventeen (09-17) years which indicates that they would be retiring at the age of fifty two and below.

**Table 4.7 Grade Wise Employees of the State**

Grade	No. of employees	Percentage
Class-I	3,707	4.05%
Class-II	2,401	2.63%
Class-III	61,264	<b>67.09%</b>
Class-IV	23,936	26.21%
<b>Total</b>	<b>91,308</b>	100%

**Source:** Nagaland State Department of Economics & Statistics, 2011

As shown in Table 4.7, it is found that the highest number of employees is in Class III category that is, 67.09%. The finding of this study as shown in Table 4.6 tally with Table 4.7 showing highest per cent of employees in Class III category that is, 64.22% (2,023/3,150). The High Power Committee (HPC) appointed by the Cabinet to scrutinize the report of state employees during 2009-10 reported that most of the non-Gazetted (Class III and IV) employees joined the service at a very early age, that is, before twenty years. Hence, fixation of length of service as a criterion for superannuation may affect many of the Class III and IV employees who joined the service at the age of eighteen to twenty (18-20) years.

The action of the Government may have been reactive. However, had the Bill not passed, as reported by the HPC, since a good number of non-Gazetted employees joined service at a very early age, the longevity of service could have slowed down

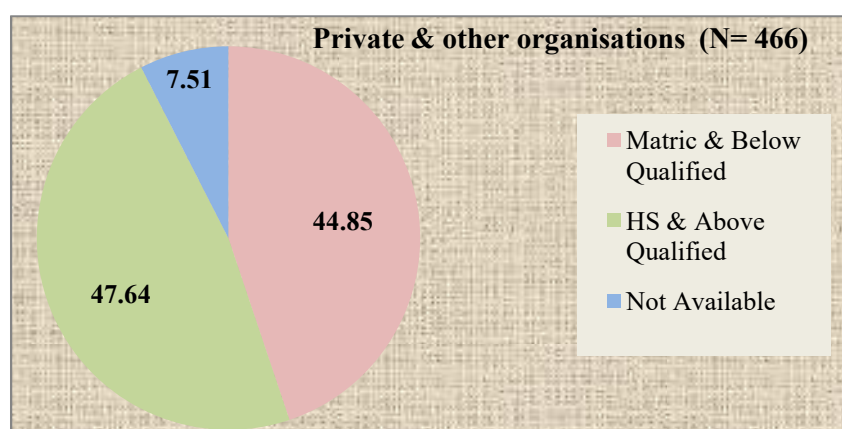
the retirement process. This could have caused stagnation and obstructing opportunity for career growth at the lower levels. This is highly possible because for higher post, generally higher ratio is placed for internal recruitment (promotion). In addition to this, it could have obstructed new recruitment. This would imply failing to solve the educated unemployed problem in the State and their aspirations as well.

Further, the action of the Government as reported in case study 3 (DIC, Dimapur), the respondent being a victim of this Bill, had been very reactive and demoralised many senior employees. The arbitrariness and insensitivity displayed by the State Government highlight its own shortcoming and deficient HRP system. This ineffectiveness is observed to the extent where it failed to balance between jobs and seekers, to recruit high quality and professionally committed workforce, and the right size and type of people at the right time and place. Lack of quality human capital and excess workforce can become unmanageable and create a low performing work culture. This is examined in the succeeding parts of this chapter.

### 3) Educational Profile: Private & other organisations

Table 4.9 shows that highest per cent of respondents in Private and other organisations are HS and above qualified that is, 72.92% (105/144) while matriculates and below shows 27.08% (39/144) only. This data tally with Figure 4.8 (Table 4.10) which shows 47.64% (222/466) HS and above qualified while M&B qualified shows 44.85% (209/466). It is to be noted that almost fifty per cent of HR at DIMUL and Org 4<sup>8</sup> are casual labourers and daily wagers.

**Figure 4.8 Educational Profile: Private & other organisations (in %)**



<sup>8</sup> At Org 4 (Construction Company, Dimapur), this category of employees (labourers) is deployed at the construction sites. They are not stationed at the organisation's premise like in DIMUL.

Despite this condition, Private and other organisations continue to display highest HS and above qualified than in Public Sector (28.06%, Table 4.6). However, respondents' suggestion for requirement of "more qualified staff" and "well trained managers" indicate certain shortfalls in the quality of skills, knowledge and abilities of the HRs. Further, as noted in case study 2 (Hospital, Kohima) that as per the Matron's ANM educational status, she is "not qualified to be a Matron"<sup>9</sup> shows instances of a subordinate not content with professional knowledge of the reporting head. This can hinder the relationship between higher and lower level employees.

#### 4) Work Experience: Private & other organisations

Since, Private enterprises are only few years old, the work experience data have been categorised further into nine to four years, three years, two years, and one year to six months to get a clearer picture of the level of endurance.

**Figure 4.9 Work Experience: Private & other organisations (in %)**

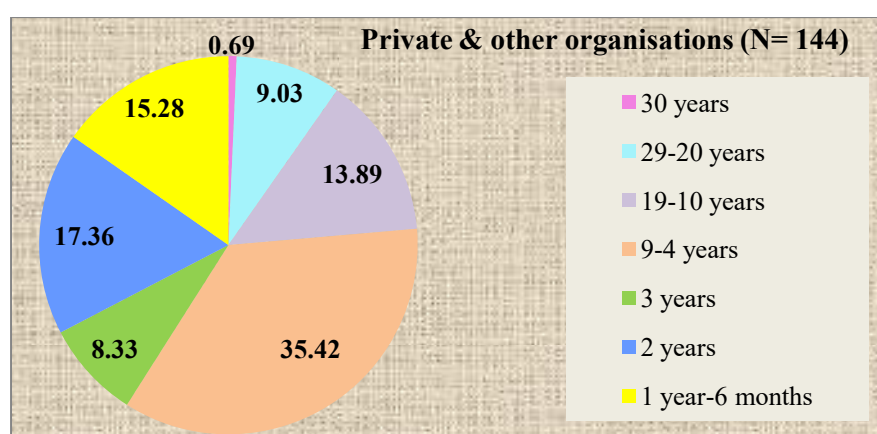


Figure 4.9 shows highest per cent of respondents that is, 40.97% with only three to four years of work experience. Table 4.9 further shows that only from Private firms, 68.05% (49/72) has less than four years of work experience. This indicates that as also reported in case study 2 (Hospital, Kohima) and 3 (Hospital, Dimapur), most employees endure for two to three years and least for three to six months.<sup>10</sup> The Administrator of Org 2 (Hospital, Kohima) also stated that most employees do not

<sup>9</sup> Former Computer Assistant, Org 2 (Hospital, Kohima), Case Study, 12/04/2012.

<sup>10</sup> Former Computer Assistant op cit, and Former Radiologist, Org 3 (Hospital, Dimapur), 7/10/2011.

stay for long and hence it is difficult to state the accurate number of employees in one particular year.<sup>11</sup>

One of the reasons displaying this trend is, as stated by Prasad (2005) younger age group employees are prone to job hopping.<sup>12</sup> The age group profile of respondents exhibited in Table 4.14 and 4.15 shows that highest per cent of employees in Private and other organisations are in the age group of twenty to twenty nine years (20-29) that is, 56.95% (82/144) and 37.55% (175/446) respectively. Despite the job hopping nature, another reason is because of the condition of the labour market. Due to inadequate Private Sector, the State has failed to absorb the burgeoning educated youngster into gainful employment<sup>13</sup> and the supply of labour has exceeded the demand for it. In this condition, as stated by Aswathappa (2005), a low wage/salary could be fixed<sup>14</sup> where upon, dissatisfaction with inadequate compensation can cause employees to leave organisation<sup>15</sup> or developed an intention to quit.

Case study 1 (Taxi Association, Kohima), a post graduate in Sociology and earning a meagre salary of Rs. 3000/- per month as Computer Assistant stated that,

“My pay is very less but what option do I have? It’s always better to say that you are employed rather than saying unemployed. However, I am trying for a government job (teacher post)”.<sup>16</sup>

This indicates a state of low alternative opportunity but which does not stop one to look for a better job when compensation is perceived as inadequate.

Case study 3 (Hospital, Dimapur) also stated that he was offered a higher pay by his present employer and that is why he quitted the job.

Similarly, case study 5 (Computer Centre, Kohima), a trainee currently on Professional Practice reveals that no matter how qualified he says,

“In Nagaland especially in Private Sector, to get job with a satisfactory package and one that deems fit with one’s qualification is very thin. So I am planning to venture outside the state to look for a better job just as my former two colleagues who quitted as they got better offer from one reputed IT industry in Guwahati”.<sup>17</sup>

---

<sup>11</sup> Administrator, Org 2 (Hospital, Kohima), Personal Interview, 10/11/2010.

<sup>12</sup> Prasad, L. M. (2005), op cit., p. 77.

<sup>13</sup> Livelihood and Employment Opportunities in Nagaland: Sectoral Issues, op cit, p. iii.

<sup>14</sup> Aswathappa, K. (2005), op cit., p. 278.

<sup>15</sup> Pattanayak, B. (2006), op cit., p. 284.

<sup>16</sup> Computer Assistant, Org 1 (Taxi Association, Kohima), Case Study, 21/03/2009.

<sup>17</sup> Faculty cum System Administrator on Professional Practice (P.P), Org 5 (Computer Centre), Case Study, 4/03/2009.

In respect to quasi organisations, Table 4.9 shows highest per cent of employees with four years and above work experience that is, 86.11% (62/72) displaying longer duration of service than in Private firms. However, the former Managing Director of NIDC stated that the organisation is overstaffed.<sup>18</sup>

As reported in the Office Order dated December 19, 2005, the Corporation had a deficit of Rs. 1 crore. Moreover, along with its subsidiary company that is, Japfu Hotel, the losses incurred (Table 4.39) indicates that the available manpower are underutilised. During a personal interview, the General Manager (Personnel & Administrative Department) stated that,

“If the management does not venture into new business, naturally well organised and planned manpower will be underutilised. We may have planned to venture into many new activities but if we are all cramped here together just sitting ideally without putting this plan into action then naturally we are all underutilised. If we properly venture into new business, I would meticulously manage my subordinate officers by putting them in the right place where their service is required. This can help them can make use of their respective potentialities and generate business for the organisation. But that is not happening and this is why we are facing problem.”

Indicating defects inherent in HRP system the G.M. further adds that,

“We have engaged expert/consultants to work out the manpower requirement. After all exercises had been done, it was put up to the board and also approved. Manpower plan was done properly however putting the plan into action becomes a problem. As long as the ‘abuse of power’ prevails no plan can work out as intended”.<sup>19</sup>

The receptionist (Graduate) who has been in service for more than ten years also stated that, “Most employees are recruited through top officer’s backing and political recommendation.”<sup>20</sup> Another incident explaining one of the reasons of overstaffing is while the researcher had been waiting at the Assistant Manager’s (P&AR Department) table to collect some data, a newly appointed employee’s relative came to collect the appointment letter (post of sweeper). After the visitor left, the Manager with a frustrated look frankly revealed the appointment was made despite “no vacancy or post available but due to pressure from certain underground faction.”<sup>21</sup> On seeing the personal details, it was found that the appointee had been well over forty years of age.

---

<sup>18</sup> Former Managing Director of NIDC Ltd, Dimapur, Personal Interview, 6/12/2007

<sup>19</sup> General Manager, NIDC Ltd., Dimapur, Personal Interview, 03/10/2011.

<sup>20</sup> Receptionist, NIDC Ltd., Dimapur, Personal Interview, 4/10/2011.

<sup>21</sup> Assistant Manager (P&AR Department), NIDC Ltd., Dimapur, during data collection, 04/10/2011.

The above finding shows an ineffective HRP that has hampered the effective management of its HR. This consequently has failed to generate profit for the quasi organisation while Private firms have failed to retain the scarce qualified such as the skilled IT professionals in the State. Also reducing the over dependence on State Government department.

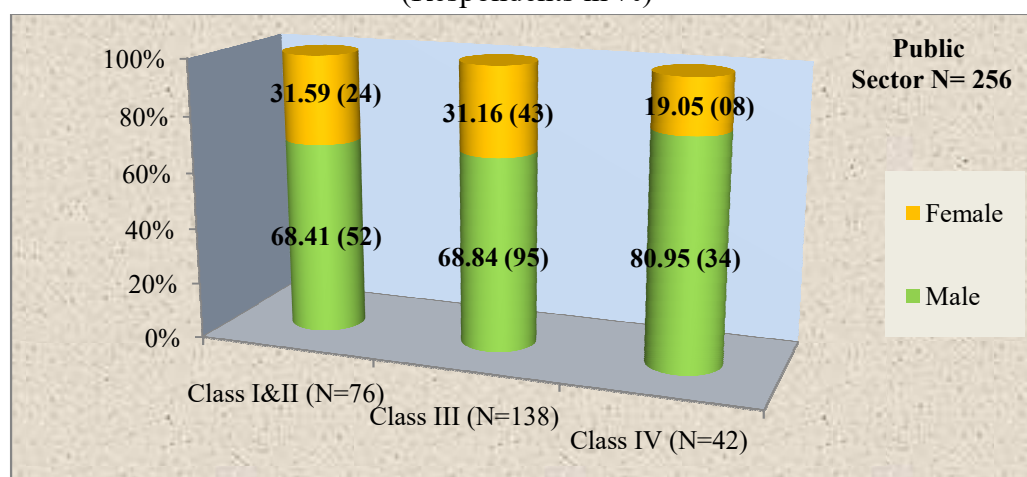
## 5) Comparative Assessment

The quality and quantity of HR largely determines the productiveness of an organisation. This in the long term has significant impact on the socio-economic growth such as generating avenues for productive employment. However, from the above analysis, we have found that HRP in both the sectors have failed to balance between jobs and job-seekers and thereby reduce socio-economic evils such as unemployment and underemployment. Thus, from what have been observed above shows that there is significant relationship between the two variables that is ‘unemployment’ and ‘manpower planning’ as proposed in hypothesis two.

### 4.2 Male/Female Workforce Participation Level

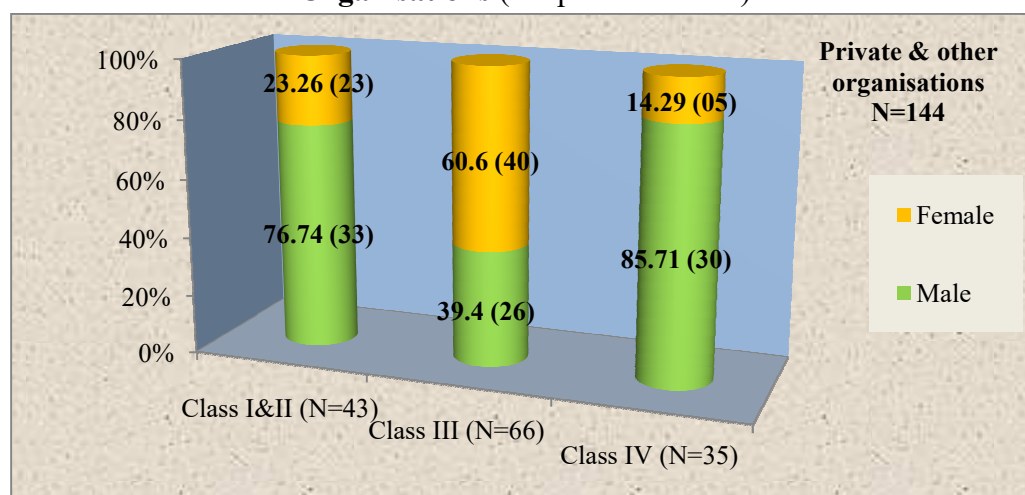
Table 4.12 (Figure 4.10) shows highest male participation in Public Sector that is, 70.71% (181/256) against mere 29.29% (75/256) female workforce. This data tally with Table 4.13 showing highest male participation that is, 78.74% (2,459/3,123) against a meagre 21.26% (664/3,123) female workforce participation.

**Figure 4.10 Class-wise Male/Female Workforce Participation: Public Sector**  
(Respondents in %)



Similarly, in Private and other organisations, Table 4.15 (Figure 4.11) shows highest male participation that is, 61.79% (89/144) against 38.21% (55/144) female. Table 4.16 also shows highest male participation that is, 65.02% (303/466) against 34.98% (163/466) female workforce. Overall, in proposed in objective four, it is found that male participation is highest in both sectors in Nagaland State.

**Figure 4.11 Class-wise Male/Female Workforce Participation: Private & other Organisations (Respondents in %)**



As per the State Human Development Report, 2004, women's participation in the manufacturing sector is as low as 6%. Participation in the services sector is 14% out of which only around 7% are professionals.<sup>22</sup> This shows that there is still a huge disparity between male female workforce participation in the organised sector of the economy in Nagaland State. Further, considering the status of women, it is found that women are playing only a minor role in the upper echelon.

As rightly argued by K. Ela (2011) that if women are enumerated in the Census as per the definition of work (Economic Activity) adopted by System of National Accounts that is participation in any economically productive activity with or without compensation, wages or profit, we could say that there is hardly any work that a Naga women is not involved in. Women apart from the household chore (which is not considered as economic activity) are engaged even in fields and farm work. They are also engaged in many other petty businesses from weaving, tailoring, knitting, manufacturing own hand made products such as detergents, soaps, candles, ornaments, pickles, dry fruits to selling vegetables, flowers in the markets, running tea

<sup>22</sup> Nagaland State Human Development Report, 2004, p. 8.



stalls, pan shops etc. As Ela puts it “She is almost everywhere, every place, every situation that is economically productive”.<sup>23</sup>

The point is, it is becoming evident that more women are entering the workforce and supplementing their husband’s (main breadwinner) earning to support the family. Unfortunately, this participation is prominent more in the informal sector where earning is low, opportunity for growth is limited and also not recognised as main worker. Further, as evident from the survey report conducted by DHDR in 2009 at three districts namely Kohima, Mon, and Phek, wage disparity continues to exist despite the Indian Constitution under Article 39(c) granting ‘equal pay for equal work’. The report highlights that 55.47% of men from rural areas and 54.64% from urban areas supported wage disparity between male and female. On the other hand, 37.59% of women from rural areas and 39.14% from urban areas had similar view.<sup>24</sup> This in fact indicates ignorance of the existing rules and not only creating more scope for gender differentials but also undermining women’s labour. Added to this, the patriarchal system does not recognise women as rightful heir of property/asset still holds that household and family responsibilities lie with the women. Implication is, with limited ownership of physical and financial assets, or in exercise of civil and political rights, gender inequality is seen to the extent of where women’s work remains invisible.

To promote gender equality and empower women, equal opportunity in the organised sector and most importantly to take higher responsibility with the male counterparts needs to be encouraged. Marginalising women from the share of main workers will accelerate gender bias in gender division of labour. This could have negative impact on the status of women in the family as well as in the society.

#### **4.3 Sources of Recruitment and Selection Method**

##### **1) Public Sector**

Here, respondents were asked to state the source through which they were recruited into their present organisation and not specifically for the current post.

Table 4.17 shows that highest per cent of respondents have been recruited through advertisement that is, 42.97% (110/256). Under other sources, three

---

<sup>23</sup> K. Ela (National Trainer Census 2011), “Census 2011: Naga Women and Work” at Nagaland Page. <http://nagalandpage.co.in/census.html>. Accessed on 17/08/2014.

<sup>24</sup> District Human Development Report, Mon, A GOI-UNDP Project, Department of Planning and Coordination, GON, 2009, p. 109.

respondents specified of being recruited through deputation. The table shows that highest per cent of respondents that is, 48.05% (123/256) were selected through Departmental Interview. In respect to source of recruitment, it is found that highest per cent that is, 44.92% (115/256) had been referred by former and present employees. Of this 17.97% were by present employees and 26.95% by former employees. This indicates that the prescribed sources for direct recruitment in Public Sector that is, advertisement and employment exchange as highlighted in chapter three have been violated. Further, in respect to selection method, it is found that a considerable per cent of respondents that is, 33.21% surpassed the prescribe selection procedures that is, through DSC/DPC and NPSC.

**Table 4.17 Recruitment & Selection Method: Public Sector**

Recruit -ment Source	Method of Selection					Total N= 256
	Oral Interview	DI	NPSC	R&BA	None	
Present Emp.	03 (1.17%)	13(5.08%)	-	-	30 (11.72%)	46 (17.97%)
Former Emp.	07 (2.73%)	27 (10.55%)	-	-	35 (13.67%)	69 (26.95%)
Advt.	08 (3.13%)	67 (26.17%)	24 (9.37%)	01 (0.39%)	10 (3.91%)	110 ( <b>42.97%</b> )
E. E.	-	07 (2.73%)	-	01 (0.39%)	01 (0.39%)	09 (3.51%)
Others	03 (1.17%)	09 (3.52%)	-	01 (0.39%)	09 (3.52%)	22 (8.6%)
Total	21 (8.2%)	123( <b>48.05%</b> )	24 (9.37%)	03 (1.17%)	85 ( <b>33.21%</b> )	256 (100%)

Emp = Employee; Advt. = Advertisement; E.E = Employment Exchange; DI includes both Department Promotion Committee & Departmental Selection Committee; R&BA = Reference & Background Analysis,

Recruitment and selection based on identified qualities such as educational qualification and work experience are said to be essential indicators of meritocratic recruitment. Fairly and objectively handling the selection process is a key determinant of transparency and accountability in HRM. However, it is found that particularly in promotional matters as put forward by the respondents, there is need for promotional issues to be free from “political interference”, “partiality”, “nepotism”, “biasness”, “ism” and the need to improve “NPSC principles and objectives and carefully implement departmental promotion”. This denotes absence of promotion based on merit. Further it is found that there is need to strictly prohibit “political appointees”,

“random appointments”, recruitment policy to “strictly adhere to service rules” and the need for recruiting “efficient and deserving candidates only”. This shows that there is absence of transparency and accountability in recruitment and selection aspect and also certain numbers of employees lacking merit qualities (human capital). This hampers effective management of human resources.

## 2) Private & other organisations

Table 4.18 shows highest application of employee referee that is, 68.06% (98/144) even in Private and other organisations. Under other sources, three respondents specified family contact and one on personal inquiry (casual callers). In respect to selection method, it is found that oral interview is highly applied that is, 44.45% (64/144). Close to this, 39.58% (57/144) stated of being selected without undergoing any selection process.

**Table 4.18 Recruitment & Selection Method: Private & other organisations**

Source of Recruitment	Method of Selection			Total N= 144
	Oral Interview	Departmental Interview	None	
Present Employee	28 (43.08%)	04 (6.15%)	33 (50.77%)	65 ( <b>45.14%</b> )
Former Employee	11 (33.33%)	02 (6.06%)	20 (60.61%)	33 ( <b>22.92%</b> )
Advertisement	19 (70.37%)	08 (29.63%)	-	27 (18.75%)
Employment Exchange	01 (100%)	-	-	01 (0.69%)
Others	05 (27.78%)	09 (50%)	04 (22.22%)	18 (12.5%)
Total	64 ( <b>44.45%</b> )	23 (15.97%)	57 (39.58%)	144 (100%)

The high use of employee recommendations in this sector is because employees working in Private firms are required to notify minimum one month ahead if he/she intends to leave the organisation. This is practiced so that replacement can promptly be arranged to fill that upcoming vacant post. During the notice period, information is disseminated to the employees to look for suitable candidate.

According to Prasad (2005), why employers prefer this approach is because of the belief that the present employees may have specific knowledge of such

candidates.<sup>25</sup> Moreover, this approach may help in reducing cost associated with recruitment process.<sup>26</sup> However, as noted in case study 2 (Hospital, Kohima), the high reliance on this method can become a problem. The respondent stated that,

“One of the reasons why I lost interest in my job is because gradually the Hospital was filled with staff hailing mostly from the Matron’s community. She is always approached first to look for replacement when any of the staff notify Sir (proprietor) about leaving. This way the fun and cooperation we had earlier among the staff decreased”.<sup>27</sup>

This indicates that apart from what Scheinder (1978) pointed out, attracting an increasingly homogeneous group of members may over time constrain the variety of interests and perspectives needed to generate new ideas,<sup>28</sup> case study 2 shows that collection of homogeneous group can also affect one’s interest in their job.

In this sector, with employer’s expectations that employee’s may have specific knowledge of the new candidate referred by them, the possibility of waiving off intense selection method cannot be ruled out (Scanning of bio data was not included in the questionnaire as this was already presumed by the researcher to be a mandatory step before further selection methods are applied). However, as reflected above in the case study, it is found that faulty or inappropriate selection can result in demoralising employees put in the wrong job and demotivate the other workforce.

### **3) Comparative Assessment**

As stated by Aswathappa (2005), where job market is extremely tight, several candidates will be applying for a position, and as such organisation will use a series of screening devices to hire the most suitable candidate.<sup>29</sup> Particularly in Private firms, it is found that a simple selection method that is, oral interview is highly applied. Further, it is observed that in both sectors a very high per cent of respondents did not undergo any selection process. In Public Sector, unethical recruitment and selection practices is found to adversely impact employees’ attitude towards the organisations’ HRM practices. This indicates failure of the organisations in giving equal opportunity for all to compete in securing the most suitable job. It is found that employee needs

---

<sup>25</sup> Prasad, L. M. (2005), op cit., p. 236.

<sup>26</sup> Aswathappa, K. (2005), op cit., p. 139.

<sup>27</sup> Case Study 2 (Hospital, Kohima), op cit.

<sup>28</sup> Schneider (1978) in Snell, S. A. et al. (2000), HR Strategy: The Era of Our Ways, CAHRS, Working Paper 00-17, pp. 1-39.

<sup>29</sup> Aswathappa (2005) op cit., p.158.

and aspiration has been overlooked including selecting the right person based on identified skills, knowledge and abilities required to fulfil a particular task. Effective recruitment and selection practices all depends on how well HRP is carried out. What is observed here is that, HRP has failed to facilitate both sectors in applying the right techniques required for effective management of human resources. The main reason is failure to forecast and scan the labour market which could have guided in implementing a more competitive recruitment strategy to select the best candidates.

#### **4.4 Human Resource Development and Career Planning**

For assessing employees' perceptions towards the entire HR practices (section 4.4, 4.5, 4.7, and 4.12) each statements have been rated on a five-point scale (1= 'Agree', 2= 'Strongly Agree', 3= 'Disagree', 4= 'Strongly Disagree', and 5= 'Neither Agree nor Disagree'). Each statement is analysed individual scale wise that is, of the five which scale displayed the highest. The figures obtained in the two distinct scales that is, affirmative scales (agree & strongly agree) and negative scales (disagree & strongly disagree) are displayed alongside each other. The first figure indicates the moderate impression and second, the intense impression. To arrive at evaluation conclusions, we have viewed any statement displaying highest the moderate impression as effectiveness at acceptable level and highest most positive impression as highly effective. On the other hand, any statement displaying highest negative impressions is viewed as an indication of effectiveness below the acceptable level and vice versa (highlighted in **red** shade). On the most positive scale, any statement displaying 25% (1/4<sup>th</sup> of total respondent) and above but not the highest are viewed as considerable impression (highlighted in **green** shade). The term moderate is used to refer to expressions of 'agree' and 'disagree' and intense to expressions of 'strongly agree' and 'strongly disagree'. Few statements were stated as not relevant to NEPED. Hence, these statement have been highlighted by asterisk (\*) marks. However, to maintain consistency, frequency analysis under Private and other organisations has been worked out of total 144 respondents but considering the six that is, 4.17% (N=144) respondents' perceptions from NEPED as invalid. "S" indicates the statements provided under each HR practices. Private Sector is used in short to indicate Private and other organisations in the tables.

#### 4.4.1 Trainings (employees)

Table 4.19 shows the information of respondents that have acquired formal training as part of their job. It is found that of the total respondents, 62.89% (161/256) from Public Sector and 42.36% (61/144) from Private and other organisations have undergone training.

**Table 4.19 No. of Respondents who have acquired Training**

Training	Public Sector	Private Sector
Acquired training	161 ( <b>62.89%</b> )	61 ( <b>42.36%</b> )
Not acquired any training	95 (37.11%)	83 (57.64%)
Total	256 (100%)	144 (100%)

Public Sector shows highest number of training beneficiaries. This is probably because highest per cent of the respondents as observed in Table 4.1 had more than ten years of work experience.

In Private and other organisations, highest per cent respondents had less than four years of service. Consequently, with high staff turnover employers may not want to invest heavily in training.

Employees' perception of training effectiveness is discussed below. "S" indicates the statements (Table 4.20, enclosed in annexure A).

##### 1) Public Sector

Public Sector displays highest the moderate positive impression towards the entire seven statements. Overall, the affirmative impressions displayed are as follows: **S1-** 77.64 / 12.24, **S2-** 65.22 / 14.9, **S3-** 75.78 / 9.32, **S4-** 81.99 / 16.15, **S5-** 78.88 / 17.39, **S6-** 77.63 / 16.77 and **S7-** 77.02 / 18.64.

##### 2) Private & other organisations

The moderate positive impression is found highest and also considerable most positive impressions towards the entire seven statements. Overall, the affirmative impressions showed as follows: **S1-** 65.57 / 31.15, **S2-** 50.82 / 36.06, **S3-** 55.74 / 32.79, **S4-** 52.46 / 40.98, **S5-** 52.46 / 39.34, **S6-** 55.74 / 37.7 and **S7-** 54.1 / 37.7.

### 3) Comparative Assessment

Several studies have noted of trainings having significant positive impact in enhancing employees' commitment,<sup>30</sup> reducing turnover<sup>31</sup> and leading to greater organisational effectiveness.<sup>32</sup> In Private and other organisations, both staff turnover and intentions of quitting are significant. This indicates that training alone is not effective enough in controlling staff turnover. Implication is, retention cannot be relied solely on training but other aspects such as job satisfaction, QWL etc. also need to be considered.

In Public Sector, the overall meagre intense positive effectiveness could indicate three reasons.

Firstly, reflecting on **S3**, **S4**, and **S5**, there is possibility that courses are more job-oriented than career oriented. As seen earlier, highest per cent of respondents were on higher age group level and with longer duration of work experiences. As they go up the hierarchy they will require skills and competence to occupy more responsible positions and also with changing times in technology, new skills will be required to cope with these developments. Thus, even respondents suggested the need to focus in providing both "skill up gradation training and personality development trainings."

Secondly, it could be due to absence of Training Need Analysis (TNA). It is found that TNA was introduced for the first time only in the year 2008. In absence of this activity, the training may not have been highly up to their expectation.

Thirdly, the lack of commitment from top management because as highlighted in the training notification dated 19<sup>th</sup> August, 2004, it is found that,

"Training receives the last priority in the government departments. It is left to the initiative of certain individuals to opt for training and for which they are reluctantly spared. The expenditure on training is also not considered an essential expenditure and as a consequence either very little or nothing is earmarked for training."<sup>33</sup>

This lack of commitment from top management could be another reason. Another probable reason is, as stated by Haslinda (2009), workforce characteristics such as ageing workforce, their status within the organisation and particularly their

---

<sup>30</sup> Vallance, Robert J. (2006) op cit., p. 14.

<sup>31</sup> Hong, Eric N.C. et al. (2012), op cit., p. 60.

<sup>32</sup> Lengnick-Hall, Mark L. & Lengnick-Hall, Cynthia A. (2002), HRM in Knowledge Economy A New Imperative for Human Resource Management, Berrett-Koehler Publishers, p. 11.

<sup>33</sup> Department Letter, No. AR-1/ATI-72/TRG/2004 (Pt) dated Kohima 19<sup>th</sup> August, 2004, op cit.

levels of education can pose a major challenge in terms of developing older workers to become knowledge workers.<sup>34</sup> This indicates that employees with lower levels of education as observed in Public Sector may not display a very positive attitude towards learning and development programs. The recent increase reliance on computers and rapid technological advancement also could be acting as a barrier for senior age group particularly those with low educational level to cope with it.

Based on the analysis, we could say that employees are not being effectively managed for adding to organisational productiveness. Comparing the two sectors, however, the considerable intense positive impressions observed in Private and other organisations indicates considerably a higher level of effectiveness than Public Sector.

#### **4.4.2 Career Planning.** “S” indicates the statements (Table 4.21, annexure A).

##### **1) Public Sector**

Moderate positive impression is found highest in four statements namely, **S2**- 62.89 / 12.11, **S3**- 63.28 / 10.55, **S4**- 64.06 / 10.16 and **S5**- 69.14 / 13.28. **S1** shows highest the moderate negative impression that is, 57.03 / 10.94.

##### **2) Private & other organisations**

Similar to Public Sector, moderate positive impression is found highest in four statements namely, **S2**- 46.53 / 9.03, **S3**- 41.67 / 9.03, **S4**- 53.47 / 19.44, and **S5**- 63.19 / 23.61. In **S1**, though the moderate positive impression is found highest (**S1**- 31.94 / 3.47), the overall negative impression shows higher than the overall positive impression that is, 31.25 / 17.36.

##### **3) Comparative Assessment**

Overall, both sectors demonstrate acceptable level of effectiveness. The negative impression displayed toward **S1** by both sectors indicates absence or negligence to communicate career prospects to the employees. This could be the reason for meagre intense positive impressions observed in **S2** and **S3**. As observed earlier, the parsimonious attention especially in Public Sector towards the training and development activities explains the cause of the negative perception in **S1**.

---

<sup>34</sup> Haslinda, A. (2009), op cit., p. 18.



Contemporary workplaces require individuals to be responsible for their own employability and career management. When employees are not provided the required resources (career counselling, training etc) for discovering their skills, abilities, needs, motivations and aspirations as per the opportunities available in the organisations, employees may fail to successfully work towards achieving those goals. Despite the long duration of service in Public Sector, the moderate perceived effectiveness in **S2** shows that employees still are not strongly convinced their career goal match the organisational career system.

We could say that the reason for the meagre intense positive effectiveness displayed in **S2**, **S3** and **S4** is because of the management's failure to "streamline career prospect"; to practice "promotion based on merit system"; to "evaluate performance without any biasness"; to provide the "opportunity", "scope", "avenues" for promotion including the opportunity even for "fourth grade employees" etc. Practices of favouritism were also evident which have been highlighted under recruitment practice. These practices do not reflect effective way of managing human resources to achieve its goal.

From quasi organisations, it is found that there is need for "time bound promotional scope", "promotion based on merit". However, a contrary view is also observed that is, "promotion should be based on seniority". This indicates conflict of interest existing among employees.

Though Private and other organisations displayed lower affirmative impression toward **S2** and **S3** than Public Sector, no respondents from the Private firms commented on this aspect. One possible reason is as asserted by Mayo (2008), young professionals are more inclined in "managing their careers and income by upgrading their skills and selling their individual talents to the highest bidder. They identify themselves with their profession first and with the company second".<sup>35</sup> Since most of the employees in Private firms are of younger aged group and more educated workforce, there is relevance of this explanation. In line with this view, it is found that 6.19% (06/105) of the trainees (from Training Institutes) also expressed their desire to work first in some Private company and upgrade their skills and knowledge. Case study 5 (Computer Centre, Kohima) expressed a similar view that he opted for

---

<sup>35</sup> Mayo, A. (2008), op cit., p. 9.

teaching profession because it has more advantage in enhancing their knowledge, and skills for securing reputed and higher paid job.<sup>36</sup>

In respect to **S4**, an intriguing finding observed here is that, respondents' perceived effectiveness level did not strongly tally with respondents' perceived performance level (Table 4.24 and 4.25). In Public Sector, **35.55%** of the respondents perceive their performance level as 'effective', **16.4%** as 'excellent' and **0.78%** as 'super excellent' which we can consider it as higher than just a satisfactory performance. However, only **10.16%** 'strongly agreed' that organisation helps them utilise their potential to the fullest. Similarly, in Private and other organisations, while **31.25%** perceive their performance level 'effective', **11.11%** as 'excellent', and **1.39%** as 'super excellent', only **19.44%** of the respondents 'strongly agreed' to this statement. These inconsistencies particularly in Public Sector where 52.73% of the respondents perceived their performance level 'effective' and above is found contradictory and confusing. However, comparing their work experience with that of the employees in Private firms, we could expect a higher per cent than this 52.73%.

**S5** (closely related to **S4** of Table 4.23) where Public Sector demonstrated a meagre most positive impression that is, **13.28%** indicates certain leniency in ethical work practices and professionalism. Thus, respondents also recommended for "ethical training" and also the need for "all employees to be enlightened on ethical behaviour".

Overall, both sectors showed moderate level of effectiveness. However, the suggestions and performance level indicates that employees are not being effectively managed in the development component of HRD. Moreover, the meagre intense impression observed in Public Sector shows that it is performing considerably lower than Private and other organisations even in training aspect.

#### **4.5 Developing Employee Relation.** "S" indicates the statements (Table 4.22, annexure A).

##### **1) Public Sector**

Acceptable perceived effectiveness is found in the entire five statements as follows: **S1-** 62.5/4.69, **S2-** 67.19/5.47, **S3-** 44.53/5.47, **S4-** 66.41/5.86 and **S5-** 66.79/5.08.

---

<sup>36</sup> Case Study 5 (Computer Centre, Kohima), op cit.

## **2) Private & other organisations**

Similar to Public Sector, acceptable perceived effectiveness is found in the entire five statements as follows: **S1-** 76.39/11.8, **S2-** 70.14/12.5, **S3-** 60.42/14.59, **S4-** 65.97/8.34 and **S5-** 59.03/22.22.

## **3) Comparative Assessment**

Both sectors demonstrated an acceptable perceived effectiveness with only meagre intense positive impression in the entire five statements. Respondents' suggestions best intimate the reason behind this meagre intense positive impression. For instance, "reduce communication gap", "involve", "consult employees in decision making process", "organise meetings to address employee's views and suggestions", "suggestion if given to be weighted and promptly implemented", "leadership style need to become more employee friendly", pay attention to the "needs", "grievances" of the lower level employees", "resolving the issues in time" etc. shows departments lacking in promoting healthy employee relation.

During an informal discussion, employees reiterates that "channels for ventilating our grievances are there but it's all in vain because no actions are taken even after repeated complain." Some went on to say that "suggestions are never implemented". Employees also complains that even at the operative level, "cooperation", "co-ordination", "teamwork", and "integrity", etc. are lacking and that there is "need to share work related information amongst employees" and also the need to "improve work culture".<sup>37</sup> Based on these views, we could say that moderate effectiveness imply that channels of communication exist but failing to justify its existence.

In Private and other organisations, suggestions for "reducing communication gap", "organising department wise meetings", "general meetings", "visiting every department", "co-operation", "healthy co-ordination", "unity among the workforce", "improve the work culture", etc. shows coordination and cooperation lacking amongst sections and between employees and management. Further, suggestions such as "considering", "valuing opinions of the employees", "settling employee grievances at the earliest", "improved leadership quality", "better management of employees", etc. indicates the same communication problem as in Public Sector.

---

<sup>37</sup> Discussion with employees, NST, Mokokchung dated 3/06/08, DIC, Dimapur dated 24/06/08 & NST, Dimapur, dated 18/7/08.

For developing employee relation, empowerment is an effective mechanism which involves sharing of power. This empowerment is found applied in varying degree across the Private and other organisations. For instance, NEPED, Org 1 (Taxi Association, Kohima) and Org 5 (Computer Centre, Kohima) reveal that participants/employees are empowered to certain degree and encouraged to participate in certain matters affecting their work. Even at Org 1, during emergency, Line Masters are empowered to issue special permit to at least one vehicle per day. Sharing of power works as an effective tool for motivating employees provided employees are well informed of the extent to which they can exercise such power.

On the other hand, organisations such as Japfu Hotel (Kohima) and Org 3 (Hospital, Dimapur) reveal a lesser degree of sharing of responsibility and involvement in running of the organisations. As reported by an Assistant Manager of Japfu Hotel, the Deputy General Manager is delegated with limited financial (Rs.5000/-) and administrative powers and confined mostly to supervision of day to day activities.<sup>38</sup> Similarly, a tight control over the operations is reported by the former HR manager of Org 3. He stated that “all planning and executions are done as per the instruction of madam (proprietor)”.<sup>39</sup> Case study 2 (Hospital, Kohima) also reiterates that entire decisions were made by the management without consulting lower level employees.

In Public Sector, information sharing with subordinates which is another building block of empowerment<sup>40</sup> is found lacking. For instance, an officer from NST reports that,

“Non-Gazetted employees have only limited access to information pertaining to organisation’s performances and work system. Monthly meetings are held only at the Gazetted level where various issues are discussed and decisions are made”.<sup>41</sup>

This highlights that decisions related to HR administration in Public Sector are made at higher levels and communicated at lower levels for their implementation.

Performance feedback is said to be an important way of empowering employees because it serves as a mechanism of giving discretion over job performance and holding employees accountable for their performance outcomes.<sup>42</sup>

---

<sup>38</sup> Assistant Manager, Japfu Hotel, Kohima, Personal Interview, dated 3/10/2012.

<sup>39</sup> Former HR & Marketing Manager, Org 3 (Hospital, Dimapur), Personal Interview, 22/04/2008.

<sup>40</sup> Aswathappa (2005), op cit., p. 388.

<sup>41</sup> Sr. A.O, NST Directorate, Dimapur, Personal Interview, dated 10/10/2011.

<sup>42</sup> Prasad (2005), op cit., p. 590, 586.

However, as seen earlier from the respondents' suggestions and case studies, communication systems have been inadequate to deal with the timely feedback necessary for employees at all level across the organisations. Instead, these reviews are kept confidential till their time of promotion and not used as a mechanism for developing and motivating employees for continuous improvement.

It is found that in both sectors upward problem solving that is concerned with giving opportunity to employees to provide feedback and express their views on improving organisational performance is lacking. It indicates that the mechanism or channel of voice is taken for granted that it is effective. In this case as argued by Milliken (2003) when employees feel that there is no hope of remedial action and discussion would be futile, they may become reluctant to speak up even when problems may be significant. This over time may lead to employee apathy and withdrawal.<sup>43</sup> This is because as Dessler (2005) points out, the opportunity for two-way communication plays an important role in the perceptions of employees of how fairly they are being treated.<sup>44</sup>

Thus, Wilkinson et al. (2004), interpreted that "if staff felt unable to express their voice, either through a lack of confidence or a belief that it would not be taken seriously, there was little point in having the systems in the first place".<sup>45</sup> Similarly, in this study, based on the suggestions we could say that moderate effectiveness does not justify its existence. The suggestions or more precisely grievances reflect that there are several limitations inherent in the installed techniques in both sectors.

#### **4.6 Maintenance and Retention**

Maintaining employees effectively requires paying adequate attention on compensation policies and motivational environment. This helps employee become motivated, committed and productive and reduces staff turnover. Compensation policies are reflected under QWL and job satisfaction discussed in Part II (Table 4.40 and 4.41.1 - 4.41.7). Here, only the motivational working environment is reflected.

---

<sup>43</sup> Milliken, F. J. (2003), An Exploratory Study of Employee Silence: What Employees do not Say to their Bosses and Why, *Journal of Management Studies*, p. 18.

<sup>44</sup> Dessler (2007), *op cit.*, p. 529.

<sup>45</sup> Wilkinson, A. et al. (2004), Changing Patterns of Employee Voice: Case Studies from the UK and Republic of Ireland, *Journal of Industrial Relations*, (46) 3, pp. 298–322.

## **1) Public Sector**

The need for introducing “100% performance based reward”, “motivational techniques”, “equitable reward system”, “incentives based reward”, “remuneration based on performance”, “acknowledge and reward important contribution” etc. is observed as requiring attention in this sector. This reveals absence of extrinsic motivational environment. In contrary to this urge to be motivated, it is found that few respondents have weak intrinsic motivation towards their job. During a discussion about their work activities, the researcher on stating that their work must be interesting and challenging, three respondents from NST (Mokokchung) replied that,

“It’s not that we are really interest in the work. But if we do not work, what option do we have? We need to have a source of income to earn our daily bread.”

In addition to this, one of the respondents further informs the researcher that,

“Unless our Divisional Manager is around, you will find the most staff present on Mondays and Tuesdays that is, if you are interested in meeting them”.<sup>46</sup>

Further, during data collection one of the officers at the Directorate of industry office who actually did not look so engaged at work at that point of time replied that,

“The person who is in charge of that file (incumbency list) is on training. I can list out the details but why should I do it alone? Let my colleague come first”.<sup>47</sup>

The above study shows lack of intrinsic motivation and also absence of employee engagement. This could be due to ineffective performance management system because it is said that much of the impact of performance management derives from its ability to engage employees in their work. Giving continuous feedback facilitates employee’s to refocus their behaviours when they get off track.

## **2) Private & other organisations**

Similar to Public Sector, respondents from Private and other organisations also opined the need for “motivational techniques for job satisfaction”, “provision for incentives”, “equitable reward based on performance”, “acknowledgement of good performers” etc. Nevertheless, few organisations such as DIMUL (Dimapur), Japfu Hotel (Kohima), and Org 3 (Hospital, Dimapur) reported instances of extrinsic motivational techniques in used. In DIMUL with almost fifty per cent workers

---

<sup>46</sup> NST, Mokokchung, discussion with employees, dated 3/06/2008.

<sup>47</sup> Directorate of Industry & Commerce Department, Kohima, during data collection, 09/11/11.

managing their daily expenses with meagre salaries/wages shows failure to be motivated by such extrinsic rewards. A Security Guard stated that,

“These rewards and acknowledgements do not hold much significance to us. What we want is adequate pay that can help us in meeting our daily life contingencies”.<sup>48</sup>

At Japfu Hotel, it is observed that the sudden halt of motivational technique has set the stage for demotivation. The Assistant Manager reported that,

“Due to certain financial constraint, the annual celebration has stopped since 2009. On this day, lunch is provided to every staff including the *malis* (gardener). They are even encouraged to bring their family members. Incentives/bonuses and ‘Best Employee of the Year’ are also rewarded. But now, there is nothing left to anticipate”.<sup>49</sup>

What is observed is that the techniques could have been effective to certain extent in motivating employees. Despite this, as observed in Figure 4.15, if the hotel has been incurring losses since 2006-07 it indicates that the other HR policies and practices have not been well aligned. For instance, two respondents from this unit recommended that only deserving candidates should be recruited and not through political recommendation. Secondly, it shows the failure to forecast the consequence of rewarding employees despite incurring losses.

Similar case is found at Org 3. The former radiologist stated that several kinds of rewards and celebration programs were regularly organised but from 2009 till the time he quitted the job (October 2010), barely any events was organised. Despite this, it is found that the number of employees kept fluctuating.<sup>50</sup> This indicates failure to retain employees. Further, one Lab Technician (Org 2, Hospital, Kohima) suggested that “Everyone should be equally rewarded. Only the Doctors are considered the greatest here”. This shows the reward system lacking perceived fairness.

### **3) Comparative Assessment**

In Public Sector, it is found that absence of effective motivational strategies has failed to foster desired behavioural expectation from the employees. In Private and other organisations, the finding indicates that studying the motivational environment before applying the techniques has been ignored. Failing to elicit the

---

<sup>48</sup> Security Guard, Casual Labour, DIMUL Ltd., Dimapur, Personal Interview, 7/07/2008.

<sup>49</sup> Assistant Manager, Japfu Hotel, op cit.

<sup>50</sup> Former Radiologist (Hospital, Dimapur), op cit.

right motivation (extrinsic/intrinsic) by applying the right technique in both sectors shows other subsets of HRM lacking effectiveness.

**4.7 Managing Employee Performance.** “S” indicates the statements (Table 4.23, annexure A).

**1) Public Sector**

Moderate positive impression is found highest in four statements namely, **S1**- 68.75/ 7.81, **S2**- 78.13 / 7.81, **S3**- 46.87 / 10.55, and **S4**- 68.36 / 14.45. The moderate negative impression is found in **S5**- 41.79 / 10.94 and **S6**- 36.72 / 6.25.

**2) Private & other organisations**

Moderate positive impression is found highest in the entire six statements and a considerable higher perceived effectiveness in one statement as follow: **S1**- 53.47 / 22.92, **S2**- 60.42 / 20.83, **S3**- 52.08 / 17.36, **S4**- 56.94 / 29.17, **S5**- 44.45 / 9.72 and **S6**- 38.2 / 9.72.

**3) Comparative Assessment**

Of the six statements, it is found that Public Sector showed negative impression in **S5** and **S6**. This indicates poor practice in rewarding and acknowledging employees’ outstanding and important contribution. Private and other organisations, on the other hand, showed the moderate positive impression towards the entire six statements. A considerable higher perceived effectiveness in rectifying undesired behaviours (**S4**) is observed. This indicates marginally a higher perceived effectiveness than Public Sector.

In respect to **S1** and **S2**, the negligible intense positive impression found in Public Sector as suggested by the respondents indicates the need to “properly supervise” and “strictly monitor employees work performances on a regular basis”. The moderate positive impression and suggestions convey the message that the practice of communicating, monitoring and assessing employees’ performances are not carried out genuinely with its intended purpose. Hence, employee’s aptitudes such as their skills, knowledge and abilities (SKAs) could have been overlooked. This is because according to the respondents, organisations will improve if and when focus is directed “on evaluating employee’s basic skills and abilities”, “based on efficiency” and at the same time “provide feedback” on their performances.



In respect to **S3**, the performance appraisal system as noted in case study 3 (DIC) that remarks/feedbacks are kept confidential till the time of promotion could be responsible for the meagre intense positive impression. Moreover, as noted in OM dated 24<sup>th</sup> June 1996 that, “Rarely anyone is given adverse remark...declared unfit and in almost all cases promotions take place mechanically as normal course”<sup>51</sup> shows a biased appraisal system. As found in case study 3 (DIC) that acknowledging performances that are noteworthy for motivating employees are rarely practiced, the expected negative impression is expressed in **S5** and **S6**.

In Private and other organisations, apart from quasi organisations, Org 4 (Construction Company, Dimapur) and Org 5 (Computer Centre, Kohima), no other organisations were found applying any formal techniques/formats for appraising employee’s performance. Performances are assessed based on employee’s attendance and supervisor’s/reporting head’s remark. Based on case study 2 (Hospital, Kohima) and 3 (Hospital, Dimapur), this system of appraising is not found realistic as it neither shows to impact their job status (promotion) nor their pay (increment).

In respect to **S4**, leniency in taking prompt corrective action in Public Sector is found implicit. Respondents’ comments echo a frustrated tone stating “Irresponsible staff needs to be warned”, “VRS should be given to non-performers” and based on employee’s performances “prompt corrective actions need to be implemented effectively”. Few even stresses that “no work, no pay” need to be strictly adopted and to maintain “strict attendance” and “office entry and exit timing” so that every employee may “work sincerely”. Further, just as it said that leaders influence employee’s behaviour, respondents also emphasises the need for “Officers/higher authorities to play role models by being dedicated to their work”.

From quasi establishment, one of respondents strongly recommended for “handsome VRS to non-performers”. Another respondent further added that “many passengers in the office have burdened the financial health of the organisation”.

In Private enterprises, undesired behaviour is found promptly rectified. Case study 5 (Computer Centre, Kohima) reported that the Storekeeper was suspended from work for one month without pay due to irregularity. Similarly, at Org 2 (Hospital, Kohima) and Org 3 (Hospital, Dimapur), irregularity or reporting late to work were found promptly rectified by deducting their pay.

---

<sup>51</sup> OM, NO.AR-12/3/89 dated Kohima, 24<sup>th</sup> June 1996, op cit.

In Public Sector, it is also observed that the moderate level of effectiveness in this HR practice has failed to support a high performance work culture because the suggestion reflects absence of competitive work environment. As compared to Public and quasi, it is observed that Private firms are performing more efficiently but in terms of adding to overall HRM effectiveness, certain variation is observed between the Public and Private organisations that is discussed below.

#### **4.8 Perceived Performance Level of the Respondents**

As stated by Latham et al. (2007), among the determinants of performance are three types of choices an individual makes, namely, “the choice to perform, choice of effort level, and choice of duration of effort”, that is, a person’s persistence.<sup>52</sup> Based on Perceived Work Load (PWL) and the number of hours (normally) devoted to their work, respondents were asked to assess their respective performance level. Under Public Sector, five respondents who stated to work for six and half hours have been grouped under seven-eight hours while seven respondents who stated eight-nine hours have been group under nine to ten hours. (Table 4.24 and 4.25, annexure A)

##### **1) Public Sector**

Table 4.24 shows highest per cent of respondents from Public Sector that is, 39.06% (100/256) perceive their performance level (effort level) ‘good’. Only 0.78% (02/256) perceives it as ‘super excellent’. Of this 39.06%, the highest per cent that is, 51% (51/100) perceive their work load ‘moderate’. From this category, the highest per cent that is, 74.51% (38/51) stated to normally work (duration of effort) for only 5-6 hours in a day (five days a week). The highest performance level (effort level) that is, ‘super excellent’ is perceived by only 0.78% (02/256) who stated to normally work for 7-8 hours and considers their work load ‘heavy’.

##### **2) Private & other organisations**

Table 4.25 shows highest per cent of respondents from this sector that is, 41.67% (60/144) perceive their performance level (effort level) ‘good’. Only 1.39% (02/144) perceives it as ‘super excellent’. Of this 41.67%, highest per cent that is, 58.33% (35/60) perceive their work load ‘moderate’. From this, highest per cent that is, 74.28% (26/35) stated to normally work (duration of effort) for 7-8 hours in a day.

---

<sup>52</sup> Latham et al. (2007), op cit.

The highest performance level (effort level) that is, 'super excellent' perceived by only 1.39% (02/144) stated to normally work for 7-8 hours in a day and rates the work load 'heavy'.

### **3) Comparative Assessment**

From the above analysis, it is found that highest per cent of respondents from both sectors perceive their work load 'moderate' that is, 50.78% (130/256) and 56.25% (81/144) respectively. However, difference is observed in the number of hours the respondents devote to their work (duration of effort). For instance, highest per cent of respondents that is, 77.78% (112/144) from Private and other organisations said to normally work for 7-8 hours while from Public Sector highest per cent of respondents that is, 54.3% (139/256) stated to work for 5-6 hours only.

In regard to performance level (effort level), overall, it is found that both sectors rated highest 'good' that is, 39.06% (100/256) and 41.67% (60/144) respectively. A negligible 0.78% (02/256) and 1.39% (02/144) from both sectors exhibited the highest performance level that is, super excellent respectively. In the overall assessment of those who perceive above 'good', Public Sector showed 52.73% (135/256) while Private and other organisations showed 43.75% (63/144). This indicates a higher perceived performance level in Public Sector but just by a meagre difference of 8.98%. The reason could be due to the lack of trainings provided in Private and other organisations because as Pollock (2006) stated, effective training can have positive impact on the performance level of those trained.<sup>53</sup> In the case of Public Sector, the inconsistency observed between the training feedbacks that is, moderate level and their perceived performance that is, above good could be credible to their work experiences rather than exclusively from the trainings acquired.

However, if the choice to perform is gauged from the behavioural outcome e.g. regularity, punctuality, dedication and sincerity, we see that Public Sector displays a lower choice to perform. These outcomes were found quite significant in section 4.15- 1 (E). This reflects a low performing work culture which is further manifested in the qualitative data as observed from section 4.1 to 4.7 such as absence of accountability and transparency, meritocracy, competitiveness, motivation, teamwork, cooperation, coordination and integrity etc.

---

<sup>53</sup> Pollock (2006), op cit.

Thus, the entire observation in respect to Public Sector's response is intriguing as the other outcomes do not reveal the same level of consistency with their perceived performance level. However, we could say that moderate level of HRM effectiveness as observed from section 4.4 to 4.7 has been inadequate (ineffective) to enhance employees' performance to their outmost potential level. This indicates significant relationship between work culture and HRM as hypothesised in the study.

In the next section, the moderate level of HRM effectiveness is further examined on the level of commitment.

## **4.9 Organisational Commitment**

### **1) Public Sector**

Commitment level when examined in terms of staff turnover and retention demonstrates high commitment. The longevity of employees' service reflects high level of endurance. On the other hand, when measured in terms of absenteeism as found under ethical compliance (section 4.15) demonstrates low level of commitment. To interpret this finding Meyer and Allen's (1997) three dimensional commitment model particularly the continuance commitment component has been applied. Meyer et al. (1997), in their studies found that continuance commitment relate negatively with withdrawal cognition, turnover intention, and turnover. At the same time, it negatively relates to other desirable work behaviours (that is, attendance, job performance, and Organisational Citizenship Behaviour)<sup>54</sup> and as such might be poorer performers.<sup>55</sup> From this viewpoint, there is possibility of Public Sector employees having strong continuous commitment because performance in terms of delivery public services is also not found effective. Moreover, with most employees on the higher age group and lower educational profile, there is possibility of perceived low alternative opportunities fostering this component of commitment.

### **2) Private & other organisations**

In respect to quasi establishments, particularly NIDC (Dimapur), the same continuous commitment exhibited in Public Sector is observed. Though, employees displayed high endurance in service irregularities and absenteeism was also found

---

<sup>54</sup> Meyer et al. (2002), op cit.

<sup>55</sup> Meyer, J. P. & Allen, N. J. (1997), *Commitment in the Workplace: Theory, Research, and Application*, Thousand Oaks, CA: Sage, p. 37

significant. As noted in chapter three, despite several attempts to regulate punctuality and attendance of employees, these behaviours were found to persist.

In DIMUL (Dimapur), this component of commitment is not observed. This is because most employees are temporary workers whose services are not heavily required during the winter seasons. Moreover, intention to quit is directly stated by one of the casual labours saying,

“We have repeatedly requested the management for raising our pay and this time if the matter is not taken seriously, I will quit” (during the final visit the researcher was informed that the respondent had left the organisation).<sup>56</sup>

Further, it was found that another female regular employee (Jr. Supervisor) who actually assisted the researcher during the first field visit (2008) identifying respondents had quitted the job during the subsequent visit (2009).

In the case of NEPED, affective commitment is indicative in the work experiences described by them. The entire six respondents describe it as,

“An experience of continuous learning of not only success but how to look beyond failures,

Fantastic work culture of continuous learning, motivation and interaction among POU members,

Great! Travels to villages in all the districts and learning to interact with them; being transparent and accountable; great leadership; and motivated in helping villagers,

It is an experience of learning to be analytic, committed and dedicated to work,

Very good working experience and capacitated! Build up my self confidence, enhanced my knowledge bank, and opened the outside world to me. It is an experience of learning to work as team and function as a group. It is a place where we learn as we work, and

Learnt work culture (learning by doing)! It is an experience of learning to dedicate oneself in the mission and to put effort to help villagers and also to have a vision and a mission to accomplish that vision.”

The reason behind the affective commitment is because of the effective HR intervention. Participants are not only provided various opportunities for learning through exposure trips but they were also found adequately empowered. Participants are encouraged to put forward their ideas and take part in decision making. Liu et al. (2007) noted that, when perception of work empowerment increases, organisational

---

<sup>56</sup> Security Guard, DIMUL Ltd., op cit.

commitment increases accordingly.<sup>57</sup> (It is to be noted that this question was included only in NEPED questionnaire).

In Private firms, absenteeism and irregularities as narrated in case studies 2 (Hospital, Kohima), 3 (Hospital, Dimapur) and 5 (Computer Centre, Kohima) was found low. This is probably because of the conditions put on the employees that absenteeism beyond the permitted days will incur in salary deduction. As reflected in chapter three, the monetary compensation provided in Private firms as compared to Public and quasi organisation is very less. In this condition, it is possible that employees are compelled to regularly attend their work and maintain punctuality.

Despite high rate of unemployment and scarcity of (attractive) job, staff turnover not only reveals high but also clear intention of wanting to leave is manifested in case study one and five as already discussed under work experience.

Returning to the commitment model, Meyer et al. (2002) propose that “low levels of continuance commitment should not lead to an intention to leave unless affective and normative commitments are also low.”<sup>58</sup> Thus, if the employees despite the prevailing labour trend still have an intention to quit, it is possible to say that employees lack the entire three commitment components.

Non-fulfilment of psychological contract that is, to raised pay based on seniority noted in case study 2 (Hospital, Kohima) and based on performance noted in case study 3 (Hospital, Dimapur) could be one of the reasons of staff turnover. Guest (2007) and several other writers noted that, breach of psychological contract reduces commitment level and increase in actual staff turnover.<sup>59</sup> Even dissatisfaction with pay<sup>60</sup> as cited by the respondents can be another reason. Regardless of the factors, the bottom line is that as found by Khatri et al. (1999) in their study, employee turnover is caused by poor management.<sup>61</sup>

### **3) Comparative Assessment**

Commitment in Public Sector is found high but the component of commitment exhibited is not found adding value to the organisation. At Private firms, employees

---

<sup>57</sup> Liu et al. (2007), p. 9

<sup>58</sup> Meyer, J. P. et al. (2002), op cit, p. 39.

<sup>59</sup> Guest, David E. (2007), op cit., p. 138-137.

<sup>60</sup> Minor, Kevin I. et al. (2009), Understanding Staff Perceptions of Turnover in Corrections, Professional Issues in Criminal Justice, Vol. 4 (2), pp. 43-57.

<sup>61</sup> Khatri et al. (1999), op cit.

displayed adherence to office rules and regulation, but the types of HR practices enforcing these behaviours failed to gain affective commitment. This shows that the moderate effectiveness of the ongoing HR practices is inadequate (ineffective) to gain affective commitment from the employees. It further shows positive relationship between ‘work culture’ and ‘HRM’ as proposed in hypothesis three.

#### **4.10 Financial Performance of Public Sector**

The data discussed here have been drawn from the Comptroller and Auditor General Reports (CAG), the report of the Finance Department, Government of Nagaland, and the Nagaland Pradesh Congress Committee (NPCC) reports. Analysis is done by comparing the proportion of the State’s Own Revenue Receipts in total revenue and the effectiveness of its expenditure. Further, assessment of whether the State has given adequate fiscal priority to developmental, social sector and capital expenditure compared to other North Eastern States is made. To demonstrate its effectiveness attempt has been made to assess its ability in delivering of “Core Public and Merit Good”<sup>62</sup>. In respect to NST and quasi government organisations, analysis is done as per the profit/business and loss incurred by the departments.

##### **4.10.1 Composition of Revenue Receipts, 2007-08 to 2011-12 (State Govt.)**

During the entire period from 2008-09 to 2011-12, Table 4.26 shows that the proportion of State’s Own Revenue Receipt in total Revenue Receipts varies from 8.21% to 9.90%.

**Table 4.26 Composition of Revenue Receipts (in crore)**

Year	State Own Revenue Receipts (SORR)	Central Devolution	Total Revenue Receipts	Proportion of SORR in Total Revenue
2007-08	250.85	2745.16	2996.01	8.38
2008-09	336.57	3064.31	3400.88	<b>9.90</b>
2009-10	306.85	3412.90	3719.75	8.25
2010-11	410.46	4589.53	4999.99	<b>8.21</b>
2011-12	536.83	5049.55	5586.38	9.61

**Source:** Finance Department, GON, 2013

<sup>62</sup> Core Public and Merit Good are which all citizens enjoy in common. Merit goods are commodities that public sector provides provision of free or at subsidised rates food for the poor to support nutrition, delivery of health services, basic education, quality drinking water, sanitation etc.

This shows that the State is predominantly dependent on the Central transfer and is a clarion call to ponder on the quality of the State's human resources.

#### 4.10.2 Expenditure (State Govt.)

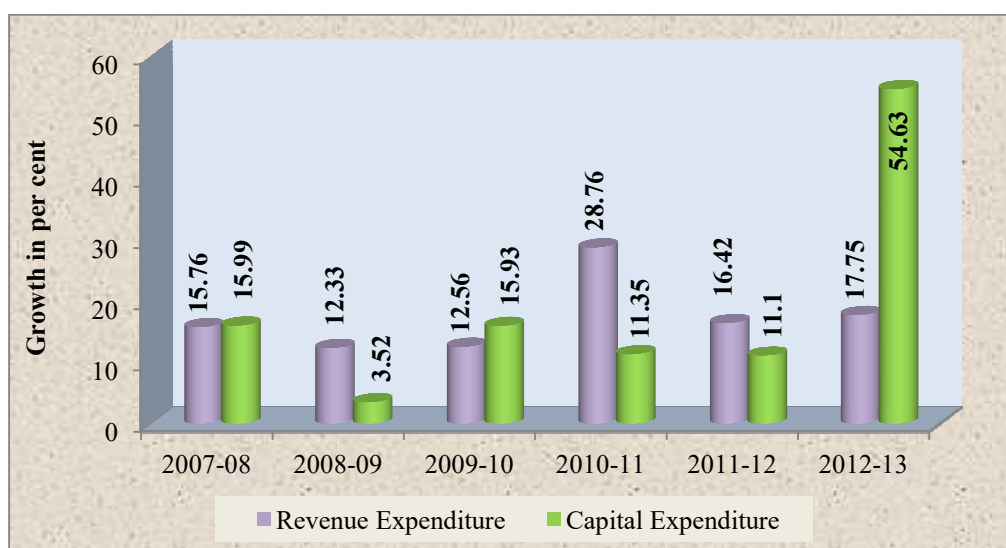
Public expenditure is an instrument through which the Government provides social and physical infrastructure for the development of the State. Public expenditure is classified into capital and revenue expenditure. The level of capital expenditure indicates the level of public investment, which not only creates public assets but also accelerates Private investment. Therefore, it is important to focus more on investment in capital expenditure and reduce the revenue expenditure.

**Table 4.27 Revenue & Capital Expenditure (in crore)**

Year	Revenue Expenditure	Capital Expenditure
2007-08	2572.27	824.09
2008-09	2889.54	853.09
2009-10	3252.44	989.53
2010-11	4187.84	1122.94
2011-12	4875.66	1252.14
2012-13	<b>5741.12</b>	<b>1936.23</b>

Source: Finance Department, GON, 2013

**Figure 4.12 Revenue & Capital Expenditure**



Source: Finance Department, GON, 2013

In Figure 4.12 (Table 4.27), it is found that the growth of capital expenditure reached above fifty per cent that is 54.63% only during the period 2012-13 while



revenue expenditure stood at 17.75%. However, it is also found that the State failed to contain the revenue expenditure. Looking at the revenue expenditure components as displayed in Table 4.28 (Figure 4.13) provides a better explanation for this.

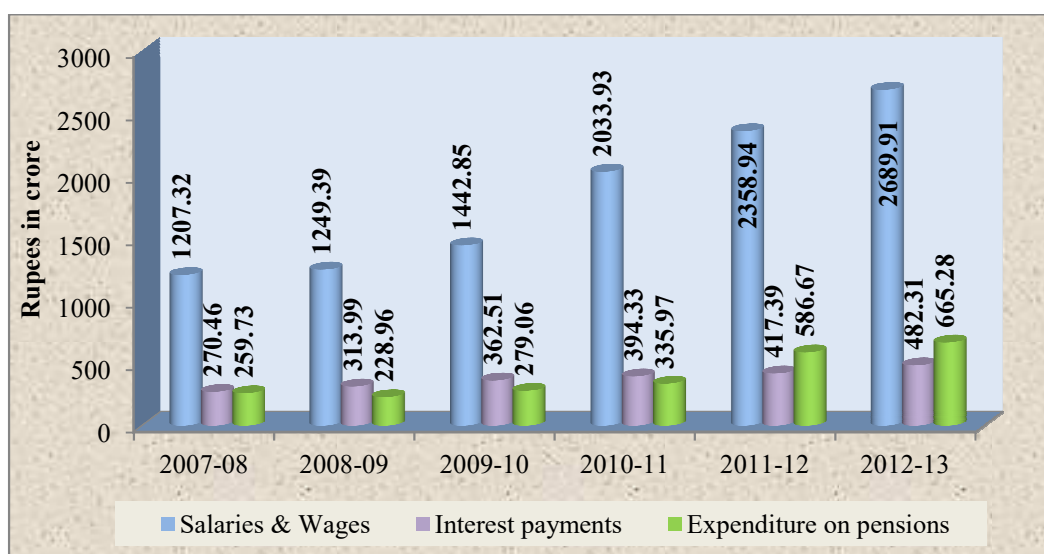
According to recommendation of the TFC, the State should follow a recruitment and wages policy, in a manner such that the total salary bill relative to revenue expenditure net of interest payments and pensions do not exceed 35%.

**Table 4.28 Components of Revenue Expenditure (in crore)**

Sl. No	Particulars	2008-09	2009-10	2010-11	2011-12	2012-13
1	Salaries & Wages (a & b), of which	<b>1249.39</b>	<b>1442.85</b>	<b>2033.93</b>	<b>2358.94</b>	<b>2689.91</b>
	a. Non-plan	1216.9	1405.9	1996.85	2298.64	2590.73
	b. Plan	32.49	36.95	37.08	60.3	99.18
2	Interest Payments	313.99	362.51	394.33	417.39	482.31
3	Expenditure on pensions	228.96	279.06	335.97	586.67	665.28
4	Subsidies	13.08	0.00	20.55	N/A	N/A
5	Total	1805.42	2084.42	2784.78	N/A	N/A
6	As per cent of Revenue Receipts (RR)					
7	Salaries & Wages	<b>36.75</b>	<b>38.80</b>	<b>40.69</b>	<b>42.23</b>	<b>41.72</b>
8	Interest Payments	9.24	7.50	7.89	7.47	7.48
9	Expenditure on pensions	6.73	9.75	6.72	10.5	10.32
10	Subsidies	0.38	0.00	0.41	N/A	N/A

Source: CAG, 2012, and Col. 5&6 from Finance Department, 2013

**Figure 4.13 Composition of Revenue Expenditure (2007-08 to 2011-12)**



Source: Finance Department, 2013

As displayed in Table 4.28 (Figure 4.13), it is found that of the total revenue expenditure, salary and wages accounted for 36.75%, 38.80%, 40.69%, 42.23% and 41.72% of the revenue receipts during the entire period from 2008-09 to 2012-13. In each period from 2008-09 to 2012-13, the expenditure on salaries and wages is seen increasing by 15.48%, 40.97%, 15.98%, and 14.03% against the TFC norms of growth rate of 6%.

The reason behind this excessive incurred expenditure and violation of the stated norm is because of poor manpower planning. It failed to forecast the staffing requirement and future consequences and hence, it has resulted in staffing beyond the required strength as we have observed in the beginning part of this chapter. The consequence of this is observed to the extent of diminishing the accountability level in meeting the expectation of one of its stakeholder that is, the society. It is found that the revenue expenditure is incurred only for maintenance of current level of services and payments for past obligations and as such do not contribute to 'State's infrastructure and service network'.

This inefficiency of Public Sector organisation to effectively manage and utilise the financial resource reflects an ineffective management of human resources stemming from the weak HRP skill. It is only the human resource that is responsible for the effective management of other resources. This would imply that right people have not been placed at the right job.

#### **4.10.3 Fiscal Priority of the State Government**

As reflected in Table 4.29, it is found that Government of Nagaland has a much higher AE/GSDP ratio in both the years under consideration compared to the average of NE States. The ratio of developmental expenditure as a proportion to aggregate expenditure shows lower than NE States average which indicates that the State has not given priority to this category of expenditure as compared to other States. In Social Sector Expenditure, Nagaland Government's expenditure as a percentage of AE is found much less than the NE States during both the years. The expenditure on education in Nagaland (as a proportion of AE) is also found lower than the average NE States. In the case of health, Nagaland gave a much higher priority in 2005-06 than other NE States. However, in 2009-10, the priority given to health is found lower than other NE States.

**Table 4.29 Fiscal Priority of the State (2005-06 & 2010-11)<sup>63</sup>**

Fiscal Priority by the State	AE/GSP D	DE/AE	SSE/AE	CE/AE	Education /AE	Health/ AE
All North East States Average* 2005-06	29.92	65.98	32.91	16.21	18.06	4.63
Nagaland 2005-06	40.46	<b>61.16</b>	<b>27.43</b>	20.08	<b>17.46</b>	<b>11.65</b>
Nagaland 2007-08	42.05	60.82	27.91	24.19	13.00	4.38
All North East States Average* 2009-10	37.18	64.98	34.64	17.55	16.47	5.65
Nagaland 2009-10	50.10	<b>58.13</b>	<b>24.93</b>	23.31	<b>12.03</b>	<b>4.18</b>
Nagaland 2010-11	44.94	61.25	26.95	21.13	14.03	4.54

**Source:** for 2007-08 & 2010-11, CAG, 2012; for 2005-06 & 2009-10, CAG, 2011.

The above analysis shows that the State is lacking behind the other North Eastern States. This would imply the State is giving low priority for social gain. One of the driving factors observed behind this is corruption influencing the decision making. The continuous misappropriation of funds by those at the decision making level for their personal gain is cited in case study 1 (NST) and 3 (DIC). This corrupt practices showing the dwindling of accountability and transparency at the decision making level could therefore be responsible for the dwindling of priority as seen in the table. This influence is further observed cascading down to the implementation level and diminishing the performance of the employed human resources to achieve its goal. This ineffective management of HR is reflected in the next subsection.

#### **4.10.4 Performance Review in Terms of Delivery of ‘Core Public & Merit Good’ (2006-2007 to 2012-2013)**

**a) Accelerated Rural Water Supply Programme (ARWSP)** is fully financed by the Government of India to assist the States and the Union Territories in providing drinking water in problem villages.

Table 4.30 shows that the actual coverage is 146 Not Covered (63%), 140 Partially Covered (102%) and 28 Slip Back (104%) habitations. During this period, against the GOI release of Rs. 115.41 crore, the State Government released Rs. 106.97 crore for completion of 396 schemes. However, it is found that out of 396 schemes targeted, 314 (79%) was completed at a total expenditure of Rs. 97.24 crore (91%).

<sup>63</sup> AE: Aggregate Expenditure; DE: Developmental Expenditure (includes Developmental Revenue Expenditure, Developmental Capital Expenditure and Loans & Advances disbursed); SSE: Social Sector Expenditure; CE: Capital Expenditure.

**Table 4.30 Habitations covered by the Programme**

Year	Habitations (in number)								Percentage of achievement with reference to target			
	Target				Achievement							
	NC	PC	SB	Total	NC	PC	SB	Total	NC	PC	SB	Total
2002-03	107	31	-	138	80	14	-	94	75	45	-	68
2003-04	63	36	-	99	28	42	-	70	44	117	-	71
2004-05	30	30	-	60	7	20	-	27	23	67	-	45
2005-06	18	26	-	44	24	48	-	72	133	185	-	164
2006-07	14	14	27	55	7	16	28	51	50	114	104	93
<b>Total</b>	232	137	27	396	146	140	28	314	<b>63</b>	102	104	

Source: CAG, 2008

**Table 4.31 Population covered by the Programme**

Year	Target	Achievement	Percentage of achievement with reference to target
2002-03	1,24,508	58,431	<b>47</b>
2003-04	1,35,711	1,25,759	<b>93</b>
2004-05	90,065	25,375	<b>28</b>
2005-06	35,762	90,726	254
2006-07	76,745	54,184	<b>71</b>
<b>Total</b>	<b>4,62,791</b>	<b>3,54,475</b>	<b>77</b>

Source: CAG, 2008

Further, Table 4.31 shows that during 2002-2007, out of total population (18.10 lakh from 1,376 rural habitations belonging to Schedule Tribe category in the State) the Department targeted 4.62 lakh but could cover only 3.54 lakh (77%) of the population under ARWSP.

Depriving 37% NC habitations of potable drinking water, 23% targeted population of the benefit under ARWSP and incompleteness of 82 schemes could indicate failure to monitor the task executed and the work practices. Despite having the required resources (fund and employees) failing to meet the performance expectation to accelerate all round socio-economic development in the State shows ineffective management of human resources.

**b) National Rural Health Mission (NHRM)** was launched in Nagaland in February 2006 with the objective of providing accessible, affordable and effective public health care in rural areas.

**Table 4.32 Shortfalls of Health Centres (2007-08)**

Details	Requirements as per norms	Actually created	Shortfall (-)/ excess (+)
Community Health Centres (CHCs)	25	21	(-) 4 (16%)
Primary Health Centres (PHCs)	99	86	(-) 13 (13%)
Sub-centres (SCs)	663	397	(-) 266 (40%)

**Source:** CAG, 2009

Table 4.32 shows a shortfall in creation of 16% CHCs, 13% PHCs and 40% SCs. It is found that up-gradation of District Hospitals, CHCs, PHCs and Sub-centres to the level of Indian Public Health Standard has not been achieved. Denying basic health care facilities as envisaged in the Mission and making the deprived villagers to travel long distances to avail of medical facilities shows another shortfall in meeting the stated performance objectives.

**c) Indira Gandhi National Old Age Pension Scheme** is another Centrally Sponsored Scheme for the old and needy people. In this scheme, it is found that most beneficiaries are under-aged. Secondly, according to the central norm, for a period of twelve months every beneficiary of 60-79 years should be paid Rs. 300/- per month and every 80 years and above should be paid Rs. 600/- per month. However, it is found that during 2011-12, the Department (Social Welfare) paid only Rs. 200/- to beneficiary of 60-79 years and Rs. 500/- to beneficiary of 80 years and above for a period of ten months only. Thirdly, the state share of Rs. 100/- to all beneficiaries in addition to the existing rate was not accredited till then.<sup>64</sup>

Misusing the fund and also depriving the real deserving beneficiaries indicates the absence of reinforcing socially responsible behaviour. This shows another ineffective management of human resources resulting in lowered performance to contribute to socio-economic development.

**d) The Jawaharlal Nehru National Urban Renewal Mission (JNNURM)** was launched as a Centrally Sponsored Scheme on 3 December 2005. This scheme had been launched for a period of seven years that is, up to 2012 with the objective of reforms driven and fast track development of cities. As of 31 March 2011, it is found that except for Kohima, no City Development Plan had been prepared for any town.

---

<sup>64</sup> National Law Students Federation, Nagaland Post dated 26<sup>th</sup> Sept 2012.

Further, against Government of India release of Rs. 121.80 crore as Additional Central Assistant (ACA), it is found that the State Government in turn released only Rs.98.60 crore resulting in short release of Rs.23.20 crore. In addition to this, against the targeted construction of 3504 Dwelling Units (DU) under Basic Service for Urban Poor (BSUP) and 2496 DUs under Integrated Housing and Slum Development Project, it is found that only 1360 DUs and 720 DUs respectively had been taken up. The Engineering Division, Urban Development Department is reported of irregularly paying up Rs.3.67 crore without actual execution of works under BSUP.

This further shows the deteriorated efficiency and performance of the Public Sector organisation to accomplish its objective of reforms driven and fast track development of cities.

**e) Sampoorna Grameen Rozgar Yojana (SGRY)** was launched (September 2001) by the Government of India by merging the ongoing ‘Employment Assurance Scheme’, ‘Additional Wage Employment Scheme’ and ‘Jawahar Gram Samridhi Yojana’. The scheme aims at providing greater thrust to additional wage employment, infrastructural development and food security in rural areas.

In respect to payment of wages, the guidelines prescribes that labours should be paid at the minimum wage rate fixed by the State Government which had been Rs. 45 per day in 2002 and revised to Rs. 66 per day in 2005-06. It is observed that three out of four DRDAs did not pay the minimum wage admissible to the labourers. Labourers were paid Rs. 60, Rs. 50, Rs. 45 and Rs. 25 per day against minimum wage of Rs. 66 during 2005-06 and Rs. 25 against minimum wage of Rs. 45 per day during 2004-05. This deprived the beneficiaries the minimum wages to the extent of Rs. 2.18 crore in 2004-05 and 2005-06.

This again shows an ineffective management of human resources failing to control the ethical conduct of its employed human resources and depriving many their entitled wages. Related cases under this scheme and others are further highlighted in Table 4.33. The objectives of the schemes have been briefly highlighted

**f) Village Health Sanitation Committee (VHSC)** is formed in each village/ hamlet to create public awareness on health, nutritional activities, maintenance of village health registers, health information board, preparation of village health plan

etc. Here again, it is found that out of 995 VHSC with a population up to 1500, only 634 VHSCs were functioning leaving 361 non-functional as of March 2008.

**h) Nutritional Support to Primary Education** known as Mid Day Meal (MDM) programme was launched as Centrally Sponsored Scheme in August 1995.

**Table 4.33 Anomalies in Various Schemes**

Scheme	Food Grain	Amount	Year	Cases Reported/Suspected
SGRY	-	Rs.1.75 crore	2002-07	Misappropriation in nine blocks
	-	Rs.19 lakh		Misappropriation in 16 VDBs
	-	Rs.3.44 crore		Unauthorised diversion in excess of the admissible amount by Director (RD) & Project Directors of 8 DRDAs
	39.677 MT	Rs.23.41 crore		No employment register maintained by DRDAs, blocks & VDBs. Hence genuineness of the expenditure suspected
	9454 quintals of rice & 7309 quintals of wheat	Valued at Rs.1.98 crore		No proper stock record & details of distribution at blocks & VDBs. Diversion to open market
	1112 quintals of rice & 2703 quintals of wheat	Valued at Rs. 38 lakh		No proper stock record & details of distribution at RD. Diversion to open market
VHSC	-	Rs.72 lakh	2008	Unspent balance leaving 361 villages deprived of the intended services
MDM	2,237.07 quintals of rice for 42 schools	Valued Rs.31.21 lakh	2005-09	Scrutiny of records of DIS, Aghunato. 22,37,070 mid day meals deprived. Diversion to open market
PDS	2,760 MT of PDS rice for APL, Kohima	Valued at Rs. 2.29 crore	2008	Diversion to open market
	2,867.77 quintals of wheat & 1,254 quintals of levy sugar for BPL, Kiphire	Valued at Rs.37.25 lakh	2004-08	Diversion to open market
SSA	-	Rs.182,46,65,972 lakh	2008-12	Misappropriation
RMSA	-	Rs. 583.685 lakh	2009-13	Misappropriation
	1178 post not filled	Rs. 1742.619 lakh surplus salary	2009-13	Misappropriation

**Source:** CAG (2006-2009), Nagaland Pradesh Congress Committee (2013)

i) **Under Public Distribution System (PDS)**, the population not covered under Below Poverty Line, Antyodaya Anna Yojana and Annapurna Scheme are covered under Above Poverty Line (APL) segment. Every APL household is entitled to 35 kilogram of food grains per month.

j) **Sarva Shiksha Abhiyan (SSA) and Rashtriya Madhayamik Shiksha Abhiyan (RMSA)** is a Government of India's flagship programme for achievement of Universalisation of Elementary Education (UEE). As Fundamental Right, SSA scheme aims to promote and provide free and compulsory education to children between 6-14 years of age group. The ministry of MHRD through the implementation of RMSA scheme has set its vision on making secondary education of good quality available, accessible and affordable to all young persons in the age group 15-16 years.

Under RMAS, it is found that the GOI sanctioned of 1,380 posts for both teaching and non-teaching staff for which the GOI released Rs. 2424.05 lakh for the salary. Out of this, it is found that from 2009-13, the State Government have appointed only 202 G/T while the remaining is yet to be filled. The actual amount of salary expenditure found was Rs. 379.25 lakh showing a surplus amount of Rs. 1742.619 lakh from the sanctioned salary.

What is of worth noting is the 'controversial HRM issues' in education department such as salary shortage, shortage of teachers, surplus teachers, ghost teachers, bogus teachers, long pending vacancies and the surplus salaries. These cases are reflection of the poor HRP skill impacting the recruitment and selection practices. This in the long run can have adverse impact on the performance of the students.

For instance, during the recent result declaration of Class XII 2013 batch, it was found that of the total 55 toppers only nine students (16.36%) had been from the government institutions.<sup>65</sup> The argument could be that merit students go to Private institutions. If this is so, then we also need to question why? Further, it is generally known that government institutes cater student coming mostly from the low income group. However, this does not justify that their intellectual capital would not match those from affluent family. The implication is Public Sector need to nurture well this section of the under-privileged right from elementary level to achieve the satisfaction of all stakeholders. This can be fulfilled only when the department effectively utilises its stock of intellectual human capital to perform their task diligently.

---

<sup>65</sup> Nagaland Post, dated June 4, 2014



The above finding related to the incurred unauthorised expenditure, unauthorised diversion, deviation from the objectives of the scheme, misappropriation of funds as highlighted in Table 4.33 all reflect the corrupt behaviour in public administration, lack of accountability and transparency, underutilised human resources, poor financial control and management skills, and weak administrative control. This has resulted in lowered performance failing to achieve targets and depriving the beneficiaries particularly the large section of the rural poor, the needy children, the unemployed, and the old of their entitled benefits and the lopsided development in the State.

One reason which could be said as leading to perpetuation of these activities is the organisational culture that to a large extent are created by the HR practices. The ability of government to provide services effectively and efficiently depends upon a competent cadre of civil servants. However, to make this civil servants perform their obligations and responsibilities effectively and efficiently depend on how their human capital are identified, developed and utilised. It is said that good government requires good people. Thus, the failure to identify and recruit skilled, professionally committed and highly motivated public servants with due diligence as observed in section 4.1 and 4.3 could be one factor in creating this low performance work culture.

Added to this, the ineffectiveness of the mechanism instituted for controlling and facilitating socially responsible behaviour and ethical conduct of both officers and staff could be another reason. This includes the failure to effectively communicate standards of conduct cutting across the hierarchy and stating clearly defined accountabilities, lack of re-emphasising of professional ethics of public administrator and ethical training, failing to address attitudinal changes and behaviours required of a “civil servant”, poor supervision and work review and most importantly sanctions for misconduct. These are serious deficiencies in ethics management that has resulted in diverting the focussed attention from developing and utilising the available human resources to achieve its goal.

Lack of political will (willingness to bring about changes) and policy competencies and accountability of decision makers is also observed in case study 1 (NST), 2 (P&AR), and 3 (DIC) as creating the incentives for such behaviour to occur. This reflects absence of effective HRD strategy in building policy capacity of the policy makers. Thus, effective HR management policies and practices are necessary conditions to promote a performance oriented culture that can help in achieving socio-

economic progress. This will open many new opportunities for absorbing the unemployed in productive employment. The above finding shows significant relationships between ‘HRM’ and ‘work culture’ and ‘HRM’ and ‘socio-economic development’ as proposed in hypothesis three and one.

#### 4.10.5 Nagaland State Transport Department

During the period 2000-01 to 2004-05, it is found that the department could achieve its target only during 2000-01. Of the total collection of Rs. 5.10 crore, it achieved a surplus amount of Rs. 0.27 crore (6%) from the revised target fixed at Rs. 4.83 crore. However, as per the working results, it shows that the department incurred huge losses amounting to Rs. 60.79 crore. This low performance of the employees is seen to the extent that the operating income has not been sufficient even to cover its employees cost and resulting in an accumulated loss of Rs. 164.63 crore (as on 31<sup>st</sup> March 2005). Due to excess employees, it is found that the department incurred an excess expenditure amounting to Rs. 13.78 crore during the five years. The low staff productivity and losses incurred thus reveal that HRM has been lacking effectiveness.

**Table 4.34 Vehicle-staff ratio and staff productivity (2000-01 to 2004-05)**

	2000-01	2001-02	2002-03	2003-04	2004-05
Average no. of vehicles on road	<b>86</b>	89	96	111	<b>131</b>
Effective kms operated (in lakh)	41.60	43	44.60	48	53.80
Staff strength					
a) Driver	215 (2.50)	215 (2.42)	215 (2.24)	214 (1.93)	223 (1.70)
b) Conductor	151 (1.76)	151 (1.70)	151 (1.57)	151 (1.36)	151 (1.15)
c) Station staff	226 (2.63)	226 (2.54)	226 (2.35)	209 (1.88)	268 (2.05)
d) Workshop & maintenance	362 (3.79)	326 (3.66)	326 (3.40)	326 (2.94)	227 (2.12)
e) Administration	132 (1.53)	132 (1.48)	132 (1.38)	132 (1.19)	131 (1)
Total (staff bus ratio)	<b>1050 (12.21)</b>	1050 (11.80)	1050 (10.94)	1032 (9.30)	<b>1050 (8.02)</b>
All India average	7.26	<b>7.46</b>	<b>7.03</b>	---	---
Staff productivity (Kms per worker/day)	<b>10.85</b>	11.22	11.64	12.74	<b>14.04</b>
All India average	<b>34.10</b>	32.73	<b>34.15</b>	---	---

**Source:** Transport & Communication Department, Audit Report (Civil), 2000-2005

Further, Table 4.34 shows that staff strength per vehicle per fleet operated by the department varies from 8.02 (2004-05) to 12.21 (2000-01). This shows that despite a 64% increase in the average number of vehicles on road the number of drivers and conductors had remained the same. It is also found that staff productivity during the five years that is, 10.85 to 14.04 kms/day failed to reach even half of the All India average (Hill region) level that is, 32.73 to 34.15 kms/day. This indicates the departments have been operating without fixing any norm of staff strength required per vehicle under different categories. The absence of manpower planning is observed hampering the performance of the employees and consequently the department's performance leading to a shortfall of potential revenue amounting to Rs. 50.72 crore. This shows the ineffective HRM system lowering staff productivity and thereby failing to contribute to organisational goals.

**Table 4.35 Revenue and Achievement (in Lakh)**

Year	Target	Achievement	% of achievement
2007-08	991.00	837.22	84.48
2008-09	1056.00	937.66	88.79
2009-10	1103.00	1192.95	108.15

**Source:** Inspection Reports on Accounts of The General Manager, NST (2007-10)

**Table 4.36 Operation cost/Operational Expenditure (in Lakh)**

Year	No. of Vehicles	Operating revenue/ traffic earning	Operating expenses		Total	Loss	% of loss
			Staff	Others (HSD, tyre, tube etc)			
2007-08	230	812.00	1342.00	740.00	2082.00	1270.00	<b>61</b>
2008-09	240	910.00	1456.00	821.00	2277.00	1367.00	<b>60</b>
2009-10	227	1058.00	1715.15	762.00	2477.00	1419.00	<b>57.29</b>

**Source:** Inspection Reports on Accounts of The General Manager, NST (2007-10)

The continuous low performance of the department is further observed in Table 4.35 and 4.36. It is seen that only during 2009-10 the department could exceed its target by Rs. 89.95 lakh (8.15%). However, in respect to the operational cost and expenditure, Table 4.36 shows that the department incurred heavy losses again in each period. These losses indicate that certain categories of employees not performing their duties for which they have been employed. For instance, it is found that despite having well equipped workshop and experienced 'technical staff' only 48.27% of the

fleet was on running condition. The remaining busses were kept off the road after utilising it only for 4-5 years which is far below the expected life of the bus. These instances reflect the top management's behaviour.

During discussion with the drivers and conductor while assisting them in filling the questionnaires, the most commonly cited problem noted in the three sample districts was poor quality (not original parts) and delay supply of resources (spare parts, tyres, HSD petrol, diesel, lubricants). Providing cheaper quality denotes financial misappropriation. In such condition, it is understandable why busses are found condemned after completion of seven years. However, this does not justify that the well equipped workshop should remain dormant. There is possibility of losing interest/motivation in their job due to the poor quality of machinery parts. But because the technical staff failed to perform their assigned duty (not repairing the buses) and added by overstaffing that is, 6.6 to 7.89 staff per operating fleet there is possibility for another category of employees 'drivers/conductor' remaining jobless. This further shows unequal distribution of workloads and reveals an ineffective management of human resources caused by poor manpower planning.

#### 4.10.6 State Bank of India and Vijaya Bank

**Table 4.37 Business per Employee (Banks)**

Bank	Business per employee (in Crore)		
	2010-11	2011-12	2012-13
SBI	7.04	7.89	9.44
Vijaya	11.05	12.31	13.86

**Source:** SBI, Annual Report, 2010-2013

**Table 4.38 Net Profit (Banks)**

Bank	Net Profit (in Crore)		
	2010-11	2011-12	2012-13
SBI	8,264.52	11,707.29	14,104.98
Vijaya	524	581	586

**Source:** Vijaya Bank, Annual Report, 2010-2013

As reflected above in Table 4.37 and 4.38, SBI shows that business per employee<sup>66</sup> increased from Rs. 7.04 crore during the period 2010-11 to Rs. 7.89 crore

<sup>66</sup> Business per employee is calculated by dividing the total business with total number of employees

in 2011-12 and to Rs. 9.44 crore in 2012-13. Net profit per employee increased from 3.85% (2010-11) to 5.31% (2011-12) to 6.45% (2012-13). Vijaya Bank, likewise, also shows a growth of Rs. 13.86 crore businesses per employee in 2012-2013 against Rs. 12.31 crore in 2011-2012 and Rs. 11.05 crore in 2010-2011.

The above figure shows staff productivity increasing in each subsequent period in both the Banks and thereby adding to the growth/expansion of business. SBI in terms of employee productivity shows considerably behind Vijaya Bank. This could be due to the large number of branches SBI has that is, 14,816 as against Vijaya Bank's 1,359 branches. With more branches added, business/customer in one locality could have got distributed. On the positive side, it serves customer's convenience and should have reduced employee's workload to some extent as well.

As compared to performance review of State Government department, employee productivity in each period shows that Banks have been efficiently and effectively managing its human resources. This could indicate that the selective recruitment process, continuous training and development programme, and the communication system assuring transparency and accountability to its stakeholders have paid off in promoting the growth of the Banks.

#### **4.11 Private & other organisations**

##### **4.11.1 Quasi Organisation - Public Sector Units (PSUs)**

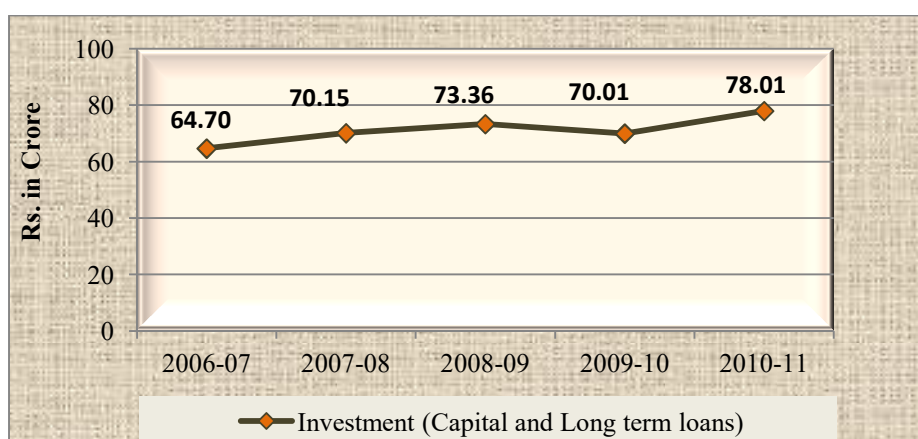
As on March 2011, the State of Nagaland had six PSUs (all government companies), of which, one had been non-working company. Of the five working PSUs, two units that is NIDC Ltd. (Dimpur), and Japfu Hotel Ltd. (Kohima), have been included in this study. As the report contains assessment of overall performance of the entire working PSUs, it was not possible to work out a separate assessment for these two units alone. Hence, an overall assessment is presented and discussed here.

##### **4.11.2 Investment in PSUs**

As on 31<sup>st</sup> March 2011, it is found that the investment (capital and long term loans) in six PSUs had been Rs. 78.01 crore. Of the total investment, 93.64% was in five working PUSs and remaining 6.36% in one non-working PSU.

As shown in Figure 4.14, it shows that the investment increased by 20.57% that is, from Rs. 64.70 crore in 2006-07 to Rs.78.01 crore in 2010-11.

**Figure 4.14- Investment in PSUs**



**Source:** Comptroller and Auditor General of India, 2012

#### 4.11.3 Performance of PSUs

Table 4.39 shows that the State working PSUs registered a Turnover of Rs. 18.06 crore only as per their latest annual accounts finalised on 30 September 2011. However, it is observed that the turnover is a mere 0.15% of State Gross Domestic Product thereby indicating a relatively minor role in the economy of the State.

It is also found that these PSUs incurred an overall loss of Rs. 2.07% crore in the aggregate in 2010-11 (Figure 4.15) and with accumulated losses showing Rs.18.92 crore. Besides, the only one non-working PSU is found having an accumulated loss of Rs.14.70 crore which pertains to the year 1977-78.

**Table 4.39 Accumulated Losses in PSUs (in crore)**

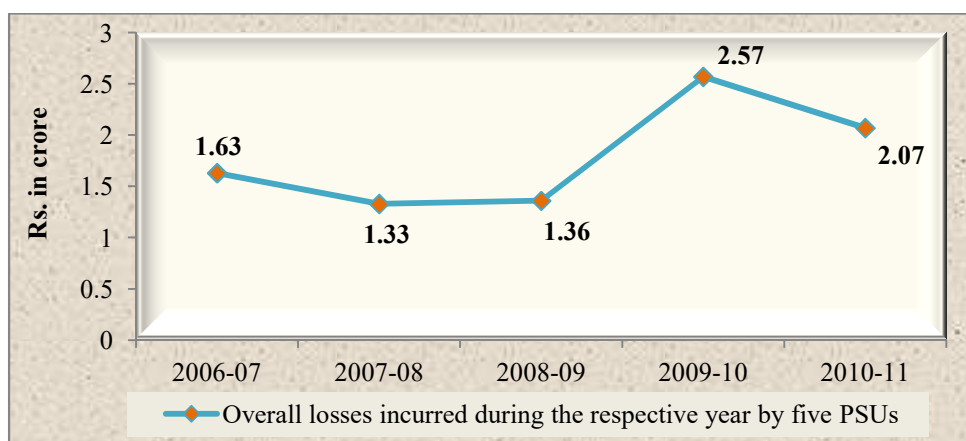
Particulars	2006-07	2007-08	2008-09	2009-10	2010-11
Return on capital employed (per cent)	4.50	3.65	---	---	---
Debt	36.35	40.29	44.11	39.09	45.64
Turnover	1.89	3.70	3.51	4.06	<b>18.06</b>
Debt/turnover ratio	19.23:1	10.89:1	12.57:1	9.63:1	2.53:1
Accumulated losses	26.96	26.95	28.63	34.02	<b>33.62</b>

**Source:** CAG, 2012

It is also found that these PSUs incurred an overall loss of Rs. 2.07% crore in the aggregate in 2010-11 (Figure 4.15) and with accumulated losses showing Rs.18.92

crore. Besides, the only one non-working PSU is found having an accumulated loss of Rs.14.70 crore which pertains to the year 1977-78.

**Figure 4.15 Overall Losses by Five PSUs**



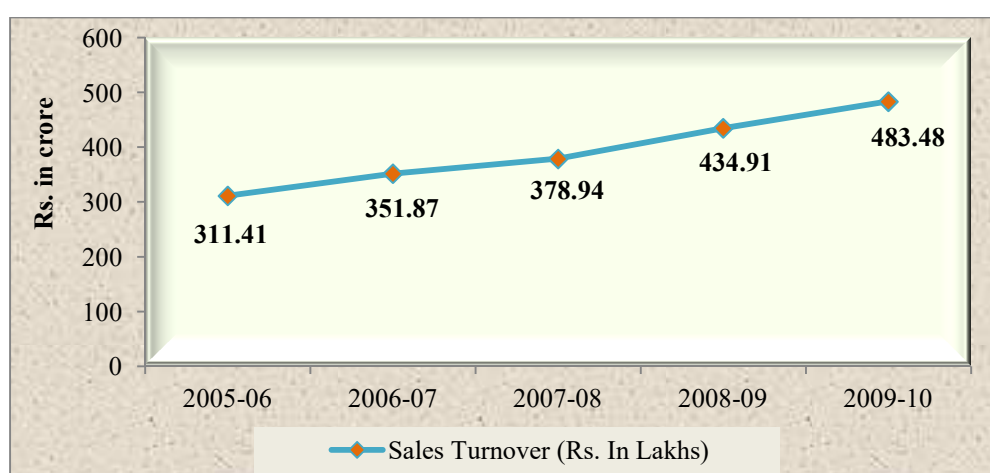
**Source:** CAG, 2012

Just as employees are expected to return value to the organisation in proportion to what they have been paid, similarly, the PSUs should justify its investment by returning profit to its investor. However, since employees failed to return on its investment, so have the PSUs to its investor. The low staff productivity, therefore, only shows the ineffectiveness of the HRM system starting from manpower planning. Inability to bring down the workforce strength to adequate level was found adversely impacting the performance of NIDC Ltd. causing huge unnecessary expenditure on excess staff. Other reasons found include lack of accountability of top management including interference from external entities, dedication, engagement and commitment of employees at both NIDC and Japfu Hotel. Here we also see positive relationship between ‘work culture’ and ‘HRM’.

#### **4.11.4 Dimapur District Cooperative Milk Producer’s Union Ltd. (DIMUL)**

DIMUL Ltd. (Dimapur) showing higher performance is found incurring profit in the entire five years as highlighted in Figure 4.16. It is seen that the Union had a sales turnover of 311.41 lakh in the year 2005-06 that increased to 483.48 lakh in 2009-10 showing a growth of 55.25%.

**Figure 4.16 Sales Turnovers (DIMUL)**



**Source:** Annual Administrative Report, DIMUL Ltd., 2009-10

The main HR interventions observed in the study which could be attributed to the growth include firstly, the alternative mode of employment to full-time permanent workers. Almost fifty per cent of the workforces are temporary employees (casual labours and daily wagers) whose pay/wages are the lowest among the workforces employed. Here again, the service of main workers involve in manufacturing are not required heavily during winter thus helping the Union safe cost.

Secondly, the tight work schedule during peak season that is, from 8 a.m. to 4 p.m. but which depending on market demand would wind up at around 10-11 p.m. For this, employees are remunerated at the cost of Rs.10/- per extra hour. Added to this, they are entitled to only one day off in a month. The cost saving strategy is seen to the extent where half an hour late is taken as half day leave and continuous absent for more than three days could lead to termination from the job.

Thirdly, without providing any formal training, on the job training and job rotation is practiced. This cost minimising strategy that reflects the hard HRM approach could be the reason behind the success because these practices differed from what has been observed at NIDC and Japfu Hotel.

Employee should return more than what their organisation pays them, thus producing profit otherwise; the person could be considered a losing investment.<sup>67</sup> However, from the above finding on financial performance, what is observed is that apart from the Banks and DIMUL, State Government departments and the remaining two quasi organisations, despite high expenditure on human resources, the same have

<sup>67</sup> Bernthal et al. (2003), op cit., p. 25.



failed to add value to the organisations and contribute to social gain. This could indicate that the HRM approach has been lacking effectiveness. As found at DIMUL and the Banks, both soft and hard HRM approach can add to organisation's success but provided the approach is effectively applied or practiced to achieve its goals.

## **PART II: SATISFACTION AT EMPLOYEE LEVEL**

### **4.12 Quality of Work Life (QWL- Table 4.41, annexure A)**

#### **1) Public Sector**

Public Sector shows highest the moderate positive impression in eleven statements namely: **S1**- 69.53/20.70, **S2**- 61.33/9.38, **S4**- 63.67/5.86, **S5**- 39.84/3.52, **S6**- 55.08/6.25, **S7**- 54.69/13.67, **S8**- 61.33/8.2, **S9**- 52.34/6.25, **S10**- 73.05/12.11, **S11**- 74.61/12.11 and **S12**- 75.78/8.2. In **S3**, the moderate negative impression is found highest that is, 33.98/5.08. However, in this, the overall assessment of moderate and intense positive impression reveals higher that is, 32.81/8.6 but showing only a negligible difference of 2.35% against the negative impression. In **S5**, overall the negative impression (moderate and intense) is found higher than the positive.

#### **2) Private & other organisations**

Overall, moderate positive impression is found highest in eleven statements as follows: **S1**- 54.17/6.94, **S2**- 47.92/4.86, **S4**- 67.36/10.42, **S5**- 59.03/19.44, **S6**- 59.72/13.19, **S7**- 68.06/9.72, **S8**- 61.81/16.67, **S9**- 63.19/21.53, **S10**- 72.22/18.75, **S11**- 65.97/16.67, **S12**- 45.83/9.72. Negative impression is found highest in **S3** that is, 35.42/7.64.

#### **3) Comparative Assessment**

Of the total twelve statements, it is found that both sectors views non-monetary benefits as not being adequately administered (**S3**). Of this, Private and other organisations shows marginally a higher low perceived effectiveness than Public Sector. Though, NEPED stated of **S3** as not applicable in their context, judging the level of empowerment and participation NEPED offers a great motivational environment which can also be considered as non-monetary benefit.

Public Sector demonstrates a low perceived effectiveness in **S5** indicating unfavourable working environment. Absence or lack of basic facilities such as

“computer”, “safe drinking water”, “dispensaries”, “clean washrooms”, “upgraded and technologically improved equipments”, “recreational facilities”, “replacing old furniture”, “ensuring safety measure”, etc. which a huge number of respondents suggested could be one reason why employees displayed weak intrinsic motivation and the negative response to **S5**. The negative impression displayed in **S3** and **S5** indicates shortfalls in respect to paying attention to challenging and stimulating work environment that are known to motivate and enhance employees’ performance.

Both sectors displayed absolute nil of considerable intense perceived effectiveness and demonstrating almost similar acceptable Quality of Working Life. Providing this acceptable level of QWL, however, is not found effective enough in keeping the employees content and motivated to contribute to the organisation as per their available potentiality.

#### 4.13 Job Satisfaction

Total seven job satisfaction facets have been measured on a five point scale ranging from Excellent (E)- **1**, Very Good (VG)- **2**, Good- **3**, Average (A)- **4** and Poor (P)- **5**. Each item has been analysed individually. (\*) indicates the six respondents from NEPED whose views have been considered as invalid as the facet was found not applicable in their context.

The first facet measured is employees’ satisfaction with their Job Content. Table 4.41.1 shows highest per cent of respondents from both sectors rated job content ‘good’ that is, 57.03% and 40.28% respectively. However, by a meagre difference of 3.22% and 7.59% in ‘excellent’ and ‘very good’ Private and other organisations shows marginally a higher satisfaction level.

**Table 4.41.1 Level of Satisfaction with Job contents**

Level of Judgement	Sector	
	Public	Private
Excellent	22 (8.59%)	17 (11.81%)
Very Good	57 (22.27%)	43 (29.86%)
Good	146 (57.03%)	58 (40.28%)
Average	29 (11.33%)	23 (15.97%)
Poor	02 (0.78%)	03 (2.08%)
Total (N)	256 (100%)	144 (100%)

The second facet measured is satisfaction with Working Conditions. Table 4.41.2 shows highest per cent that is, 41.41% from Public Sector with an **average** satisfaction level. In Private and other organisations, highest per cent that is, 36.11% rated **very good** showing higher satisfaction level than Public Sector.

**Table 4.41.2: Level of Satisfaction with Working Conditions**

Level of Judgement	Sector	
	Public	Private
Excellent	09 (3.51%)	17 (11.81%)
Very Good	30 (11.72%)	52 (36.11%)
Good	95 (37.11%)	43 (29.86%)
Average	106 (41.41%)	30 (20.83%)
Poor	16 (6.25%)	02 (1.39%)
Total (N)	256 (100%)	144 (100%)

The third facet measured is satisfaction with the Nature of Supervision. Table 4.1.3 shows highest per cent of respondents from both sectors rated the nature of supervision ‘good’ that is, 64.45% and 46.53% respectively. By a meagre difference of 6.9% and 8.5% in ‘excellent’ and ‘very good’ scales, Private and other organisations shows marginally a higher satisfaction than Public Sector.

**Table 4.41.3: Level of Satisfaction with the Nature of Supervision**

Level of Judgement	Sector	
	Public	Private
Excellent	09 (3.52%)	15 (10.42%)
Very Good	44 (17.19%)	37 (25.69%)
Good	165 (64.45%)	67 (46.53%)
Average	31 (12.11%)	22 (15.28%)
Poor	07 (2.73%)	03 (2.08%)
Total (N)	256 (100%)	144 (100%)

The fourth facet measured is satisfaction with Job Security. Table 4.41.4 shows overall, highest per cent of respondents from Public sector rated job security ‘very good’ that is, 36.72%. In Private and other organisations an ‘average’ level of satisfaction that is, 31.25% is found indicating lower satisfaction than Public Sector.

**Table 4.41.4: Level of Satisfaction with Job Security**

Level of Judgement	Sector	
	Public	Private
Excellent	46 (17.97%)	05 (3.46%)
Very Good	94 (36.72%)	17 (11.81%)
Good	89 (34.77%)	42 (29.17%)
Average	21 (8.2%)	45 (31.25%)
Poor	06 (2.34%)	29 (20.14%)
Total (N)	256 (100%)	144* (100%)

**Table 4.41.5: Level of Satisfaction with Amount of Work & Wage/Salary**

Level of Judgement	Sector	
	Public	Private
Excellent	22 (8.6%)	03 (2.08%)
Very Good	52 (20.31%)	14 (9.72%)
Good	124 (48.44%)	62 (43.05%)
Average	52 (20.31%)	45 (31.25%)
Poor	06 (2.3%)	14 (9.72%)
Total (N)	256 (100%)	144* (100%)

In respect to work and pay offered, as displayed above in Table 4.41.5, it is found that despite huge disparity in these two sectors, overall, highest per cent of respondents from both sectors rated this facet ‘good’ that is, 48.44% and 43.05% respectively. However, showing a considerable difference in ‘very good’ and ‘excellent’ scale that is, 10.59% and 6.52% respectively; we could say there is considerably a higher satisfaction in Public Sector.

**Table 4.41.6: Level of Satisfaction with Promotional Scope**

Level of Judgement	Sector	
	Public	Private
Excellent	13(5.08%)	05(3.47%)
Very Good	30 (11.72%)	01 (0.69%)
Good	66 (25.78%)	35 (24.31%)
Average	55 (21.48%)	40 (27.78%)
Poor	92 (35.94%)	57 (39.58%)
Total (N)	256 (100%)	144* (100%)

The sixth facet measured is satisfaction with Promotional Scope. Table 4.41.6 shows highest per cent of respondents from both sectors rated promotional scope

‘poor’ that is, 35.94% and 39.58% respectively. This indicates limited opportunity for career growth in both sectors. However, showing a higher difference of 11.03% in ‘very good’ indicates considerably a higher satisfaction level in Public Sector.

**Table 4.41.7: Level of Satisfaction with Equitable Reward System**

Level of Judgement	Sector	
	Public	Private
Excellent	06 (2.34%)	02 (1.39%)
Very Good	03 (1.17%)	08 (5.56%)
Good	56 (21.88%)	35 (24.3%)
Average	87 (33.98%)	41 (28.47%)
Poor	104 (40.63%)	52 (36.11%)
Total (N)	256 (100%)	144* (100%)

The last facet measured is satisfaction with Equitable Reward System. Table 4.41.7 shows overall, highest per cent of the respondents from both sectors rated equitable reward system ‘poor’ that is, 40.63% and 36.11% respectively. This shows that both sectors are dissatisfied with the equitable reward system.

### 1) Comparative Assessment

It is seen that there is a major difference in the satisfaction level in respect to Job security. This is because unlike Private and other organisations that mostly follow hire and fire at will policy, termination from Public service is not that easy. The existing labour laws in India prevent employers from terminating the services of employees easily. According to Section 25(N) of Industrial Disputes Act, 1947 that has been extended to the State, employers are required to take prior permission of the appropriate government for retrenchment of workers where the number of employees is 100 or more. Such permission is rarely granted in India due to socio-political considerations. Further, with absence of long term social benefits in Private and other organisations such as retirement benefits, job security can be dissatisfying.

In respect to promotional scope, the dissatisfaction exhibited in Public Sector could be attributed to the poor and bias performance appraisal system.

Overall, of the seven facets, both sectors displays ‘good’ in three of the same facets, ‘very good’ and ‘average’ in one facet each but varying in the facets. ‘Poor’ is found in two of the same facets. Due to the mix response, it is difficult to state the

accurate job satisfaction level. However, based on the frequency of ‘good’ displayed, it is possible to say that job satisfaction is somehow moderate and straight forward that job satisfaction is not high in either of the sector. This shows a moderate level of HRM effectiveness. However, this moderate level is not found effective to the extent to motivating employees to contribute as per their fullest potentials.

### **PART III: SATISFACTION AT TRAINEE LEVEL**

#### **4.14 Trainees’ Satisfaction Level**

TI has been used in short to indicate Training Institute (TI). In Public TI, there are two types of respondent namely in-service trainees and non-working trainees. Single inverted commas indicate the options opined by the trainees from the questionnaire while double inverted commas indicate the suggestions put forward by the trainees.

##### **1) Level of Satisfaction with Training Information**

The first question is how well the relevance/scope of the training had been provided before commencement of the course.

Table 4.42 shows that, 48% (36/75) of trainees from Public TI and 93.33% (28/30) from Private TI have been ‘well informed’. In Public TI, while 46.67% (35/75) stated that information had been ‘partially informed’ another meagre that is, 5.33% (04/75) said ‘not at all’. This indicates higher satisfaction level of trainees from Private TI.

**Table 4.42 Level of Satisfaction with Training Information**

Response Options	Public TI N= 75	Private TI N= 30	Total N= 105
Well Informed	36 (48%)	28 (93.33%)	64 (60.95%)
Partially Informed	35 (46.67%)	02 (6.67%)	37 (35.24%)
Not at all	04 (5.33%)	-	04 (3.81%)
Total	75 (100%)	30 (100%)	105 (100%)

##### **2) Level of Satisfaction with Training Course**

Second question is, whether the training course is up to their expectation. As displayed in Table 4.43, highest per cent that is, 77.33% (58/75) from Public TI stated

‘satisfactory’ while from Private TI 70% (21/30) stated ‘very much’. This shows higher satisfaction level at Private TI.

**Table 4.43 Level of Satisfaction with Training Course**

Response Options	Public TI N= 75	Private TI N= 30	Total N= 105
Yes, very much	12 (16%)	21 ( <b>70%</b> )	33 (31.43%)
Satisfactory	58 ( <b>77.33%</b> )	09 (30%)	67 (63.81%)
Not at all	01 (1.33%)	-	01 (0.95%)
Cannot Say	04 (5.34%)	-	04 (3.81%)
Total	75 (100%)	30 (100%)	105 (100%)

### 3) Performance of Instructor/Instructress

**Table 4.44 Preparedness of Instructor/Instructress (01)**

Response Options	Public TI N = 75	Private TI N = 30	Total N= 105
Always	67 (89.34%)	30 (100%)	97 (92.38%)
Only Sometime	05 (6.67%)	-	05 (4.76%)
Most of the time	01 (1.33%)	-	01 (0.95%)
Rarely	01 (1.33%)	-	01(0.95%)
Never	01 (1.33%)	-	01(0.95%)
Total	75 (100%)	30 (100%)	105 (100%)

On this aspect, two questions were asked on the performance level of the Instructor/Instructress. The first question is to state how often instructor/instructress are well prepared. Table 4.44 shows that from Public TI, 89.34% (67/75) stated ‘always’ while Private TI showed absolute 100% (30/30) indicating considerably a higher satisfaction at Private TI.

**Table 4.45 Approachability and Helpfulness of Instructor/Instructress (02)**

How helpful & approachable are the instructors	Public TI N = 75	Private TI N= 30	Total N= 105
Always	72 (96%)	30 ( <b>100%</b> )	102 (97.14%)
Only Sometimes	02 (2.67%)	-	02 (1.9%)
Rarely	01 (1.33%)	-	01 (0.95%)
Total	75 (100%)	30 (100%)	105 (100%)

The second question is how often instructor/instructress are approachable and helpful. As displayed in Table 4.45, 96% (72/75) from Public TI and absolute 100% (30) from Private TI stated ‘always’ indicating insignificantly a higher satisfaction at Private TI. Nevertheless, the performance of trainers in both sectors indicates a good effort and overall the trainees are satisfied with their performance.

#### 4) Quality of Training Facilities (Equipments)

**Table 4.46 Quality of Training Facilities (Equipments)**

Opinions on training facilities/equipments	Public TI (N=75)	Private TI (N=30)	Total (N=105)
Sophisticate and difficult to understand	03 (04%)	-	03 (2.86%)
Sophisticate but easy to understand	15 (20%)	24 ( <b>80.00%</b> )	39 (37.14%)
Neither sophisticate nor outdated but easy to operate	28 ( <b>37.33%</b> )	03 (10.00)	31 (29.52%)
Neither sophisticate nor outdated but difficult to operate	07 (9.33%)	02 (6.67)	09 (8.57%)
Outdated but still useful	21 (28%)	-	21 (20%)
Outdated and needs replacement with newer equipments	13 (17.33%)	01 (3.33%)	14 (13.33%)

In respect to quality of training equipments, total six options were provided in the questionnaire. Few trainees from Public TI ticked more than just a single option. Only those options that displayed highest are discussed. As shown above in Table 4.46 highest per cent of trainees from Public TI that is, 37.33% (28/75) view it as ‘neither sophisticate nor outdated but easy to operate’. From Private TI, highest per cent that is, 80% (24/30) view it as ‘sophisticate but easy to understand/operate’. From Public TI, other suggestions such as ‘outdated and needs replacement with newer equipments’ opine by 20% and ‘outdated but still useful’ by 28% and also as one of the respondents stated “typewriter needs to be replaced with computer” raises the question of motivation to learn/practice and hence indicate requiring attention.

#### 5) Improvements Suggested in the Training Course (14 options)

Trainees were also asked to tick from the fourteen options provided, what improvements would be required to incorporate in the training course. As displayed in below in Table 4.47, highest per cent that is, 62.67% from Public TI suggest the need



for ‘providing better information before starting the course’. From Private TI, highest per cent that is, 53.33% suggest to ‘allot more time for the course’.

**Table 4.47 Improvements Suggested in the Training Course**

Suggestions	Public TI N= 75	Private TI N= 30	Total N= 105
Provide better information before commencement of the course	47 ( <b>62.67%</b> )	04 (13.32%)	51 (48.57%)
Clarify the course objectives	15 (20.00%)	10 (33.33%)	25 (23.81%)
Reduce the content covered in the course	03 (4.00%)	03(10.00%)	06 (5.71%)
Increase the content covered in the course	06 (8.00%)	-	06 (5.71%)
Update content covered in the course	30 ( <b>39.99%</b> )	02 (6.66%)	32 (30.48%)
Improve the instructional methods	29 ( <b>38.67%</b> )	10 (33.33%)	39 (37.14%)
Make the course activities more stimulating	41 ( <b>54.67%</b> )	-	41 (39.05%)
Make the course less difficult	10 (13.33%)	04 (13.33%)	14 (13.33%)
Make the course more difficult	-	04 (13.33%)	04 (3.81%)
Slow down the pace of the course	03 (4.00%)	-	03 (2.86%)
Speed up the pace of the course	04 (5.33%)	-	04 (3.81%)
Allot more time for the course	10 (13.33%)	16 ( <b>53.33%</b> )	26 (24.76%)
Shorten the time for the course	12 (16.00%)	-	12 (11.43%)
Improve the performance test used in the course	08 (10.65%)	-	08 (7.62%)

The suggestion from Public TI has positive relation to the relevance and scope of the training information highlighted in Table 4.42. This indicates the possibility of certain trainees having to compromise their career aspiration with the course pursued. Without proper information they could have taken up the course and later to realise that it is not what they really wanted to practice. This shows possibility of the Institutes not paying proper attention on helping trainees extract and utilise their human resources to the outmost. Other notable suggestions include ‘update content covered in the course’ showing 39.99%, ‘improve the instructional methods’ showing 38.67%, and ‘make the course activities more stimulating’ showing 54.67% from Public TI. This indicates more or less a lower satisfaction level than Private TI.

## 6) Other suggestions as recommended by the Trainees

Trainees were also asked to suggest if any other improvement was required. Few respondents gave one suggestions while majority gave more than two suggestions. However, considering only those that were noteworthy, the suggestions have been highlighted below in Table 4.48.

**Table 4.48 Other Suggestions as Recommended by the Trainees**

Trainee's Suggestions	Public TI N= 75	Private TI N= 30	Total N= 105
Provide adequate equipments for practical	16 ( <b>21.33%</b> )	04 (13.33%)	20 (19.05%)
To be more practically oriented and not confine to class room teaching	26 ( <b>34.67%</b> )	-	26 (24.76%)
Improve and provide better hostel facilities	11 (14.67%)	15 ( <b>50%</b> )	26 (24.76%)
Upgrade the practical tools/ equipments/replace typewriter with computer	12 (16%)	01 (3.33%)	13 (12.38%)
Provide well equip library with sufficient books	15 ( <b>18.66%</b> )	-	15 (14.29%)
Advance routines/schedule to be prepared and followed	02 (2.66%)	-	02 (1.9%)
Need better resource person/ experienced and trained teachers	04 (5.33%)	02 (6.67%)	06 (5.71%)
Need more faculties	-	02 (6.67%)	02 (1.9%)
Group discussion/activities to be initiated by faculties where real life problems and doubts are clarified	02 (2.66%)	-	02 (1.9%)

It is found that highest per cent that is, 34.67% only from Public TI suggest being “more practically oriented and not confine to class rooms”. Another two suggestions showing considerable figures is to “provide adequate equipments for practical” by 21.33% and to “provide well equip library with sufficient books” by 18.66%. From Private TI, highest per cent that is, 50% (15/30) suggest the need to “improve and provide better hostel facilities”. These suggestions indicate higher satisfaction at Private TI.

## 7) Trainees' Future Plan after Completion of the Training Course

Two respondents from Public TI and six from Private TI who did not reply have been indicated by asterisks (\*). As shown in Table 4.49, highest per cent from Public TI that is, 26.03% plan to “go back to parent department and work more

sincerely”. This indicates the training has been worth the investment. This intention is from the in-service trainees. A greater need to bring the right attitudinal orientation particularly motivation for in-service trainees is implicit in “Back to my division/my place of posting/nothing-daily work” by 15.07% of the trainees.

**Table 4.49 Plans after Completion Of Course**

Trainee's Suggestions	Public TI N= 73 (*2)	Private TI N= 24 (*6)	Total N= 97 (*8)
Seek government job because it is more secure	14 (19.18%)	06 (25%)	20 (20.62%)
Seek government help and start farming business/entrepreneurship	04 (5.48%)	-	04 (4.12%)
Work in Private Sector because they have modern/latest equipments, more fully equip	06 (8.22%)	-	06 (6.19%)
Work in Private Sector and upgrade knowledge and experience	-	06 (25%)	06 (6.19%)
Go for further study/training	06 (8.22%)	02 (8.33%)	08 (8.25%)
To seek job either in Government or Private Sector	11 (15.07%)	10 (41.67%)	21 (21.65%)
Work in Private and prepare for competitive exam	02 (2.74%)	-	02 (2.06%)
Go back to parent department and work more sincerely/be a good administrator	19 (26.03%)	-	19 (19.59%)
Back to my division/my place of posting/nothing -daily work	11 (15.07%)	-	11 (11.34%)
Total	73 (100%)	24 (100%)	97 (100%)

In respect to the other trainees, though the highest that is, 19.18% (14/73) stated to prefer working in Public Sector, a considerable per cent that is, 5.48% (04/73) and 8.22% (06/73) only from Public Sector said they prefer Private Sector/ entrepreneurship. From Private Sector, though 25% (06/24) stated to prefer Government job, an equal share of respondents stated they prefer Private Sector because they want to upgrade their knowledge and experience. This indicates higher service quality in Private Sector but intention of establishing their career in this sector is not significant. With already certain per cent of respondents showing preference to Private Sector, the already existing Private firms would need to reform their HR policies and practices and help absorb and retain these trained human resources.

Overall, a higher satisfaction is observed in Private TI. In the case of Public TI, as manifested in the trainees' suggestion, the quality of the equipments, library

facilities, teaching method etc. shows that the importance of intrinsic motivation has been ignored. For development of human resources, motivation is an important aspect in educational management. Studies have suggested that intrinsic motivation is strongly associated with high quality learning and adjustment especially at higher education level.<sup>68</sup> Thus, unless a pupil develops or has an inner motivation to learn, it could hamper the transformation of input (courses/curriculum) into output (academic achievement/professional qualification). For this, more than tangible rewards, focussing on how to facilitate intrinsic motivation such as those that have been suggested by the respondent could facilitate intrinsic motivation.

## **PART IV: SOCIETAL SATISFACTION**

### **4.15 Legal Compliance and Ethical Practices**

#### **1) Public Sector**

Table 4.50 and 4.51 showing cases of misappropriation, defalcation and theft etc. indicate ineffectiveness of the control mechanisms and absence of transparency and accountability in Public Sector.

**Table 4.50 Cases of theft, defalcation, etc (final actions pending, end March 2011)**

Name of Department	Up to 5 years	5-10 years	15-20 years	Total Cases
Total	<b>28</b>	<b>03</b>	<b>01</b>	<b>32</b>

Source: Report (No. 1) CAG, 2012

**Table 4.51 Cases of loss to Government (in lakh)**

Name of Department	Theft Cases		Misappropriation/ loss of Govt. material		Defalcation		Total	
	No. of cases	Amount	No. of cases	Amount	No. of cases	Amount	No. of cases	Amount
Total	<b>05</b>	<b>17.19</b>	<b>28</b>	<b>8784.98</b>	<b>01</b>	<b>460.88</b>	<b>32</b>	<b>9263.05</b>

Source: Report (No. 1) CAG, 2012

<sup>68</sup> Deci, Edward L. et al. (2001), Extrinsic Rewards and Intrinsic Motivation in Education: Reconsidered Once Again, Review of Educational Research, Vol. 71, No. 1, pp. 1–27.

This pervasiveness and tolerance of corrupt practices where defaulting officers are not brought to disciplinary actions have been well documented in every CAG report on Nagaland State Finances from the period 2006-07 to 2010-11.

#### **A) Violation of Recruitment Rules**

Many Administrative actions regarding recruitment and promotions taking place in violation of Employment Exchange Compulsory Notification Act 1959, and Government orders issued from time to time have been observed in Office Memorandums (OM) dated 23<sup>rd</sup> May 1975, 7<sup>th</sup> July 1976, 24<sup>th</sup> August 1994, 17<sup>th</sup> July 1996, 26<sup>th</sup> February 2001 and 18<sup>th</sup> February 2004.<sup>69</sup> In the year 2010, it is found that the Special Investigation Team of the State Vigilance Commission exposed 1156 bogus appointment of teachers.<sup>70</sup> Further, following the new retirement act that came to force in September 2009, out of 3,495 numbers of employees that retired from November 2009 to January 2012 in seventy departments, it is found that only 470 employees were recruited through the prescribed selection method that is NPSC/DSB. Also as per the reservation policy for Backward Areas, people from ENPO areas are entitled to twenty five per cent which comes to entitlement of 873 posts in the vacancies. However, out of the total vacancies, it is found that only 358<sup>71</sup> that is, ten per cent against the twenty five per cent reservations were allotted to ENPO.

#### **B) Violation of Rules of Office Management**

Breaching the office procedure is reflected in one of the respondent's comment from ATI. It stated that,

“The least valuable in the course is office procedure because though it is very important employees especially in the Directorate/Secretariat don't follow the prescribed procedures in processing the files and their dealings are very ‘BROAD’ type”.

This remark is found supported in several OMs dated 4<sup>th</sup> September 1976, 1<sup>st</sup> August 1981, 30<sup>th</sup> November 1981, 6<sup>th</sup> June 1997, 6<sup>th</sup> April 1999, 28<sup>th</sup> June 2001, May 2004, 18<sup>th</sup> May 2007, etc., issued by P&AR Department. These OMs apprise of matters submitted/endorsed to the P&AR Departments, Chief Ministers or for Cabinet approval or any higher authority without routing through their immediate Departmental Heads in violation of Rules 19 and 20 of the Nagaland Government

---

<sup>69</sup> Office Memorandums issued by P&AR Department, Kohima: Nagaland.

<sup>70</sup> Nagaland Post, dated 3<sup>rd</sup> March 2010.

<sup>71</sup> An ‘Expose’ by the Nagaland Pradesh Congress Committee, Congress Bhavan, Kohima, Nagaland, 2014, p. 13.

Servants Conduct Rules, 1968. Handlings of files classified as “Secret” by unauthorised persons is also found in OM dated 5<sup>th</sup> September 1986, 27<sup>th</sup> March 1995 and 18<sup>th</sup> August 2003. OM dated 6<sup>th</sup> April 1999 also stated that, “Many Government officials are indulging in the habit of exerting influence from the public leaders in matters of posting and transfer”.

**C) Violation of Rules of Executive Business**

Violation of Rules of Executive Business is found in OM dated 5<sup>th</sup> May 1993, 5<sup>th</sup> October 1995 and 21<sup>st</sup> July 2009 that officers have been travelling abroad on Government expenses without prior approval of the Government.

**D) Seniority and Promotion**

OM dated 17<sup>th</sup> November 1981 notified instances of a good number of Government servants against whom Vigilance cases had been either pending or under investigation were being promoted to higher posts and declared confirmed or deputed for training etc. Further, OM dated 24<sup>th</sup> June 1996 noted that rarely employees were “declared unfit and in almost all cases promotions takes place mechanically as normal course”. Unsatisfactory writing and submission of ACR is also noted in OM dated 22<sup>nd</sup> August 2001, January 2004, and 4<sup>th</sup> December 2006. Favouritism displayed in writing of ACR is found in OM dated 22<sup>nd</sup> June 2009.

**E) Office Discipline**

Availing leave beyond permitted days, absenteeism and irregular attendance by Government officers and staff is noted in OM dated 29<sup>th</sup> October, 1975, 11<sup>th</sup> October 1986, 30<sup>th</sup> August 1994, 3<sup>rd</sup> October 1994, and 5<sup>th</sup> September 1994. The principle of “No Work No Pay” is found enforced via the later OM. Despite strict instructions, many Government servants being irregular, not following office timings and leaving stations without obtaining leave and permission are further noted in OM dated 17<sup>th</sup> June 2003.<sup>72</sup> Irregularities and failure of the employees to be in their respective postings found during surprise checking is noted in press release dated 20<sup>th</sup> April 2010 and 26<sup>th</sup> May 2010 by Bhandari Town Student Unions (Wokha District). The Union found that offices of outpost veterinary department, junior electrical engineer and public work department were completely closed down with no staff in

---

<sup>72</sup> Office Memorandums issued by P&AR Department, Kohima: Nagaland.

offices except one peon.<sup>73</sup> In the year 2010, it is found that the Special Investigation Team of the State Vigilance Commission exposed 1084 teachers drawing salaries without attending duties.<sup>74</sup>

The assumption that accountability is synonymous with legal liability and that compliance and regulatory enforcement as the reason for accountability is rather biased. This puts the responsibility on the enforcer and ignores the fact that self-responsibility is an important foundation for accountability.<sup>75</sup> The several cases observed pertaining to unethical work practices and behaviours in Public Sector indicates poor accountability in the organisation and absence of 'sense' of self-responsibility. Thus, even rules and regulations seem irrelevant in controlling and maintaining ethical behaviour which is manifested in one of the respondents' comment from ATI. The respondent stated that, the least valuable in this course is "rules and regulation which we are told to follow because in contrary, the reality tells a different story". In similar tone, in respect to controlling employees' behaviour the Joint GM of NST also stated that,

"Hundred per cent we cannot strictly discipline employees' behaviour because some of these shortcomings have become a part of our Naga culture".<sup>76</sup>

Tracing back from 1970's till the present time shows that in Public Sector, tolerance and leniency towards serious transgressions and misconducts have also fostered it to become a 'part of culture'. Failing to enhance the work culture towards a high performance oriented culture reflects an ineffective HRM system.

## **2) Private & other organisations**

Breach of psychological contract by failing to fulfil what have been promised is an example of taking advantage of the employment relationship. In case study 2, despite informing the staff that based on seniority increment will be provided, in reality it is found that this was not practiced. She stated that ANM/GNM nurses, earlier were paid around Rs. 1000/- as starting pay but later nurses of same qualification who joined during 2006-07 were paid around Rs. 4000/-. Consequently,

---

<sup>73</sup> Nagaland Post, dated 20<sup>th</sup> April 2010 and 26<sup>th</sup> May 2010.

<sup>74</sup> Nagaland Post, dated 3 March 2010.

<sup>75</sup> Charity Central (2011), op cit., p. 1-2.

<sup>76</sup> Joint G.M. NST Directorate, Dimapur, Personal Interview, dated 10/10/2011.

a dispute is stated to have occurred between the management and the senior staff because their pay was almost at par with the juniors.<sup>77</sup>

Even in case study 3, it is found that employees were informed that depending on their performance, salaries would be raised. But in reality, he stated that to get raise depend on how strongly one could convinced the owner (CEO). However, it is also noted that many are scared to personally approach the owner for this matter.<sup>78</sup> This indicates that certain employees performing extremely well could be deprived of the rewards due to their fear to bargain for fairer compensation.

Further, withholding what is entitled to an employee without stating any genuine reason is also against the principles of distributive justice. For instance, case study 2 (Hospital, Kohima) stated that despite the agreement made both in written and oral, the monthly deduction of Rs. 300 /- as provident fund was not refunded to her or to any of her colleagues who quitted the job before or after her.<sup>79</sup>

Similarly, adequate attention not given on the nature and severity of employees' grievances in DIMUL Ltd. (Dimapur) reflect lack of concerned for the well-being of employees in their pursuit of commercial gain. Despite their tight schedule and willingness to work extra hours for meagre amount, it is found that the salaries/wages of daily wagers were always delayed "without any justification" for ten to fifteen days against repeated complaint.

When taking employment decisions an ethical principle of the HR profession is to have clear, fair terms and conditions of employment and the need for employer's to bear in mind their obligations to act in good faith towards the employee. They are not to act in any way that can undermine the trust and confidence of the employment relationship.<sup>80</sup>

### **3) Comparative Assessment**

HRM is widely recognised as fairly standard "employer functions" that involves hiring employees and the allocation and management of work within an organisation. How these factors are managed and implemented is very important in determining the effectiveness of HRM and hence the performance of the organisation.

---

<sup>77</sup> Ibid

<sup>78</sup> Case Study 3 (Hospital, Dimapur), op cit.

<sup>79</sup> Case Study 2 (Hospital, Kohima), op cit.

<sup>80</sup> Armstrong, M., (2010), op cit., p. 121, 262.



They are central to the basic conditions under which accountability can happen.<sup>81</sup> Reflecting at the adherence of “Legal Compliance and Ethical Practices”, Public Sector shows serious deviation from the legal and ethical framework. This shows an ineffective management of human resources that is found creating several loopholes for strengthening the accountability system.

From what have been observed, we could say that the prevailing work culture of particularly the Public Sector has largely been responsible for low performance of the employees. This is the reason why despite huge fund received, the State is still in a condition where fingers are pointed at each other for the high unemployment rate, poor infrastructure, and lopsided development and so on. As compared to Public Sector, Private and other organisations are found performing considerably better. However, it also need to ensure that the organisation’s ‘cost minimisation strategy’ which we could say has been the reason for undermining the employment relationship does not render them a reputation that may adversely affect their prosperity.

From what have been observed above indicates positive relationships between ‘work culture’ and ‘HRM’ and ‘HRM’ and ‘socio-economic development’ in the State as hypothesised in the study.

## **PART V: DETERMINANTS OF HRM**

### **4.16 External Environment**

#### **1) Labour Market**

The influence of labour market trend on Public Sector HR policies is seen in the case of where due to the high rate of educated unemployed the State Government was compelled to pass the Voluntary Retirement Scheme. This is observed to the extent of fixing the length of service. Another instance is because of shortage of skilled manpower, professionals are recruited from outside the State in both sectors.

In Private firm, labour market trend is found to particularly influence their salary/wage administration policy. Due to high unemployment and readily available supply of manpower, salaries/wages and benefits offered are not seen as competitive. Thus, it is evident that labour market trend in the State is having significant

---

<sup>81</sup> Netra, ENG & Craig, D., op cit.

implication on the HR policies where a positive influence in Public Sector is found but in Private firms, this is not found favouring the employees but only the owners.

## **2) Political Factors**

Political factor has been studied in terms of internal and external politics influencing HRM practices. In Public Sector, political influences in matters of mobility such as in promotions, giving preference to relatives, and Directors appointing VIP's candidates is noted in case study 1 (NST) and 2 (P&AR). The influence of party politics in recruitment practice is also highlighted by the Department of Education (2007) that, pleasing vote banks for immediate political gain have compelled Departments to appoint Private candidates of VIPs who are unwilling to go to their allocated postings.<sup>82</sup> This shows that the limited use of prescribed sources is because applicants have been using political means and demonstrates a negative influence on the effectiveness of HRM.

In Private firms, case study 2 (Hospital, Kohima) cited of the Matron who by virtue of being one of the senior most (in terms of length of service) gets special attention from the owner. Taking advantage of this privilege, the Matron influences the owner in every HR matter from recruitment to fixing of roster for the Nurses. This shows the use of power in terms of status to affect decision making. Here a negative consequence is observed that is, resulting in the affected employee quitting the job and collection of a homogenous group of employees. Having the ability to influence higher authority where management's decision cannot be contested is a privilege but provided it is free from any malicious intention and is in the interest of all or whom it is going to affect.

## **3) Government and Legal Context**

HRM practices maybe imposed coercively as mandated by legislation, or as a consequence of pressures exerted by other organisations. In the context of Nagaland, Government has imposed a web of rules and regulations on the employment policy and also reserving certain number of jobs for all categories to certain sections of the communities in the State. Some of these important legislations regulating the HRM

---

<sup>82</sup> Achieving of Communitisation of Elementary Education through SSA in the year 2005-2006, Department of Education, GON, 2007, p. 8.

practices have been discussed in chapter three. However, it is found that EECNA is barely having any positive impact on HRM effectiveness particularly in Public Sector.

In Private, few enterprises such as Org 5 (Computer Centre, Kohima) is found recruiting candidates from EECNA, and Org 4 (Construction Company, Dimapur) that follows the prevailing Labour Laws in Nagaland in matters of granting leave and fixing minimum wages. These laws add up to HRM effectiveness because it provides equal employment opportunities and helps employees to avail a better quality of life.

#### **4) Socio-Cultural Factors**

The paternalistic management system that discourages subordinates from questioning the authority that decisions are not made on the basis of merit and encouraging favouritism and nepotism<sup>83</sup> is cited in case study 3 (DIC, Dimapur). In this control-oriented structure of bureaucracies that resemble a paternalistic management system, features of Hofstede's construct of collectivism is observed in the internal work culture.

According to Pillay et al. (2010), in collectivist societies, officials are more likely to seek consensus and might be more prone to nepotism because networks of friends and family tend to create loyal relationships that encourage favouritism. This culture of loyalty to 'in-groups' becoming a more important ethical standard than social justice<sup>84</sup> even if the in-groups demands inconveniences them<sup>85</sup> is cited in case study 3 (DIC) for instance, the reluctance to give adverse remark in ACRs. OM dated 22<sup>nd</sup> June, 2009 also stated that, "Due to the close knit nature of the Naga society... rarely anyone is given adverse entry in the ACR in Nagaland."

In Private firms, this collectivist culture is observed to influence recruitment practices. According to Hofstede (2001), in collectivistic cultures the relatives of employer and employees are preferred in hiring.<sup>86</sup> In Org 2 (Hospital, Kohima) and Org 4 (Construction Company, Dimapur), preference for appointing close family members for higher positions such Administrators is observed. Further, as evidenced under the sources of recruitment, both employee referral and family contact is found. This shows the influence of socio-cultural factors in the internal work culture of both sectors. However, the influence is seen having a negative impact in Public Sector.

---

<sup>83</sup> Pillay & Dorasamy (2010), op cit., pp. 363–378.

<sup>84</sup> Ibid.

<sup>85</sup> Aycan et al. (2000), pp. 192-221.

<sup>86</sup> Hofstede, G. (2001), *Culture's Consequence*, Thousand Oaks, CA: Sage Publications, p. 244.

#### **4.17 Internal Factors**

##### **1) Ownership**

Moving on from family owned enterprises to Public and quasi establishments and then to Joint Venture, diversity in terms of the HRM practices in use under each ownership arrangement is found. NEPED, a Joint Venture exhibits a greater use of international standard of HRM. The project had a no-hierarchy structure which is of recent trends in organisational design. Public and quasi organisations, on the other hand, shows an extended hierarchy with too many levels lacking clear lines of authority and frequently causing delays in decision making process. Private firms have few hierarchies and responsibilities distributed horizontally. However, as narrated by the respondents, the CEO at Org 3 (Hospital, Dimapur) is the locus of control in determining and 'dictating' policy. Even at Org 2 (Hospital, Kohima) and Org 4 (Construction Company, Dimapur), the owner-managers are the key decision makers. At Org 5 (Computer Centre, Kohima), the Head of the Centre is empowered with certain decision-making powers rather than directly with the board members.

##### **2) Financial Status**

The ability of the organisation to pay also impacts the HRM system. This is reflected in Japfu Hotel (Kohima) where owing to financial constraint faced by the organisations various events, programmes, and other motivational techniques such as cash awards, bonus etc. were discontinued. In Private firms, low salary is found causing staff turnover. Even in the case of Public Sector due to 'lack of funds' and 'financial implications'<sup>87</sup> the implementation of the much-desired 6th central pay commission scale for the state were delayed. As a consequence of which employees' even resorted to mass casual leave, paralysing work in all government offices throughout Nagaland in 2010.<sup>88</sup>

##### **3) Workforce Characteristic**

The level of education, skills, knowledge, and abilities an employee possess can also determine the HR practices. Case study 2 (Hospital, Kohima) reveals that technician recruited from outside the State are given higher pay. This shows how certain category of employee possessing the critical resource that the organisation had

---

<sup>87</sup> Morung Express News, 'No 6th Pay till April 2010'

<sup>88</sup> The Telegraph, May 25, 2010.

been deprived affects the compensation policies. Case study 3 (Hospital, Dimapur) and 5 (Computer Center, Kohima) also reveals that potential employees with the scarce resource were lured by other organisations by offering them more attractive pay. This shows how even workforce characteristic affect compensation decisions to those who control the scarce resources. In Public Sector, the age status and work experiences of employees taken as the two criteria for VRS also reflect this factor influencing the retirement policy. Thus, we can say that there is positive as well as negative influence on HRM effectiveness in both sectors.

This shows a culture where preference is given for a personalised relationships rather than a more divorced performance orientation.

#### **4.18 Individual Case Studies**

Three case studies have been conducted to enrich the findings of this research study. A case study provides a holistic focus in understanding the case in its entirety. It is an in depth study that is conducted in its natural setting so as to capture its complexity involved and its context. One of the major strength of case study is it helps to trace the course of events that occurred over time and to relate these changes to previously enunciated theoretical propositions.<sup>89</sup>

During the time of data collection, a major event that occurred was the dreaded VRS in Public Sector which affected many senior employees. Added to this, from the secondary materials collected many departments were found not performing well. This necessitated the need to probe deeper into some of the factors found adversely influencing the HRM function. Hence, three key persons were identified based on their work experience, their positions and professional qualification.

The First case study presented here is a retired officer from NST (Dimapur). This is followed by the officer from P&AR department (Kohima) and lastly a retired officer from DIC (Dimapur).

---

<sup>89</sup> Ao, A.L., (2009), Analysis of Case Materials presented during Teaching Program on Research Methodology, M.Th Students, Christian Ministry, Jorhat, January 27-31, 2009.

## **Case Study No. 1**

### **A Retired Officer from Nagaland State Transport Department**

This study has been conducted at the respondent's own residence at Dimapur on 1<sup>st</sup> of April 2010. For recording of information, a voice recorder was applied. The respondent aged 66 (at the time of study) is a B.A. qualified. He joined the Department in the year 1967 and in 1998, while serving as Additional General Manager, he took voluntarily retirement.

NST, as we have observed in Table 4.34 to 4.36, was found incurring losses of more than 50%. On account of this information collected prior to this case study, it was felt necessary to find out the reason behind this low performance. The respondent on being asked whether the performance level of the Department had been satisfactory during his time, he replies by saying that,

“The problem with NST is Nagaland politics that hamper the progress. Ministers monopolise and misuse the financial sanction allotted to the Department. For instance, from twelve crore, they extract six to seven crore and with that the Department barely manages to survive. The Department is unable to purchase petrol, diesel, spare vehicles etc. and even for just ordinary brake oil or simple tire puncture, buses are suspended. Moreover, financial year starts from 1<sup>st</sup> April but as for NST, the little that is left reaches the Department in the month of October/November and during the waiting period the Department become almost paralysed.

Even in respect to appointment and transfer, Ministers seize all the vacant posts. Randomly they appoint non-technical staff that is, B.A. passed in engineering wing, or store-keeper who is ignorant about store keeping. So in this condition, how can any department perform effectively? Especially a commercial department where the revenues earned have to be spent for meeting excess employees' expenses?”

This indicates that performance had not been satisfactory. What needs to be noted here is that, the respondent gave no direct response rather he tried to justify the reasons behind the failure. It is observed that there has been and there is scope for high performance. However, putting wrong person in the wrong job as also found in section 4.1- 1 (Table 4.4) which indicates weak manpower planning shows to have hampered the performance. Further, the level and the kind of interference and involvement observed in financial and administrative actions by political heads is found having a negative impact on performance and productivity.

The respondent had taken voluntary retirement when he was just one level behind to reach the General Manager post. Thus, out of curiosity I asked him if there was any particular reason that he could share. To this, he replied that,

“I took voluntary retirement due to some personal problem. However, the Department was not in favour of my resignation and requested several times to withdraw it. So I gave three conditions on which ground I would re-consider over my resignation.

Firstly, I would take the charge of General Manager and since Government has appointed excess staffs, from Grade I to Grade IV employees, I would reduce it to 40% because in a commercial department excess expenditure on staffs will consume the revenue earned, and would render the Department’s existence meaningless.

Secondly, I will stay only for three years and during that period after the State Cabinet approve the yearly financial budget the sanctioned amount will be deposited directly to the State Bank and only when required the cash will be withdrawn.

Thirdly, state politics will not interfere in any matter related to appointments, transfer, promotions etc. and I will boost the financial improvement by increasing the revenue from four to seven crore and next year, to nine crore and the following year, to eleven crore. Since NST is a commercial department, only those who are capable and suited will be appointed. No matter whose party they belong to- ruling or opposition, wherever the posting is they will stay there unless on my recommendation they need to be transferred.

When the Chief Minister (then was Dr. S.C. Jamir), heard of this conditions, he laughed and said, ‘Who will be your Minister? Because Ministers are spending crore of money during election, what source do they have?’ I replied that, if that was the case, from the sanctioned amount I will give 10-15% every year in the month of April to the Minister but forcefully no one should manipulate the financial sanction. To this, the C.M. gave his word to look into this matter.”

Apart from personal reason, dissatisfaction with the management system is implicit as another reason for seeking voluntary retirement. This is because, he actually offered to render his service again provided his conditions were fulfilled. This indicates that he could have had the desire and the aspiration even prior to retirement to proof the department’s worth. This could explain the meagre intense positive impression found in Table 4.21 that is, aspiration of those at the lower level not being paid quality attention. This can cause capable people to lose interest in their job.

The C.M. had given his word to look into the matter, but the fact that he did not return back to the Department indicates that, his three most important conditions had been rejected. The reason is, as the respondent replies, “This is their only source. What other options do they have?” This indicates that first priority is wining vote than productivity. It also reveals that seats in policy planning are bought through misappropriation of ‘Central Fund’ meant for development that is, they are not

selected on the basis of merit but on the basis of their money power. This could be one reason why social gain is not found receiving central priority (Table 4.29 and Figure 4.12) and there is inequality between regions/districts (Table 2.1 and 2.2).

He further stated that,

“Capable and efficient people exist in the department but these people are not given the opportunity to explore and utilise it to the fullest. Ministers select the worst and wrong person and promote them to control those who actually are supposed to be in their post. This practice probably may be still continuing. Few honest people are despised and victimised and it becomes difficult for them to thrive.”

This shows that human resources are not being managed effectively because HRM involves utilising the human capital to the outmost to add to organisational productivity. Further, just as it is said that leaders influence employees’ behaviour, two kinds of influence in Public Sector departments is observed here.

Firstly, not intended influence or so called the social learning process. For instance, VIP’s candidate in recruitment which is not intended is found influencing employees to resort to same practice e.g. employee recommendations (44.92%, Table 4.17).

Secondly, submission to influence compelled by no choice such as what has been stated by the respondent. Honest people are despised so they either remained despised or to get involved. The consequences of not getting involved would mean despite (Directors) being legally empowered, they are not able to exercise these powers as per their merit decisions. He stated that,

“They (Ministers) exploit Directors by transferring them here and there and because of that even when there is no vacancy, Directors are compelled to make provisions for appointments whether with or without post. These cases of appointment without post have continued for very long and as result, expenditure keep surmounting every year for the excess employees. There has always been problem and complain of salaries not paid, no fund for salary, shortage of fund etc. and departments are compelled to make overdraft.”

The outcome of the prevailing HRP system observed above is found causing excess appointments and excess expenditure. Further, the consequence of leaders not chosen on merit as reflected in the respondent’s statement is being ‘unaware’ of what could hamper effective management of human resources. He stated that,

“In the sanction post, there is excess employee in most of the State Department. For small Departments when one Director is there, what is the use of an Additional Director? Or even Joint Director or Deputy Directors? Or when a Station Superintendent is appointed to look after one station, why add one more of Assistant General Manager or Divisional Managers when the S.S. can easily take the charge?



These are sanctioned post but technically these posts are not required in small departments. This has been one of the major drawbacks resulting in unnecessary post creation and appointment. Earlier State Departments were not aware of having a systematic structure with proper allocation of duties and responsibilities. But now departments have started to realise this (problem of the organisational structure).”

The shortfall of the organisational structure as also observed in chapter three (3.1- VI) indicates ineffective HRP skills. This can be corrected if focus is directed to where it should be that is, productivity or in other words, commitment to achieve goals. There are certain measures by which departments can restructure and right size its workforce.

It is understandable that to take such measure is not easy because,

“To cut down the excess employees would be a huge responsibility and burden. Being a welfare state, alternatives for displacing them has to be made. Excess staff cannot just be terminated.” He stated.

Such permission is also rarely granted. Nevertheless, this does not justify that despite the severity of the problem, we continue witnessing the organisation serving barely any purpose of their existence when solutions are available for making it become productive. In 2009, we saw one such case (VRS) but with no strategic planning, that is reducing workforce for future productivity and growth. This shows an effective HRP skill failing to accomplish one of its long term goals that is, reduce unemployment (Figure 4.7) through effective management of human resources.

So the question is, if department have been spending huge amount for excess employees without generating any surplus and adding to socio-economic development, then accountability to the Centre must be a serious issue. Based on this assumption, I asked him if the Centre has ever been aware of the level of corruption taking place at the State level. Interestingly, the respondent replies,

“The centre is well aware of what is going on in the State. But they don’t say anything because even at the Centre, there is so much corruption. Money is used as a source to misappropriate money. At the State level, those who are involve in misappropriating fund, they give certain share to those at the Centre.

Regardless of this, why departments are not performing well is because capable and experienced people are lacking. Comparing to their level we are inexperienced.

Once during a meeting in Delhi where officials from every state transport department and planning board met to discuss about funds/budgets, North East were the only inexperienced people. Before we finished our sentences, they’ll just cut short and give the correct calculation of how much would be required for that particular problem.

I served in Nagaland Planning Board for 10 years. So once during that period when our yearly budget was Rs.250/- crore which actually comparing to State like

Delhi where to repair one airport or to construct one culvert, Rs.1000-3000/- crore are spend, it was just a pinch. So when the centre was reluctant on the budget presented by us I questioned them. They pointed out that we do not have any plan but non-plan. Our unknown expenditure on underground rehabilitation, operation, etc. and the developments that are taking place are mostly out of non-plan. Even out of plan like how many appointments need to be made we are not aware of it. Thus, the Centre is finding Nagaland incompetent”

The above information shows that apart from corruption, because of the shortfall in skills, knowledge and abilities of the policy planners and makers it has become a major challenge for the Centre to demand for accountability. This brings us to ponder on the quality of human resources at the apex level that are controlling the three most vital resources namely, capable human resources at the lower level, financial resources and the raw materials.

Starting from planning for acquisition to management of these resources, the focus on effectiveness/productivity is found lacking. Despite having immense scope to grow every opportunity is hindered. This is the reason why NST was found running in losses during the entire period from 2000-2010. With low performance, how can an organisation add to socio-economic growth? This low performance culture has therefore hampered the effective management of human resources to achieve both short term and long term organisational goals.

## **Case Study No. 2**

### **An Officer from Personnel & Administrative Reform Department**

The second case study presented here is an officer, aged 46, graduate (B.A) and having work experience of 23 years. He is currently employed in P&AR Department and hence, for confidential purpose his designation has not been disclosed. With permission obtained from the respondent through telephone, assistance from one Gazetted Officer (Headmistress of one Government High School) was applied to help record the data. This method was required because the respondent requested not to use voice recorder. The study has been conducted at his residence on 1<sup>st</sup> November 2011, Kohima. The main purpose for undertaking this study was to introspect into the human resource planning system in State Government departments.

According to the information collected during the field survey many employees were found appointed without undergoing any selection process (32.21%, Table 4.17). Hence, to find out the reason, the first question put up was how effective the Committees (DPC/SB) have been in fulfilling the objectives. On our query on the status of DPC/SB, he stated that,

“The main objective of Selection Boards/DPCs is to give fair opportunity to all. Even if you are serving on contract/ad-hoc, you should be given the opportunity to compete with others. But this is not practiced and guidelines/instructions are violated by regularising without following the procedure. Prior to 1980, rules/procedures were followed to some extent but since from 1980-82’s rules were already forgotten. One of our senior, during a meeting once said that up to 1980 our standard was not much behind Delhi but since 1980, the standard started deteriorating.”

This indicates the Committees have not been able to perform its task and responsibilities. As observed in Figure 4.1, highest recruitment (30.95%) took place during the 1980s. Thus, as per respondent’s information, it is highly possible that most of these employees have been recruited through out of norm policy.

Further, as we saw in Table 2.3, Employment Exchange also shows to have lost its significance. He remarked that,

“Earlier after 10 years of contract, service would be regularised or after serving 7 years in ad-hoc basis but now it has been reduced to 3 years. This practice of regularising service based on tenure is a clear violation of the Employment Exchange (Compulsory Notification of Vacancies) Act, 1959 (EECNVA). According to this Central Act, every vacancy should be notified or advertised in media but many departments have been violating this Act.

Once in Wokha, there was a core group meeting with representatives summoned from various departments. So at that time K. Sohu who was then Director

reiterates the same that as head of the Employment Department, 'I have come here only to share my grievances with the Government'. This was because they could not implement the Act. Employment department is the agent for job seekers where notification of vacancies should be through employment exchange, SB or NPSC."

A hint of dissatisfaction is manifested in the plight of the then Director. As reflected below, this could be because the Department's effort to become effective agent for 'job seekers' was not being acknowledged by extending to them the cooperation required. He cited that,

"Actually, in early 1960s, there had been a guideline issued to all departments to furnish all quarterly age retirement, how many post are there, how many post are occupied and vacant and how many are requisitioned to the NPSC to the Employment Department. All this should be at the finger tips of the Employment Department. Even after issuing this guideline several times, hardly any departments co-operated with them. This is because if they comply with the guideline they cannot manipulate and put their own relatives in service."

In case study 1, we found that wrong people are put on higher post while here, it is implicit that department heads are not adhering to recruitment rules. This could indicate that when wrong persons are empowered to the extent of recruiting, they may not really focus on selecting most efficient and professionally committed people. This is because the continuous commitment (section 4.9) reflected in Public Sector is not found enhancing efficient delivery of public services (section 4.10.4). Thus, we could say that lack of top management support (adherence to organisational norms) is also hampering effective management of human resources. He further stated that,

"When DAN Government was formed somewhere around 2003-05, there was notification that all departments should recruit according to the rule/procedure and shall not allow backdoor appointment. It proposed that recruitment would be done only through NPSC and Selection Board.

However, later in 2005-07, contrary to the previous decision made, a new notification was given that those who have worked for 5 years would be regularised through Suitability Test. This has been the main limitation on the part of the Government in regulating the appointment and that was regularising those who were working on contract and ad-hoc basis for long period of time through Suitability Test.

During that time President Rule was imposed in the state. In this period the P&AR Department protested that Suitability Test was not in the interest of the public and so with the approval of the Governor and Advisor of the State Council Committee it was revoked. But later again the DAN govt in 2008 (May) reinforced that practice."

This shows that policy planners are framers are not sticking to their well framed rules. When commitment to achieve organisational goals and objectives are not considered priority in policy making as we found in case study 1, strict adherence to rules or policies that fits the organisation culture can also be overlooked. This is

what has been reflected here. So what is found is that self-interest/instrumentalism in Public Sector have taken precedence over public interest. Thus, Suitability Test for those appointed against banned on this mode of employment since 1975 (stage two, chapter two) had been reinforced. This Suitability Test, therefore, as he stated is,

“Not justifiable. The very idea is corrupted. It is only for formality sake just to regularise employees. Thus, one can imagine the repercussions of such a self-defeating system!”

This indicates that the policy of introducing Suitability Test is not working in favour of social goals. This is found to have become one of its stumbling blocks. Presently, there are 54,689 (as on 2014) excess employees in State Government Departments (section 4.1- 2). The reason is because ironically these banned modes of employments had been backed-up by providing an alternative for regularising their service. Why despite such appointments repeatedly reminded since from 1975 that it has been banned, provisions for regularising was introduced? This practice which the respondent remarked it as “a self-defeating system” indicates an ineffective way of managing the human resources and something which is discouraging. Despite long duration of service, a hint of dissatisfaction is reflected.

Further, reinforcing the Suitability Test shows that P&AR Department’s suggestions having merit value similar to case study 1 had been turned down. Despite this, the desire for practicing a just and fair selection is reflected in his view. He opined that,

“Suitability Test should be scrapped just like during the President Rule. Then automatically recruitment will flow through appropriate channel that is, employment exchange, SB and NPSC, which will give fair chance to all and help recruit the right candidate for the right post. It has degraded the importance and function of the employment exchange, SB and NPSC. It is for the interests of only a handful of people. Most important, Gazetted Officers should be regularised through NPSC and no longer through Suitability Test.”

The fact that this system exists till today shows it is not incorporating or adopting productive ideas and practices required for effective management of human resources. This reflects the work culture as observed in section 4.15 where compliance to practices and behaviours favouring high performance were found lacking. This could be the reason why despite a long duration of service, contribution to socio-economic growth is not found satisfactory as observed in subsection 4.10.4 and unemployment of educated youth is on the rise (Figure 4.7).

In State Government departments, there are several modes of employment such as regular employees, ad-hoc employees, casual labour and daily wage etc. Thus, with the interest in finding out why contract appointment was introduced and whether it is serving any purpose, this question was put up. To this, he replied that,

“Previously ad-hoc, substitute appointments were there but these modes of appointment have been banned and in lieu contract have been introduced mainly due to shortage of technically and professionally qualified employees. Contract appointment according to the guideline is called ‘third method appointment’ which can be engaged only when you have submitted requisition to the Commission and when regular recruitment is likely to take time to fill up the post. For that intervening time, the day requisition has to be submitted to the Commission and that day recommendation is given by the Commission to utilise that post for that service.

For these appointments, there has to be provisions for regularising such candidates. Therefore, only in such case, regularisation is done through cabinet and not NPSC since in the state the cabinet is the highest decision making body. These cases should be rare and exceptional. However, the very idea of contract itself is also violated. This appointment is only for professional and technical post and not for other post such as LDAs, peons, typists etc. But in practice, the highest appointments on contract basis are made in these posts which according to the guideline we have gone excessively against the norm.”

What is notable is that framers are frequently flouting their well framed policies. This is observed as creating loopholes for draining the fund one of which is excess expenditures on excess employees. This shows the failure of the decision making body to foresee that this policy would not work in a system where accountability and transparency is lacking. Nevertheless, hoping for some positive response from some employee representative groups, we asked whether there has been any effort on their part in helping to regulate these illegal activities. To this, he stated that,

“Several times request was made to the NSF on this issue. Some years back, 79-80 LDA’s were regularised without the consent of NPSC and only through Suitability Test. In fact, these employees were not even eligible to go for suitability because they were not occupying sanctioned post. They were not even on contract but just casual/daily wage employees. Their pays were booked under wage and not salary.

So for the interest of our people especially youngsters, we went to NSF and requested to look into this matter but instead the NSF supported the employees. They are after money only and not to stand for justice. Secretariat is the highest office so at secretariat level LDAs should be recruited only through NPSC and not through suitability. But even then these employees are appointed and later when sanctions posts come up they are adjusted.

As per the suitability guideline, it is applicable only to those who have been appointed against sanctioned post and not for those posts which have already been sent for requisition to NPSC or Selection Board or wherever court case is pending. But all these guidelines are not followed and illegal practices keep taking place.”

There are various union/association and what is found is that their objectives are to fight for the rights and interest of its members. The All Nagaland State Grade-IV Employees Association, All Nagaland Directorate & District Govt. Drivers' Union, Confederation of All Nagaland State Services Employees Association, Nagaland Senior Government Employees Welfare Association, Post Graduate Teachers Service Union etc. is associated with State Government organisation. But no initiative is found in supporting Government keep a check on malpractices.

Further, NSF, as recognised institutional mechanism also shows to have failed to stand for justice for all. Economic issues related to wage rate, life and health insurance, job security etc. are dominant objectives. But in recent times at the national level, there has been a perceptible change in attitude. Employee representative groups are now demanding for empowerment, participation, productivity, competitive advantage etc. At State level, this awakening is yet to be seen.

Ending this discussion, we stated that this illegal recruitment and selection practice must be causing a huge financial crunch on the departments to meet employees' expenses. Agreeing to this, he replies that,

“Yes, departments are frequently making overdraft to cover the salary of the excess employee, who had been appointed without being sanctioned. In fact without sanctioned post even ad-hoc should not be appointed. Besides, only sanctioned post and not ad-hoc post have budget/fund provision. Earlier there was no record management, no guidelines followed while now Suitability Test continue to defeat the very purpose of Employment Act and causing huge burden on the performance of every department. We are concerned only for few and not for the interest of public.”

Particularly the Public Sector, to justify its existence for social gain it need to act as one main agent for greater socio-economic development. For this, human resources, the only irreplaceable resource can help organisations achieve its goals. However, due to weak HRP skill, it is found creating avenues for employees lacking professional commitment to add more unproductive employees. If a person really has the desire to add value and is able to identify oneself with the values and objectives of the organisation, they most likely would not resort to any practices that can hamper its performance. Hence, it is possible to say HRP the foundation of the HR function is ineffective and has hindered the effective management of human resources from adding to greater socio-economic growth.

### **Case Study No. 3**

#### **A Retired Officer from District Industrial Centre**

This third case study is a retired General Manager from District Industrial Centre (Industry and Commerce Department). The study has been conducted at the respondent's own residence at Dimapur on 1<sup>st</sup> August 2011. The respondent who is also a graduate (B.A) joined the department in the year 1973. In 2009, with the implementation of the new retirement Bill, the respondent had to retire at the age of 58. The main purpose of undertaking this case study was to capture the respondent's view of what actually prompted the Government to implement the Bill. However, the discussion started first with HRP at government level. Following his story, inquiry on other aspect such as performance appraisal system has also been raised. For storing of information a voice recorder was used.

In recent times, the media has been reporting news of overstaffing in Government departments, illegal appointments, shortage of salaries etc. All these problems are related to Human Resource Planning. Therefore, the first question put up to the respondent was on what basis requirement in terms of the number of human resources are done. To this, he replied that,

“Human resource planning at the Government level is nil. No forecasting is done. Staffing is done according to the structure of the organisation and staff requirement. For e.g., under one HA there are three UDAs. Under each UDA there are two LDAs. According to this pattern, when vacancy arises, recruitment is done or when the workload increases and shortage is experienced then new post may be created.”

This reminds us of case study 1 that is, ‘not aware’ of systematic staffing pattern. It indicates that the financial implication for post creation has been overlooked. That is, what happens if a post is created and later that job is no longer required there? Since the post has already been created departments cannot terminate that employee by removing that post. That will have severe impact on the employee but again if departments keep that post without serving any purpose, it will have adverse impact on the organisation. Depending merely on the organisational structure, support our previous interpretation that organisations have been operating without having any clear cut goals and objectives or in other words commitment to achieve its objectives. Thus, because of the lack of strategic direction it is seen that,



“Many departments are faced with imbalances in the supply and demand of staff across the districts offices. There are many LDAs in the organisation but these LDAs are attached somewhere else where there are already sufficient LDAs and their services are not required. On the other hand, there are some offices where shortage is experienced and works are piled up for weeks and months. But whenever, the surplus LDAs are summoned to these offices they are reluctant to comply and in most cases refuse to be transferred to another place of posting. Because they refuse to come, new proposal for post creation has to be made and if there is provision in the fund new post is created otherwise the proposal is rejected. This is the problem departments have been facing but are unable to fix it.” He stated.

What is noted here is the ‘surplus’, the ‘shortage’ or ‘refuse to be transferred’ and ‘unable to fix it’ reflects an ineffective HRP causing ineffective management of human resources. However, realisation of the consequences of failing to adhere to the norms of the organisation is also implicit but it is also found that,

“This problem have been discussed several times at the high level but when it comes to implementation it becomes a ‘once upon a time story’. Despite working out several plans, there have always been failures in systematically streamlining the staff requirements and implementing effective manpower planning. Work distribution and job allocation does not take place as per the planning of the program. These irregularities have been a major cause for misuse of fund for meeting staff expenses and have severely affected the performance of the organisations.” He stated.

This indicates that bringing effective workable solution/policy to this problem at practice level has been unsuccessful. Despite the realisation and discussion why there is continuous failure could be due to absence of strong commitment to achieve its goals and objectives as observed in case studies 1 and 2. Strong commitment should be reflected in effective policy planning followed by action.

In 2009, we saw one major event in Public Sector which after a long debate was finally implemented that is, the mass retirement. If HR policies practices had been implemented based on long term forecasting, Government would not have required pushing the VRS to solve the educated unemployed problem. However, to hear it from the side of the victim, I asked him what his story is and what could have been the main reason for the Bill. To this, he replied that,

“According to my understanding mass retirement was enforced for two reasons. Firstly, many of the senior employees recruited during the 1970’s and 1980’s were under-matriculates. And worst to this, most had tempered and drastically lowered their age. In those times, birth certificates issued by any recognised institutions like church were easily accepted by the departments. So I think to streamline this irregularities Government enforced the retirement Bill. The second reason was to absorb more qualified employees that it may reduce the problem of educated unemployed to some extent.

We do not question the Government's decision. In fact, considering the two reasons I stated, one can welcome such as Bill but without prior notice, it was declared emergency. Everyone of the targeted batch was asked to vacate the post immediately giving us a dateline in the same year the Bill was passed. We were not given the time to rework out our post retirement plan. This way we were punished. No courtesy or care at all even after rendering our service to the Government for so many years. We were mentally tortured and harassed. Thus, it was a punitive and a very reactive plan."

What we found here in the VRS strategy is that to solve the educated unemployed problem the low qualified employees had been targeted. However, instead of explicitly taking this criterion, it took the length of service and the age as the criteria. In this process of absorbing higher qualified human resources there is possibility of losing potential human capital which could have in one way save the cost from training activities. It is also found that to correct its earlier defects it has hurt the sentiments of many senior government employees. HRP should plan that employees have a satisfying retirement. Further, despite overstaffing, no intention of reducing workforce was observed and same unfair selection practices are still evident in section 4.15- 1 (A). Thus, it is difficult to say that commitment to achieve its goals and objectives has been established.

Similar to case studies 1 and 2, failure of the departments to comply with rules and order is also noted here. He stated that,

"Government was well aware of the age manipulation. Time and again, orders were also issued notifying every department to be vigilant against such illegal practices but without having any impact. Age manipulation is highly practiced in Nagaland to secure Government service. As you also may be aware through news media there are many ghost employees, absentee teachers, bogus employees, fake certificates, etc., in almost every department and not only in education department."

This indicates ineffectiveness of HRM in controlling employees' behaviour. In respect to high reliance on government service, job security as observed in Private Sector (Table 4.41.4, 31.25% 'average' and 20.16% 'poor') and the compensation as noted in case study 1 (Taxi Association, Kohima), 3 (Hospital, Dimapur), and 5 (Education Centre, Kohima) provided could be fostering it. However, there is also possibility of the organisation's internal work culture passively working behind this reliance. Had the organisations followed a selective and competitive recruitment strategies and strict adherence to the norms, possibility of discouraging this high dependence to certain extent cannot be ruled out. This may push/divert the effort level to try out for some other opportunities or stick to Private organisation (case study 1,

Taxi Association, Kohima). In respect to absentees drawing salaries, the researcher has come across some people who despite being employed as government teachers in Kiphire district, they are serving in Private schools in Dimapur. All these cases indicate ineffectiveness of HRM in enhancing the work culture and reflect the interpretation of continuous commitment in Public Sector (section 4.9- 1).

The socio-cultural factor is observed as playing an important role in fostering this work culture and also in dependence on government service. He stated that,

“All these unlawful activities, in many ways reflect the current government. For instance, if I am a Minister or MLA, how many people from my constituency or community I can help secure a government job becomes top priority. With no one to be held accountable, I am free to get it done. Or even when one becomes a Director and have only two to three years left for retirement, within that short period how many people he can help get a government job becomes a priority. And because of this, backdoor appointments and out of norms appointments are fostered.”

This shows the political and socio-cultural factors having negative influence on effective management of human resources. In such a condition ‘ism’ or discrimination can occur which can jeopardise one’s career aspiration, equal employment opportunity and most importantly HRD at the community level. This is reflected in respondents’ comment (section 4.3- 1), violation of recruitment rules (section 4.15- 1 (A)) and Table 2.1 and 2.2. This issue of not giving heed to fair selection practices need to be raised. Therefore, I asked him whether any organisations have intervened against these out of norms appointments. He said that,

“In 2011, NSF actually became aware that in Power Department, many such appointments had been taking place. So it started to investigate the matter but then they were easily bribed. When the Minister offers a huge lump sum of money, they are not able to resist and hence at the end of the day the matters are dropped from further investigation. Gradually everything becomes normal as though nothing illegal happened. NGOs are not strong. Employees cannot do or say anything because it will affect their job.”

As found in case study 2 (P&AR, Kohima), if employees have been recruited through backdoor, protesting may not work to their benefit. The continuous commitment is somewhat implicit as the cause of their silence. In respect to NSF, as found in case study 2 it is also reflected here. NGOs are also not found effective. This indicates that practices required for fostering productivity or gaining competitive advantage are not receiving highest priority from external stakeholders as well. Nevertheless, it is also important to know how accountability is reported to the Centre

(another key stakeholder) when there is no performance. So when I questioned him on this, he illustrated an instance of how it takes place. He explained that,

“When one project comes up, a committee will be form consisting of members drawn from the Secretariat level, Directorate level and field level. The committee chucks out the expenditure plan for the project worth say, Rs. 1 crore. Then they will discuss that Rs. 60 lakh will be invested in the project and the remaining will divide among them. So when one project requires one crore for successful completion and they are working with Rs. 60 lakh, the quality of the work is obviously adversely affected. But when audit or inspection comes, the fingers are pointed at the undergrounds. For instance, when giving report they will say, out of one crore, Rs. 60 lakh had been invested in the project and the remaining Rs. 40 lakh to the UGs when in fact out of the remaining Rs. 40 lakh, they have given them only Rs. 10 lakh.

So, you know, right from planning to execution of the project, there is no accountability and transparency. Ministers instruct Secretaries, Secretaries instructs Directors and Directors instructs District heads. When instructions are coming from higher-ups, no subordinates is able to question or protest against higher authority’s decisions about its accountability or credibility.”

This is similar to what we found in case study 1 that is, leader’s influence. However, what is notable here is that, quality and timely completion of work is not considered priority. This lack of commitment to strive for improved performance and to provide quality services and economic development in the State is noted subsection 4.10.4. The finding reveals that organisations’ human resources are not being effectively utilised to contribute to social gain. He further pointed out that,

“No Ministers are concerned about the performance of their respective departments other than helping their people enter government service. Political parties, administrative heads, NSF, undergrounds all are part of this mess and are connected forming a network.”

What we have discussed earlier in case study 1 and 2, is also reflected here that is, absence of clear cut goals and objectives towards adding to organisational productivity. However, since the focus had been on performance, to probe further another question was raised that is, how performance is assessed (Here, ACR has been mentioned because only after the respondent retired, the new APAR had been introduced). To this he explained that,

“In ACR, normally everyone is given good remark. Only in some cases where an employee has been suspended by the Director or Secretary, being aware of this incidence we cannot give good comment because it becomes obvious that the remark is biased. Otherwise, even if an employee may not be efficiently performing his/her duty, the least remark we give is ‘average’ because below ‘average’ will lead to an explanation call.”

The issue here is, if a person is not sincere or performing well, it should be corrected otherwise, the person may never realise that his/her performance is adversely affecting the organisation. So probing further, I asked him why actual performance level is not given and he replied that,

“When we have been working together like a family why give someone such remark and put them in trouble?”

The socio-cultural factors influencing the performance appraisal system is found here. But hoping that after the assessments, feedbacks of the reports will be given, I raised this question. To my dismay he responded negatively that is,

“The final assessment or reports of ACRs are not discussed with the employees. Based on seniority when the time approach for getting promotion, the past three years ACRs are examined and if adverse remarks have been found then it will adversely affect the promotion chance. That is why ACRs are kept confidential and not disclosed. Occasionally, when very adverse remarks are observed, then a warning letter is issued to that employee by the Head of the Department for improving his/her performance.”

Though, in respect to very adverse remarks attention is given, the overall procedure does not reflect a transparent system of appraisal. As he stated that, “For good or excellent performances no appreciation letters or encouragement is given” shows that excellent remark which needs to be communicated to encourage and motivate employees to perform better is not practiced.

From the overall observation drawn from this study, similar to the above two case studies, we see an organisation where human resource management system is lacking effectiveness. Right from planning to implementation and right from recruitment to exit, the word ‘systematic’ is lost and every part is functioning on its own with no objectives towards performance.

#### **4.19 Summary of the Case Studies**

The main observations from the above studies is briefly summarised here.

Firstly, at the apex policy planning and making level, it is found that political commitment to push for reforms aimed at improving efficiency, quality and effective governance is lacking. This is found to have weakened the accountability level and as result of which performance and productivity is found to receive the least priority.

Secondly, Ministers whose focus should be on taking major policies and providing proper leadership and vision for improving the administrative and operational responsibilities under their charge were found diverted. Their energies are wasted in interfering in routine administrative and operational matters where delegation of powers is already there. This could also be the reason for failing to give merit attention on effective policies for improved performance and productivity.

Thirdly, this divided attention is found resulting in poor manpower planning skills. Ad-hocism, such as the VRS, Suitability Test, Contract Appointment conceived and rammed through legislation without adequate consideration of consequences or long-term costs and benefits in handling of several personnel issues indicates ineffective HRP. Recruitment of excess workforces is found causing huge financial burden. Despite identifying the factors behind the maladministration, no strategic action plans is found taken for rightsizing the workforce strength. The 2009 mass retirement policy is not found having positive impact in systematising the staffing pattern in tune with the staffing budget, or balancing the job and job seekers, or creating equal employment opportunities.

Fifthly, the cascading effect of weak commitment from apex level to weak HRP skill is found creating a work culture that is divorce from performance oriented culture. In performance appraisal, assessment is not link to the actual performance nor linked to motivation and training needs for improved. Backdoor appointments and Suitability Test also shows that employees are not selected on the basis of merit to foster a competitive work culture. This is found adversely hampering the effective management of human resources and resulting in losses and poor performance in delivery of public services leading to unfulfilled expectations.

This ineffective management of the employed human resources, therefore, is found hampering in accelerating the socio-economic development in the State that could have to a large extent solved unemployment problem in Nagaland.

## **CHAPTER 5**

### **SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS**

It is said that the quality of HR is largely a reflection of the level of development of a region. In the context of Nagaland, however, the State has witness many industries that have failed to sustain due to several associated HR management problem and rendering many jobless. Especially at present time, the unprecedented growth of educated unemployed has become one major concern in the State. Added to this, the Public Sector is faced again with unproductive excess employees while Private Sector do not seemed to be favourably looked upon by today's youngsters for establishing one's career. It has also failed to bridge the gap between the least privileged and the mainstream society. This is evident from the quality of life of majority of the Naga population leaving in rural areas that are poorly served.

The insufficient attention to human resource practices thus remain a dominant constraint on the reform process. Consequently, Nagaland State is yet to unleash the huge dormant available human potential for the development of the region. Hence, we felt that this is the right time to undertake an evaluative research on HRM in Nagaland. The study provides comprehensive information on HRM system in Nagaland and thereby suggests positive measures for improvement in the existing organisations and to assist policy planners find new course of actions.

There is a growing significance of HRM, particularly in developing countries, for the success of any development effort. HRM seeks to ensure that organisational effectiveness and capability is enhanced through optimal utilisation of the human resources. In pursuit of achieving its objectives, HRM is simultaneously concern for attaining individual objectives, and societal objectives. It aims to contribute to the minimisation of socio-economic evils such as unemployment, under-employment, inequalities in the distribution of income and wealth and to improve the welfare of the society by providing employment opportunities to weaker sections of the society. It is, therefore, crucial to gain an understanding of how human resources are managed, interpret the finding and formulate new courses of actions that can contribute to both theory and practice and to bring about a positive impact.

In view of the above in addressing these HRM challenges, the program evaluation has been done from a formative perspective. An open systems framework underpinned by a multiple stakeholder approach has been used as a sensitising framework to guide empirical investigation.

Firstly, the study has been done by examining the effectiveness of the HRP skills. Management of human resources begins with Human Resource Planning (HRP) because ineffective HRP can lead to organisations' inability to meet short-term operational plans as well as its long-term strategic goals. Planning for human resources is more crucial than planning for other resources as the demand for it will depend on the size and structure of the human resources. Hence, effectiveness of HRP has been determined by examining the quality and quantity of the acquired human resources to help organisations meet its goal while helping to maintain a balance between the jobs and job seekers in terms of job requirements and job-seekers' abilities and aptitudes.

This is followed by evaluating the effectiveness of the HRM system by focussing on the processes that is, how the HR practices are carried out. The effectiveness of the HR interventions is determined based on employee's perception and trainee's (students) assessment. Unless employees are willing to contribute, organisation cannot achieve its goals. Trainee, as a direct receiver of the service is also another stakeholder whose views are as much important as other stakeholders.

Societal needs are manifested in the legal framework and social mores of the society under which it operates. Hence, the ethical management of human resources is examined to determine the effectiveness of HRM in fulfilling the societal objectives.

This framework as explained in chapter one is presented in five chapters.

## **5.1 OVERVIEW**

The framework of this study as discussed above has been drawn based on a thorough review of literatures in chapter one. Here, the main objectives and methodology undertaken for this evaluative research has also been highlighted.

Based on the finding, this study attempts to place recommendation for better human resource management and development result. To accomplish this objective, a deeper understanding of its historical evolution and growth is required. Hence, tracing its development and growth from the international to national context and State level



in particular, the evolution and present status of HRM and HRD is discussed in chapter two.

It is found that in Public Sector, although the need for strategic management has been emphasised, at practice level, it is still following the Personnel Management approach. This somehow reflects the American era during the 1920s when strategic approach to labour management was stressed on by several scholars of that period. Private Sector, though espouses the rhetoric of soft version of HRM, at reality the approach is more or less hard. In respect to HRD, organisations in Nagaland, not only at the micro level have failed in enhancing employee productivity but also to have a positive impact at macro level. It is observed that the absence of long term strategic focus has failed to enhance the quality of life of vast section of the Naga population.

To facilitate this evaluative research in drawing a comparison of the HR interventions sector and unit wise, further attempt has been made in chapter three to examine in detail the ongoing HR practices of the selected organisations.

On an individual level under Public Sector, SBI Bank (Central Government departments) is found to apply a more advanced HRM practices. Under Private enterprises, Org 5 (Computer Centre, Kohima) is found applying considerably a more advance approach as compared to the rest. Under other organisations, Joint Venture (NEPED) is one that needs to be emulated. The effectiveness of the HR interventions, however, has been analysed in general that is, under two sectors namely Public Sector and Private and other organisations in chapter four.

In this fourth chapter, a comparative study has been drawn between the Public and Private and other organisations in particular and effectiveness of HRM at the State level in general. For this purpose, eleven organisations each have been selected under both sectors. In respect to respondents, using proportionate stratified sampling 256 respondents have been selected representing the Public Sector and 144 respondents representing the Private and other organisations. In respect to trainee (students), using disproportionate sampling, 105 respondents have been selected with fifteen respondents each from the five Public Training Institutes and two Private Training Institutes.

To assess the effectiveness of manpower planning, the demographic profiles of the employees at PWD and DIC have been collected from the entire three districts offices, sub-divisional offices, and directorates under Public Sector. Except NST, the demographic data covers its entire branches and offices operating in Nagaland. In

Private Sector, only the accessible data of the entire employees have been reflected and compared with Public Sector. Primary data have been integrated in the analysis and interpretation of quantitative data.

The finding of this study shows that, as observed in chapter two and three, HRM in Nagaland State have been traditional in its approach and this approach is found ineffective. The findings have been presented here using SWOC analysis highlighting the Strengths, Weaknesses, Opportunities and the Challenges that lie ahead for both sectors. In the last part, recommendations for further research have been included.

## **5.2 SWOC ANALYSIS**

### **5.2.1 STRENGTHS**

Four major strengths have been identified in Public Sector. First is the huge number of well experienced workforce that is, 30.95% having work experience of 29-20 years and 8.83% with 34-30 years (Figure 4.5). Though, training and development activities as discussed in chapter three is found lacking, their experience itself should have trained them in acquiring the basic knowledge, skills and abilities. Thus, it may not require huge investments in technical trainings apart from focussing on continuous management development and self learning. These experiences are an added advantage that needs to be utilised to the fullest for improving organisational working system and productivity.

The other strength is Public Sector organisations have employees with high intellectual human capital that is not found in Private and other organisations. These human capitals are the employees recruited through NPSC that is, 9.37% as against nil in Private and other organisations (Table 4.17 and 4.18). This is because so far to our knowledge no person in the State who has qualified the competitive exam conducted by NPSC would choose to work in Private Sector in Nagaland especially the Gazetted level. Without any prejudice, we can say that this is a matter of pride. As the organisations' knowledge bank, Public Sector therefore needs to effectively utilise their human capital by incorporating their views and suggestions on how to accomplish the organisational goals and objectives.

Thirdly, it is fortunate that Public Sector organisations have its own well established training centre headed by a senior Officer drawn from the All India Service Cadre (section 3.1-III). It has its own team of permanent, professional and

experienced trainers in various fields like Management, Public Administration, Accounts, financial management, Computers, Disaster Management, behavioural sciences and economics. Subject experts and guest faculties are also invited from within and outside the State from time to time. The course contents are constantly upgraded and designed as per the user requirements, based on feedbacks received from previous courses and as per the latest policies and trends of the government. Therefore, whenever opportunity arises, departments need to make full use of the State's own training centre.

Lastly, Public Sector has been observed taking various initiatives in HRD aspect during the 21<sup>st</sup> century such as the State Training Policy introduced in 2004, Motivational Training for Policy Makers and workshop on Transparent and Accountable Administration held in 2000, formation of Vision Groups in 2001, and the introduction of Training Need Analysis in 2008 (subsection 2.7.2- V). These interventions have been made with the focus to move towards a strategic management. Such initiative is not found in Private and other organisations. Though it is not free from certain weakness that has been identified under Weakness, the realisation and attempts that have been taken for incorporating the human resources in the organisational plans and objectives can be considered as one of its strength.

In Private and other organisations, having the privilege to recruit younger employees (37.55% between 20-29 years, Figure 4.6) and educated workforces (47.64% higher secondary and above, Figure 4.8) is an added advantage for this sector. These characteristics reflect the dynamicity and adaptability of the workforces to technological changes and work culture and the ability to generate innovative and creative ideas for improving products and services.

Secondly, though every organisation is driven by clear cut goals and objectives, why this has been identified as its strength is because a difference is observed in comparing to Public Sector. It is obvious that in many businesses, the main objective is profit and quality service to customer. The later has been reflected in the trainees' response where from the Public Sector Institutes itself, 8.22% said they plan to work in Private Sector because it has more modern equipments. From the Private Training Institutes, 25% said they prefer Private Sector because they want to upgrade their knowledge and experience (Table 4.49). Further, it was found that Private Sector is performing better in producing intellectual human capital than Public Sector. For instance during the recent result declaration of Class XII 2013 batch, out

of total 55 toppers 46 (83.64%) were from Private Institutions (subsection 4.10.4- j). This reflects a higher service quality in Private Sector. Thus, Private Sector having a clear focus in achieving its goal is also one of their strengths.

In training aspect, it is found that Private and other organisations are performing better at both the employee and trainee level than Public Sector. For instance, the 'Strongly Agree' impression in the entire seven statements is found ranging lowest from 31.15% to highest 40.98% (Table 4.20). In Public Sector, this impression is found ranging lowest from 9.32% to highest 17.39%. In statement 4, 40.98% 'Strongly Agreed' that the training is relevant for their job while Public Sector showed only 16.15%. In statement 5, 39.34% strongly agreed that it stimulated their learning while Public Sector showed only 17.39%. In statement 3, 32.79% strongly agree that the training is up to their expectation level while Public Sector showed only 9.32%. Even at the trainee level (students), 70% of the respondents were of the view that the training course is highly meeting their expectations as against 16% from Public Sector (Table 4.43). The higher performance exhibited in training can also be considered as one of the strength of Private and other organisations.

### **5.2.2 WEAKNESSES**

In this part, the weaknesses have been identified at four levels namely, owner and investor level, employee level, trainee level, and societal level.

#### **Owner and Investor level**

In respect to Human Resource Planning (HRP), it is found that Public Sector has failed to adequately address its future labour demands and the future supply for labour and skills. This failure necessitated the fire-fighting approach through the dreaded VRS to remedy the imbalance between the huge supply of (educated unemployed) manpower and the growing demand for knowledge workers and human capital. The implementation of the VRS is observed to have been enforced to solve unemployment problem. However, according to our observation derived from case study 3 (a victim of the VRS), this Act is enforced to also solve this mismatch that is, to absorb more qualified employees in replacement of the huge number of matriculates and below qualified employees (61.56% (N=3,150), Table 4.6). This shows the ineffectiveness of its HRP skills that led to recruitment of huge low qualified employees on a regular basis while the State had been witnessing the growth

of educated unemployed youngsters wasting away their learnt knowledge (Figure 4.7, only graduates and above that is, 2,958 in 1999, 7,343 in 2007 and 23,232 in 2014).

Despite the attempt to bring a positive impact, since length of service and age had been set as the main criteria rather than the skill, knowledge and abilities (SKAs), there is possibility of potential knowledge loss. Capable employee that could have been an added value to the organisations for which it had invested over the years through various training and development programs should have been dismissed through the scheme. Another point of worth noting is that, the enforcement of the Bill popularised particularly for mitigating the unemployment menace and not for downsizing shows that the problem of salary overdraft caused by overstaffing has been overlooked. This is seen to the extent of exceeding from the norm fixed by the 13 Finance Commission at 35% of the total revenue expenditure for state's salary expenditure to almost 43% (Table 4.28 and Figure 4.13).

Adding to these adverse consequences caused by the ineffective HRP, unfair selection practices which actually have been the main cause of overstaffing is still found practicing. Out of 3,495 employees that retired from November 2009 to January 2012, it is found that only 470 employees were recruited through the prescribed selection method that is, NPSC/DSB. Also as per the reservation policy for Backward Areas, out of 873 posts in the vacancies entitled to people from ENPO areas, it is found that only 358 posts were allotted to ENPO (section 4.15 – (1) A). This finding not only show that the Public Sector is still confronted with high expenditure on human resources failing to justify its budgetary and need base staffing requirement (Figure 4.13) but also in failing to provide equal employment opportunities to the underprivileged.

In regard to equal employment opportunity in respect to gender, it is found that there is still huge disparity between male and female participation in the organised sector of economy in Nagaland State. In 2004, it is reported that participation of female in the services sector was only 14%, out of which only around 7% were professionals while in manufacturing only 6% (section 4.2). The analysis of data collected from the selected organisations also shows that in Public Sector, female participation is meagre 21.26% (664/3,123) while in Private, female workforce constitutes only 34.98% (163/466). Further, it is found that women are playing only a minor role in the upper echelon. For instance, in Public Sector, the participation of women in Class I&II category is 31.59% (24/76) while in Private and other

organisations, female represent only 23.26% (23/43) of the workforce (Figure 4.10 and 4.11). Added to this unequal representation, participation of women in the workforce is prominent more in the informal sector where earning is low, opportunity for growth is limited and also not recognised as main worker. For instance, women apart from engaging in fields and farm work are engaged in many other petty businesses from weaving, tailoring, knitting, manufacturing own hand made products such as detergents, soaps, candles, ornaments, pickles, dry fruits to selling vegetables and flowers in the markets, running tea stalls, pan shops etc.

Further, as evident from the survey report conducted by DHDR in 2009 at three districts namely Kohima, Mon, and Phek, wage disparity continues to exist despite the Indian Constitution under Article 39(c) granting 'equal pay for equal work'. The report highlights that 55.47% of men from rural areas and 54.64% from urban areas supported wage disparity between male and female. On the other hand, 37.59% of women from rural areas and 39.14% from urban areas had similar view. With limited ownership of physical and financial assets, or in exercise of civil and political rights, gender inequality is seen to the extent of where women's contribution in economic activity remains invisible. This is also one of the weaknesses in HRP in fulfilling its objectives in creating an equal employment opportunity for all.

In Private enterprises, staff turnover is found high. Table 4.9 shows that 68.05% (49/72) only from Private firms had work experience of three years and below. This high staff turnover is further cited in case study 2 (Hospital, Kohima) and 3 (Hospital, Dimapur). From case study 1 (Taxi Association, Kohima), 3 (Hospital, Dimapur) and 5 (Computer Centre, Kohima) (section 4.1- 4), unsatisfactory monetary compensation is observed as one of the reasons. Thus, even in Private and other organisations, due to its ineffectiveness in monitoring pay practices that is, what competitors in the external environment for the same labour are paying, it has failed to maintain equalities in the distribution of income and wealth.

Additionally, coherence of HR practices is found lacking in both sectors. Each sub functions of HRM are found operating as relatively autonomous units with no real coordination. Starting from the hiring event this activity is treated primarily within the context of hiring decisions rather than adopting a systems view of selection. Systems view treats several HR practices e.g. training, performance evaluation, special assignments, career development etc. as a selection processes.

For instance, in Private and other organisations, certain motivational techniques such as rewarding ‘Best Employee’ awards, bonuses, organising special events has been observed at DIMUL Ltd. (Dimapur), Japfu Hotel (Kohima) and Org 3 (Hospital, Dimapur). However, a Security Guard from DIMUL Ltd. stated that the rewards and acknowledgements do not add up in helping them meet their daily life contingencies and also expressing an intention to quit. Case study 3 (Hospital, Dimapur) also reported of high staff turnover. At Japfu Hotel, the onset of demotivation is observed where the Assistant Manager stated that discontinuation of such events have left them without having anything more to anticipate. Further, employees’ perceived performance shows highest just the moderate level that is, ‘good’ (Table 4.25, 41.67%). Further, in none of the HR practices, highest ‘Strongly Agree’ impression is found (Table 4.20 to 4.23). This is because the HR activities have not been well aligned with each other and as such it has failed to achieve greater impact on motivation, retention and productivity.

Similarly, in Public Sector, the ill integration of HR practices is observed from the lack of motivation to work sincerely (subsection 4.15- (1) E). It has also failed to gain affective commitment despite their long endurance. For instance, three respondents from NST (Mokokchung) reveal the lack of opportunities as the reason of sticking to their job while one respondent further stated that most employees are present only on Mondays and Tuesdays. This lack of commitment is seen rendering the department (NST) in an accumulated loss of Rs. 164.63 crore as on 31<sup>st</sup> March 2005 and shortfall of potential revenue amounting to Rs. 50.72 crore as on 31<sup>st</sup> March 2010 (subsection 4.10.5).

At this age of global and technological innovation, mere acceptable perceived effectiveness is not adequate to foster motivation, commitment and productivity. This would imply that HRP in both sectors has not received wholesome and quality attention and failing to accomplish its objectives. Further, these HR practices are found falling short of fostering a high performance work culture thus failing to satisfy the Owner and Investor of HRM.

### **Employee Level**

In respect to QWL (Table 4.40), it is found that highest per cent of the respondents perceive it moderately effective. In job satisfaction, a mix response is found (Table 4.41.1 to 4.41.7). For instance, highest per cent of respondents from

both sectors rated 'poor' in promotional scope that is, 35.94% and 39.58% respectively. Another considerable per cent from both sectors rated an 'average' satisfaction level that is, 21.48% and 27.78% respectively. This shows that satisfying career opportunity which is an important indicator of QWL is lacking in both sectors. In regard to equitable reward systems, highest per cent from both sectors exhibited 'poor' satisfaction level that is, 40.63% and 36.11% respectively. A considerable per cent again from both sectors that is, 33.98% and 28.47% showed an 'average' satisfaction level. This shows lack of perceived fairness which again is another important indicator of QWL.

A difference is observed in the working condition facet between the two sectors. Highest per cent that is, 41.41% from Public Sector showed 'average' satisfaction level while highest per cent that, 36.11% from Private showed 'very good'. In Public Sector, the average working condition could be one among other reason for lack of intrinsic motivation because challenging and stimulating work environment are also known to motivate and enhance employees' performance. On the other hand, in regard to job security, highest per cent that is, 36.72% from Public Sector showed 'very good' while highest per cent that is, 31.25% from Private showed 'average' satisfaction. This could be due to the hire and fire at will policy practiced in Private Sector. In the remaining three facets, highest per cent from both sectors rated 'good'. Thus, it is found that Job Satisfaction in neither of the sector is high and somehow of a moderate level.

Moderate level has a positive connotation. However, what is found in this study is that the moderate QWL, Job Satisfaction or the HR practices is not adequate to motivate and gain affective commitment of employees and solved the retention problem in Private firms. At Public organisations, it shows that it is not adequate to extract the most out of the employees to help organisations accomplish its goal.

### **Trainee Level**

Despite the good effort of trainers in Public Training Institute of always being well prepared (89.34%) and always approachable and helpful (96%), observation of the overall feedback from a good number of trainees is worth giving serious attention. The problem identified here is the approach of conveying the relevance and scope of the training course. 62.67% of the respondents recommend 'providing better information before commencement of course'. On the other hand, only 48% stated



that information was 'well informed', while 46.67% stated 'partially informed' and 5.33% 'not at all' (Table 4.42). The second and third (partially and not at all) overall shows 52%. Slight variation is observed here with the recommendation. Regardless of this, it shows that more than fifty per cent of the respondents are not satisfied with information provided before starting of the course.

This is the entry stage when with the help of the institute the trainees as per their abilities and aptitudes and the opportunities available in Nagaland need to identify what type of course will help them in fulfilling their needs and aspiration. When such information is not properly conveyed and the trainee takes up a course which may not be highly relevant for him/her to profess in that area he/she hails from, then ultimately the trainee may either have to profess it elsewhere found relevant (a loss to that community) or to end up like the B.Th and PG plus B.Ed employees as LDAs at DIC and PWD (Table 4.4).

Another point of worth noting is the State complains of shortage of skill professional to the extent of introducing 'Contract Appointment' (but the framers themselves systematically flouting this policy by filling this technical/professional reserved post with non-professionals) when the State itself could have introduced such courses long ago and recruited it from within our huge manpower supply.

Further, the State laments of 40% or about 15,000 students going outside the State for further studies and draining a net financial resource of Rs. 200 crore annually<sup>1</sup> without giving a thought of non-availability of text book; schools faced with shortage of teachers (Government High School in Meluri, Government High School in Tamlu, Government Middle School in Tuensang, Government Primary School in Peren, Noklak Government Higher Secondary School etc); Wangkhao Government College in Mon district run by Principal from a far off District that is, Kohima; ghost teachers in Zukikhe Government Middle School; non availability of teacher since 2012 till 2014 after up-gradating to GHS;<sup>2</sup> 1156 bogus teachers and 1084 absent teachers<sup>3</sup> etc. The implication is the cause is diagnosed long ago but not remedying it.

Further, in recent years the increasing number of especially the educated unemployed youth have led many Nagas to lament about our people disliking manual

---

<sup>1</sup> Cited by State Chief Minister, Neiphiu Rio in Nagaland Post dated 13/05/2009.

<sup>2</sup> Nagaland Post from the year 2008-2014.

<sup>3</sup> SIT Report in Press Release, Nagaland Post dated 3/3/2010.

job and losing Rs. 450.58 crores to non-Naga workforce.<sup>4</sup> This could be directed towards the young Nagas. However, if “dignity of labour” is the problem with the young twenty first century educated unemployed Nagas, we could say that it is also equally or more important to question about the crores of money we are wasting for the desk-oriented job. This is a job which most Government servants do not seem to like but would not miss a month in drawing salaries for work not done. We should therefore, once again think about whether it is only the youngsters that need to change the attitude from relying on government service and to pursue entrepreneurship. We definitely do need to change this attitude and help reduce corruption. But at the same time, we should try and introspect further at the ground realities of who have created this culture of easy money with secured desk-oriented job and need to (first) change their attitude? In other words, to be role models for the young ones to follow. This would imply that this attitude of disliking manual job or relying on government service have a very high possibility of stemming from the lazy but sophisticated work culture created by our HRM system.

Based on the above scenario, a little forecast can make the above argument all the more clear. At present, can we assure bright opportunities for the young aspiring entrepreneurs in a state where the government that is always running short of fund even to pay up employees salaries to finance and help these aspirants set up a firm? We have aspiring entrepreneurs who plan to seek Government help and start farming business (8.22%). Or in a State where after declaring 2006 as “Year of Farmers” with the “buy-back policy”, the following year that is 2007, an allotted fund of Rs.34.39 lakh meant for eighty one Agricultural Produce Marketing Committees as transport assistant is suspected of misappropriation? Or where Rs.18 lakh meant for construction of agricultural link roads to provide better connectivity from the villages to market centres is diverted for other purpose?<sup>5</sup> Because in 2008, Longkhum tomato farmers, Longkhum ginger farmers, Tsufeme cabbage farmers<sup>6</sup> and in 2010 Longkhum passion fruit farmers had sleepless nights seeing their toil rot away. The reason found is all due to failure of APMCs to despatch their products to market, due to bad road connectivity, due to high illegal taxation, and no cold storage.

---

<sup>4</sup> Evaluation Study on 'Employment Opportunities forgone by Nagas and Employment of Non- Nagas in the State', Publication No.52, Directorate of Evaluation, GON, Nagaland: Kohima, June 2007.

<sup>5</sup> Audit Report for the year ended 31 March 2007, p. 100, 108.

<sup>6</sup> The researcher personally visited Tsufeme village during the cabbage crisis in 2008

Or where the farmers no longer trust the government and burns away the seedlings because if they return back “the government will give the inferior seeds to some other poor farmers.”?<sup>7</sup> Or to only set up a firm in districts like Kohima, Dimapur or Mokokchung where it is highly viable for business but also with high extortion and continue to add in lopsided development and attract more migration from rural areas? Or to set up a firm in other district where the population does not have much purchasing power but relies on barter system for survival?

An example of this barter system, a lady from Nagaland University currently running a cafeteria had to shut down the school she was running in Akuluto, half an hour drive from Nagaland University. The reason found is because most parents do not pay the fees in cash instead pays back in kind and deeds such as with vegetables and cereals, fetching water or fire woods, etc.<sup>8</sup>

The purpose of putting up the entire question here is to ponder on how far the missions, vision, goals, plans, strategies, actions, performance indicators and so on of Public organisations’ have been effective? Or as visualised by the ‘Vision Groups’ that is “making the activities of the Department relevant and beneficial for the people of the State” as reveals in chapter two?

One of the main reasons observed here for the poor infrastructure resulting in loss for the farmers is caused by the misappropriations of funds meant for several schemes and the poor monitoring and accountability system in the department. Therefore, though under ‘strength’ of Public Sector we have mentioned that planners and framers have developed a strategic management perspective the weakness is, their planning is divorced from the mechanisms of implementation. As observed in section 4.10, it has failed to ensure that it is having the desired impact for the welfare of the people and accelerate the socio-economic development of the State as envisioned by the Vision Groups. Thus, reflecting back to the negligence of giving proper information on relevance and scope of the training course, what needs to be seriously addressed is, are the training courses as per the existing opportunities available in the State?

Indeed, the recent realisation for the younger generation to take up entrepreneurship is laudable and worth encouraging. However, provided the required resources are made available starting with proper career guidance as per their

---

<sup>7</sup> Morung Express News: dated 25/6/2008, 29/6/2008, 10/9/2008, 26/7/2010.

<sup>8</sup> Khesheli, Nagaland University, Personal Interview, dated 9/05/2014.

aspirations and most importantly the existing opportunities available in the State particularly those about to venture out into the employment sector.

### **Societal Level**

The entire finding found under ethical work practices and legal compliance in Public Sector reflects a deteriorating accountability, transparency and professionalism. The policy makers and framers of the well defined “The Nagaland Services (Discipline & Appeal), Rules, 1967” and the “Nagaland Government Servants Conduct Rules, 1968” have flouted these rules through a benevolent act-tolerance of malpractices of Government Servants. For instance, as on end March 2011 it is found that 32 cases of theft, defalcation etc. amounting to 9263.05 lakh were pending for final actions. Of this, twenty eight cases had been pending for up to five years, three cases for 5-10 years and one case for 15-20 years (Table 4.50 and 4.51). Further, tracing back from 1970s till 2014, serious transgressions and misconducts relating to violation of recruitment rules, office discipline, seniority and promotion, and Rules of Executive Business is found in section 4.15- 1. This is the underlining factor behind the weakened state of professionalism in Public Sector that has resulted in inability to strongly enforce and direct ethical conduct and take action on erring officers and staff. This has fostered the Public Sector departments to become an organisation where leaders/managers/officers are found busy managing other activities while forgetting to manage the most valued asset the “human resources”.

Public Sector is entrusted with the responsibility of judiciously utilising the public fund for attainment of all round socio-economic development in the State. However, reviewing the performance from the period 2006-2007 to 2012-2013 (section 4.10.4), it is found that certain Government servants are involve in regularly and efficiently misappropriating or diverting huge amount of funds (in cash and goods). For instance, under Sampoorana Grameen Rozgar Yojana scheme, it is found that beneficiaries had been deprived of minimum wages to the extent of Rs.2.18 crore during 2004-05 and 2005-06. During 2002-07, Rs.1.75 crore in nine of blocks and Rs.19 lakh in 16 VDBs is found misappropriated. Further, 9454 quintals of rice and 7309 quintals of wheat valued at Rs.1.98 crore and 1112 quintals of rice & 2703 quintals of wheat valued at Rs. 38 lakh is found diverted to open market. During 2009-13, Rs.182,46,65,972 lakh under SSA fund and Rs. 583.685 lakh under RMSA is found misappropriated.

When it is evidenced that these provisions which are meant for certain section of the rural population and the needy have failed to reach them, it would be a crime to say that societal needs and expectations have been fulfilled. Nagaland constitutes eighty per cent of rural population but it is sad to say that their future looks grim with the present system of transparency and accountability.

The Department of Planning & Coordination, Govt. of Nagaland in 2009, stated that the rise of unemployment in Nagaland is because of the ‘weak economy’ and ‘poor development of the State’.<sup>9</sup> And the reason for this as reflected here under weaknesses is because of the ineffectiveness of the prevailing HRM system. Starting right from the Human Resource Planning, it has failed to link the human resources to accomplishing organisational goals and objectives and thereby has miserably failed to satisfy the needs of the community at large.

Private and other organisations are found performing comparatively better in this aspect. However, certain instances have been noted of where employers are failing to comply with the ethical principle of distributive justice. For instance, withholding entitled provident fund is cited in case study 2 (Hospital, Kohima); delaying wage payment without justification in DIMUL Ltd. (Dimapur); and failing to raise salary based on performance in case study 3 (Hospital, Dimapur). This is a manifestation of undermining the employment relationship.

In respect to generating employment opportunities, Private Sector is found meagrely participating in generating productive employment opportunities. As on 31<sup>st</sup> December 2013, it is found that there are only 204 Private establishments employing a total of 4,686 workforces (section 2.8) while Public Sector is found overstaff by 54,689 excess employees. One of the reasons is because of Private Sector’s failure to retain its human resources by providing a satisfying career and meaningful work life as reflected in the case studies. This shows its inability to contribute in minimising socio-economic problems particularly unemployment, underemployment and dependence on Government job.

The finding of this study illustrates a deficient HRM system and particularly the Public Sector organisations failing to satisfy the social needs and expectations. Nevertheless, both sectors need to thrive to accomplish in having a positive impact on the society from whom it has derived its legitimacy and thereby justify its existence.

---

<sup>9</sup> Livelihood and Employment: Opportunities in Nagaland- Sectoral Issues, A Thematic Report, GOI-UNDP Project, Department of Planning and Coordination, Govt. of Nagaland, 2009, p. 46

### 5.2.3 OPPORTUNITIES

Nagaland has great potential to develop to an international trade centre in the near future in the East Asian region that is, a new era which will mark the break from the traditional pattern of our economy.

The Look East Policy with its thrust towards North-East promises a bright future for both sectors. As part of look east policy, trade between India and ASEAN countries is expanding significantly. India has signed Free Trade Agreements with Thailand and Singapore and with further plans to create a free trade with other ASEAN countries. Even outside of ASEAN countries, bilateral trade between India and China has improved significantly. In this context, Nagaland as part of North East India is also seen with high potential and optimism for this economic integration.

Moreover, the Thai government has also shown keen interest in investing on tourism, power, agriculture, floriculture, horticulture and setting up of mineral base industries in the North East. The recent two-day visit of the Princess Maha Chakri Sirindhorn on 26<sup>th</sup> and 27<sup>th</sup> February 2014 itself shows its keen interest in Nagaland State. All these indicate possibility of development of a strong trade and commerce ties between the foreign companies and the North East states.

As already briefly highlighted in statement of the problem in chapter one, Nagaland is endowed with favourable agro-climatic condition, rich forest and mineral resources, social capital and abundant manpower. Sadly, it still remains to be scientifically explored and utilised. The sheer diversity of cultures and unique system of governance has great potential to develop Nagaland into a tourist spot. As said by Lanunungsang and Ovung, that if Nagas are to show something before the world, it is their rich cultural heritage demonstrated through their festivals.<sup>10</sup> This in fact is reflected in the Hornbill Festival that have popularised Nagaland as the Land of Festivals and attracting foreign tourist from all over the world. In addition to this, the natural beauty and richness of its biodiversity further provides the scope for eco tourism that has immense potentiality for generating employment opportunities.

In respect to mineral wealth, though there are certain constraints due to the special provision under Article 371(A) of the Constitution including the funding and planning process, if explored can take Nagaland to a greater height of growth and prosperity. The State has rich mineral resources like coal, petroleum and natural gas,

---

<sup>10</sup> A. Lanunungsang and A. Ovung, Nagaland: The Land of Festivals, 2012, p. vi.

limestone, marble, granite, as well as metals like nickel, magnetite, chromium, copper, zinc, and cobalt. The hydrocarbon resources are found in the western portion while metallic and non-metallic resources are found in the remotest and backward eastern parts bordering Myanmar. This is the ideal spot for export to the South East Asian region.

Even in forest resources, with 80.49 per cent forest cover of the total area of Nagaland, the richness of biodiversity is evident from the fact that even without any scientific study, two of its species are mentioned in the Guinness Book of World Records. With favourable climatic condition and fertile soil, it has great scope in horticultural and plantation crops. Naturally it is blessed with numerous wild fruits, medicinal plants, aromatic plants, and bamboo, the fastest growing and highest yielding renewable resource. The rich natural wealth represents tremendous economic potentials. The intervention has already been made by NEPED in these activities with great achievement strengthening the capabilities of local communities to live a standard quality of life.

In education sector, with English being the medium of instruction also has huge scope to leverage the advantages in IT sector. Further, with education being the key driver for sustainable development, the initiative to strengthen it is already evident in the Communitisation process of elementary education. Though, certain challenges in respect to the quality and implementation remains, the effort to bring easy access to educational institution provide greater scope for harnessing the human resources to contribute towards prosperity of the State and society. In addition to this, the huge availability of educated youngster solves the shortage of demand for knowledge. It offers the opportunity to select the most appropriate and talented ones.

Because of these immense available resources, it has the opportunity for the State to become one international trade centre. Thus, even The State Industrial Policy-2000 (revised in 2004) has already set clear cut goals and objectives. It aims to promote rapid industrial development; encourage entrepreneurial and other technical skills; promote export-oriented industries; develop marketing facilities; promote Tourism Industry; expedite formalization and development of cross border trade with Myanmar etc.<sup>11</sup>

---

<sup>11</sup> State Industrial Policy – 2000 (Revised - 2004), Department of Industries and Commerce, pp.1.

No organisation or nation can grow or compete unless it has clear cut goals and objectives to attain. With clear objectives to accomplish, what we need now is to gear up our workforces. It is time when the strengths and the available resources need to be harnessed for greater development. These will enable both the sectors to take advantage of these opportunities to flourish its business and services beyond the local market to international level.

The very fact that Nagas were once self-sufficient with no external aid or dependence on outsiders or even on technology is a reflection of the capabilities of the Nagas to once again live independently without reliance on Central fund. The rich variety of resources highlighted above provides the scope for both sectors to become the main agencies of development. But provided the human resources are effectively managed, developed and utilised. It is only the intellectual human capital that can exploit other resources such as the financial capital, machines, raw materials etc. and transform them into modern economies.

#### **5.2.4 CHALLENGES**

To grab the above opportunities, Public Sector, particularly would need to overcome several challenges. Firstly, downsizing its excess workforce that is, 54,689 (as on 2014, subsection 4.1- 2) to an adequate level is one of its major challenges. It is found that the 13<sup>th</sup> Finance Commission actually recommended to retrenched 46,599 employees. As observed from chapter two to chapter four, failure to have the right quality and quantity of HR at the right cost has depleted the entire functioning of the organisation. With its huge workforce and large communication gap between the higher and lower levels, effective monitoring of employees' performances has also become a problem. Thus, it would need to downsize its HR strength. However, the challenge is the impact on HRD at the community level. For this a reflection on the recent VRS as highlighted in section 4.1-2 would make it clearer.

The point is, how effective has this workforce planning strategy been and will it be in balancing the demand and supply of manpower in the State? With unemployment on the rise, if similar strategy is to be implemented, will it not add more to this problem? In recent VRS, it is found that 22.37% out of 3,098 employees retired at the age of 53-54. Moreover, as reported by the HPC, if most of the non-Gazetted employees have to go on early retirement, will they find an alternative to stay productive or will this early retirement pose another problem to the society? The



implication is the kind of impact whether positive or negative on the workforces and the community at large will depend on how effectively organisations plan and implement its future course of actions. It is important to stress here that unless the State focuses more on developmental activities that can generate ample avenues for absorbing the unemployed in productive work, it will continue to remain underutilised. This goes even with the employed HR who with or without downsizing will also remain underutilised. With downsizing, the employed HR must find some meaningful work to engage in from where they can derive satisfaction. Otherwise, downsizing will also make no difference.

The second challenge is installing a transparent and accountable system of HRM in Public Sector. As we found in the three case studies 1 (NST), 2 (P&AR) and 3 (DIC), finding a role model when we are devoid of an ethical leader who must as Dess et al. (2005) puts it “walk the talk” that is, being consistent in their words and deeds<sup>12</sup> is definitely a major challenge. Widmalm (2008), pointed out that Sodom and Gomorrah were destroyed not merely because the citizens had no morals or were lawless but because they were without God- a society out of control.<sup>13</sup> Similarly, Public Sector is in a state where the organisations have gone out of control without a role model.

Thirdly, the major challenge in Public Sector is providing training to the 1,20,819 (as on 2013) workforces (section 3.1- III) when it is found that minimal or no cost is demarcated for this activity (subsection 4.4.1- 3). The Public Sector is fortunate to have one training centre that is, ATI located at Kohima. But the question is, will it be able to provide training to this huge workforces on a continuous basis when during 2008-09, it is found that of the total 87,541 workforces it could provide training to only 2.37% employees (section 3.1- III). Though, Officer’s level are sent mostly outside the State and also the training activity as compared to the past is found to have progressed, it is observed that certain number of employees have never acquired any training (37.11%, Table 4.19). The implication is training should not be a onetime activity or limited only to the core employees.

Added to this challenge is training the ageing workforce particularly those with low level of education to become knowledge workers. As on 2010, it is found

---

<sup>12</sup> Dess, Gregory G., Lumpkin, G .T. (Tom) & Taylor, Marilyn L. (2005), Strategic Management: Creating Competitive Advantages, McGraw Hill Irwin Company, Inc, New York, 2005, p. 397.

<sup>13</sup> Widmalm, S. (2008), Decentralisation, Corruption and Social Capital: From India to the West, Sage Publications India Pvt. Ltd., New Delhi, p. 114.

that the highest per cent of employees in Public Sector is within the age group of 40-49 (33.68%, Figure 4.6) and highest matriculates and below (61.56%, Table 4.6). Again from within the 40-49 age-groups, as per the respondents' data only, highest per cent is found on the higher side that is, 45-49 (21.1%, Table 4.12) which by now that is, 2014 certain number of employees should have even crossed the age 50.

Fifthly, motivating employees and gaining their commitment to enhance both employees' and organisations' performance is another challenge. This is because with lopsided development in the State where many villages and districts like Mon (Table 2.1 and 2.2), Tuensang, Kiphire etc. are marginalised from mainstream society absentee or proxy employees may not want to back to this place of postings. For instances, irregularities and failure of the employees to be in their respective postings was found during surprise checking by Bhandari Town Student Unions (Wokha District) in the month of April and May 2010. It reported that offices of outpost veterinary department, junior electrical engineer and public work department were completely closed down with no staff in offices except one peon (subsection 4.15- 1, E). Case study 3 (DIC) also cited of surplus employee refusing to comply to get transferred. Thus, in this condition, how to deploy these employees back to their respective place of posting and make them perform their duty with all sincerity and dedication is another challenge.

In examining the influences of various factors on HR practices, we found the socio-cultural and political factors having adverse impact on the performance management system. The challenge here is moving towards a more performance oriented appraisal where actual contribution is appraised. As manifested in case study 3 (DIC), keeping aside this 'we-feeling' is another challenge because this is observed as one of the main reasons for the appraisers reluctance to give adverse remarks despite their actual performance ranking below average.

In respect to Private Sector, the biggest challenge is how to compete with Public Sector and retain high intellectual HRs in their organisations. As also reflected in the trainees response (2.06%, Table 4.49), there are many more youngsters in Nagaland who after serving in Private Sector for a certain period of time appears for competitive exams to secure government service.

The experience and knowledge is gained from Private Sector while the main Sector that gets the actual benefit is the Public Sector but failing to take advantage out of this. Hence, retaining core employees would mean gaining their affective

commitment. HR cost minimisation strategy is not criticised here. However, if Private Sector chooses this approach, it may need to devise other effective HR strategies to control this job hopping nature of the youngster after getting experience.

In this the advantage of Private Sector is that unlike the Public Sector, gaining affective commitment and motivating employees may not be very difficult. This is because motivating younger workforce should be easier than the aged workforce. Nevertheless, it all depends on effectiveness of the techniques developed.

### **5.3 MAJOR FINDINGS**

The major findings of the study based on the analysis and interpretation of the data are as below:

- a) As revealed in chapter two and three, the concept of HRM and HRD in Nagaland State though has evolved it is not yet fully internalised in internal work culture or practices of the organisations in the true sense of the terms.
- b) HRD at both organisational and societal level have failed to deliver positive impact in enhancing employee's productivity level and quality of life of vast section of the rural population.
- c) On the positive side, Public Sector organisation is found to have realised the need for and making attempt to move towards a strategic management approach.
- d) HRP the beginning of HR function has not received wholesome attention in both the sector. Public Sector is found staffed with huge number of matriculate and below qualified employees that is, 61.56% (Figure 4.5) at the same time burdened with 54,689 excess employees (subsection 4.1- 2). On the other hand, Private and other organisations were found having well qualified employees that is, 47.64% higher secondary and above (Figure 4.5) but faced with the problem of retention (case study of Org 1, 2, 3 and 5).
- e) In respect to employment, Private organisations were found meagrely participating in generating productive employment opportunities. It is found that this sector as on 31<sup>st</sup> December 2013 is employing a total of 4,686 workforces only.
- f) Public Sector reflects a deteriorating accountability, transparency and weakened state of professionalism. This has resulted in inability to strongly enforce and direct the ethical conduct of employees (section 4.15- 1).

- g) Employee's at both sectors though were found to perceive their HR practices moderately effective (Table 4.20 - 4.23 and 4.40); this moderate level was not found having positive impact on eliciting affective commitment or higher performance (section 4.9 and Table 4.24 - 4.25).
- h) In respect to Job Satisfaction (Table 4.41.1 - 4. 41.7), the study shows that it is somehow moderate but not adequate to foster affective commitment, motivation or productivity.
- i) In respect to training activity, Private and other organisations were found performing considerably better at both Trainee (students) level and Employee level (Table 4.20 and 4.42 - 4.46).
- j) Nagaland is endowed with rich forest and mineral resources, social capital and abundant manpower that offer great potential to develop to an international trade centre in the near future. Sadly, this remains to be explored and utilised.
- k) There is still a huge disparity between male female workforce participation in the organised sector of the economy in Nagaland State. In Public Sector, female participation is as low as 21.26% while in Private, it is 34.98% (Table 4.13 and 4.16).
- l) In examining the influences of various factors on HR practices, socio-cultural and political factors were found having adverse impact particularly in Public Sector.
- m) NEPED is found applying appropriate HR practices suiting the goals and entire stakeholders of the organisation. Its distinguishing features include highly decentralised system, effective manpower planning, strong teamwork culture, great motivational tools and HRD activities, effective communication system and shared accountability relationship (section 3.4).
- n) As compared to Public Sector, Private and other organisations were found performing considerably better in the field of HRM.

## 5.4 RECOMMENDATIONS

Foremost recommendation is both sectors need to regularly scan the internal and external environment in order to foster a proactive HRM system. A detail and structured manpower planning exercise would be suggested to carry out every year for a time spectrum of five years, linking it with strategic and organisational plans. Outside expert advice may be sought, if required, and subject it to review every year

by forming a Steering Committee of the Board on HR. It also needs to ensure adaptability and flexibility in recruitment policy to allow the right balance and mix of different types of human capital within this matrix. Professional HR practitioners equipped with adequate knowledge of their own organisations' strategy, its performance goals and drivers, and the external influences impacting upon their performance would be highly recommended.

The former Chief Minister Mr. Rio during his last speech at the State Assembly before the Lok Sabha elections stated, that the State has never resorted to drastic measures (downsizing) keeping in mind the welfare of the employees. This phenomenon (excess employees), which he stated has been occurring since the existence of statehood clearly shows the short term focus of the planners and policy makers. The short term focus to solve problem of unemployment or welfare of the employees is a disastrously wrong approach. It is therefore important especially for the leaders and policy makers in the State to shift their focus away from the traditional welfarist approach and move towards a strategic approach in practice. Trying to accommodate every unemployed or excess employees in State service is and will continue to have severe adverse consequences e.g. drain its financial resources, provoke conflict due to delay in salary payment, demotivate and diminish employee productivity due to less or no work etc. the list can go on.

If it really desires to solve this issue, it needs to integrate a broader strategic perspective by maintaining adequate human resources in the organisation. Excess expenditures on surplus staff should be invested in developmental activities and where the employed human resources truly prove their employability. The HR personnel and HRD practitioners should work out suitable alternatives for excess employees and see that their quality of life does not diminish by the impact of downsizing. Keeping in mind that 'Rome was not built in a day', development will gradually and definitely mainstream all remote underprivileged areas under its ambit when a long term strategic focus is applied.

The strategic outcomes will be reflected in the kind of human development it brings about— quality education facilitating employability, equal distribution of wealth and income between the rural and urban areas, controlled crime rate which includes corruption and a satisfactory quality of life enjoyed by all. It will also foster equal employment opportunity including gender equality even in organised sector of the economy which is of particular importance that both sectors need to look into. These

outcomes will further have large spill over effect such as reduce migration to urban areas, reduce unavailability of employees in offices located in remote areas etc.

Public Sector, need to focus in designing training and development program that will bring the right attitudinal orientation in the employees towards their work. Including the Private and other organisations, Public Sector also needs to ensure that actual and potential contribution to the organisation is given priority in the career progression plan. In this, career planning should link individual needs and aspirations with organisational needs and opportunities. This needs to be supported by counselling employee with realistic information about the career prospect that exists in the organisation.

To ensure satisfaction at both organisational and employees level, informal communication and consultation on a continuous basis would be recommended. Particularly in Public Sector, lack of communication as observed may send wrong signal to employees to view it as approval of their current undesired work habits and performance.

To ensure greater transparency, accountability and professionalism both sectors need to follow an inclusive management. It needs to encourage maximum feasible participation of public especially in Public Sector in the policy, planning, and decision-making processes of government in a democratic society. However, in absence of an ethical leader, first and foremost though sounding traditional, a compliance based approach is strongly recommended at least for the short run. This is essentially required to instil a sense of responsibility towards being accountable for one's own action. Compliance based approach will ensure greater conformity with externally imposed standards to prevent criminal misconduct. This should cover everyone involved from the State policy makers namely the political leaders and the top bureaucrats to the lowest level employees in the hierarchy. This should enhance the organisations' work culture towards a high performance work system.

For Private and other organisations, while keeping in mind the cost effectiveness of the organisation, it needs to also integrate the "soft" developmental humanist aspect of HRM. It need to conceptualise the organisation-employee relationship as a moral relationship and the recognition of employee as a "moral person" who has the right to pursue his/her own interest and to be engaged in decisions that affect these interests. Most importantly, it needs to consider employees as one whose needs and aspiration must also be fulfilled.

In respect to trainees (students), if the State desires that these courses/trainings provided yield in helping the trainees find a meaningful career in Nagaland, then first it need to reform the system that is, the Public Sector organisations. It needs to focus on strategically, effectively and ethically managing its State employed human resources and the Public fund. This will have long term implication on socio-economic development and absorb these trainees in productive work and help the State to stop pointing fingers at each other for the loss or draining of resources.

## **5.5 CONCLUSIONS**

HRM does not operate in vacuum rather it is affected by both the internal and external forces operating in the environment in which it is functioning. Therefore, for a strategic approach to managing human resources, strategic planning together with HRP need to ensure that HR policies and practices are properly linked with conditions in the external and internal environments of the organisation.

Secondly, HRM is a process (subsystem) which works within the context of an organisation system. At the level of subsystem, each subsystem can be treated as a system. A system is made up of interrelated parts that are so interconnected and interdependent that changes in one part lead to changes among all parts and to the system itself. This is because the effects of the behaviour of the parts on the whole depend on what is happening to the other parts. HRM as a system in its own context has several subsystems e.g., acquisition, development, appraisal etc. These subsystems must be properly linked to ensure positive contribution of each subsystem and to the system as a whole or in other words for the effectiveness of the system.

This study is a modest attempt to study the HRM system and evaluate its effectiveness in Public Sector and Private and other organisations in particular and Nagaland in general. It is found that management of HR in both sectors has been viewed merely as an administrative function and the need to align it with its strategic plans have been ignored. In circumstances, where HR is included in the strategy of an organisation such as recruitment of HR to accomplish certain task, its alignment does not go beyond the forecasting function. In Public Sector, failure to scan the labour market has resulted in overstaffing of low qualified employees that is, below matriculates and below. In Private Sector, failure to monitor pay practices in the external market has resulted in loosing scares skill personnel to its competitors.

Even in respect to internal alignment, coherence among HR practices is found lacking. For instance, in both sectors, reward strategy such as promotion in Public Sector and salary increment in Private Sector is not found linked to performance.

This ill integration has resulted in failing to contribute to short term goals such as financial returns in Public Sector and retention in Private Sector. Focus on longer-term, broad-policy and systems integration have been lacking in strategic issues. As such both sectors have failed in reducing unemployment and adding to socio-economic growth in Nagaland.

Though, as compared to Public Sector, Private and other organisations is observed to perform considerably better, overall, HRM system in Nagaland is lacking both vertical and horizontal integration. HR functions are treated in isolation from the wider organisational and external contexts in which they are embedded. This integration is central to systems theory because if a particular subsystem is not properly linked, it will have a negative impact on the other subsystems and spoil the whole system.

Despite HRM in Nagaland being traditional in its approach, the identification of its strengths shows that there is vast potential for both sectors to improve. The weaknesses identified should serve as a great step to help organisations implement necessary changes. Changes incorporated will help the organisations become healthy and sustain their growth and development in the long run. Even successful organisations, despite achievement of high profit need continuous assessment of the attributes that is lacking of a healthy organisation. This would imply that assessment is required for any organisation that aspires to effectively compete in the business environment and to attain the satisfaction of its entire stakeholder.

If organisations promptly implement corrective measures as suggested and strive toward a practice based HRM system, the opportunities identified will not go away wasted. This is because HRM is a proactive approach that helps organisations to anticipate future needs and act accordingly. If organisations desire to exploit the vast resources available, HRM can play a crucial role in the transformation and development of these resources into modern economies because all development emanates from the human mind.

Effective utilisation of human resources is made possible because HRM takes a system view. It is a long term perspective that takes into consideration the context in which it is operating. The analysis of the trends and projections of the external and



internal environment and the influences on the HR functions helps organisations to effectively and proactively tackle the impact of such forces. The scanning helps identify challenges and opportunities in the environment.

Moreover, since there is a clear connection between objectives, the budget and the human resources, human resource planning offer a means of systematically aligning organisational and program priorities with the budgetary and human resources needed to accomplish them.

Further, HRM attempts not only in making people efficient but to create proper organisational culture to utilise the efficiency. It aims at creating alignment of all HR functions to have positive impact on employee's performance. HRP is used as a tool for coordinating the range of human resources activities including recruitment and selection practices, compensation, training and development, performance management, and retention plans.

It also enables management to plan actions that will provide employees with realistic and satisfying career opportunities till retirement. It ensures that employees are provided high QWL that would minimise absenteeism and turnover, enhance employee engagement/involvement, increase organisational commitment, and their Job satisfaction level. Accomplishment in this ultimately contributes to organisations productiveness.

Thus, HRM is concerned not only with individual organisation's success and profit but also takes into account the satisfaction of its employed HR such as their needs, aspirations, values and dignity of individual employees while formulating its HR strategies.

Apart from this, HRM also has concern for the welfare of society. It aims at minimising the socio-economic problems of the community and the nation. HRM emphasises on creating and providing equal employment opportunity, protecting the underprivileged sections and the physically handicapped, minimising inequalities in distribution of income and wealth, etc. It also aims in creating a sound human and industrial relation by providing opportunity of expressions that it may not result in conflict and have adverse impact on the society or the organisation. It aims at formulating clear cut authority, responsibility, transparency and accountability.

HRM provides a holistic approach to management of human resources. It is not confined to business unit alone. It is applicable to non-business organisation such as education, health care, hotel industry, NGOs etc. because it is 'people' working in

these organisations that HRM is concerned about. Making effective use of the human capital and achieving greater positive impact on both the organisation and the society in which it is functioning is its goals. Therefore, the researcher reiterates that every organisation in Nagaland needs to reform its system from the present reactive personnel approach and move towards a strategic HRM approach. Only then, it will foster all round development in the State and unlock the door to modernisation.

## **5.6 RECOMMENDATIONS FOR FURTHER RESEARCH**

A narrower study is suggested where a more representative sample of HRM is drawn from a specific size of organisation or a specific sector. This is because between the fully private owned enterprises and semi establishments or Joint Ventures and NGOs etc., variation in the degree of environmental influence in these organisations may exist. This will illuminate wider diversity in HRM practices based on its impact than what has been observed in the study.

Future research that employs a longitudinal research design and examines the relationship between HR practices and important outcomes may provide richer insights into the nature of the relationship. It will also enhance in understanding the time lag necessary to realize the benefits of the HR practices.

For further research, utilising both institutional and resource dependency perspective from an open system framework would facilitate deeper understanding. It will enable to capture the complex interplay of how both economic and social-political dynamics shape HRM. This is because the survival of an organisation depends not only on financial competitiveness, but also on its ability to legitimize its existence towards society and relevant stakeholders of the organisation e.g., employees, customers, trade unions, and local government.

## BIBLIOGRAPHY

### Books

- Allen, David G. (2008): *Retaining Talent: A Guide to Analysing and Managing Employee Turnover*. Society for Human Resource Management (SHRM), USA.
- Ao, A. L. (2002): *From Phizo to Muivah: The Naga National Question in North East India*. A. Mittal Publication, New Delhi.
- Ao, L. and Ovung, A. (2012): *Nagaland: The Land of Festivals*. NEZCC, Dimapur.
- Armstrong, M. (2006): *A Handbook of HRM Practice*. 10<sup>th</sup> edn, Kogan Page, London.
- Armstrong, M. (2009): *Armstrong's Handbook of HRM Practice*. 11<sup>th</sup> edn, Kogan Page, London.
- Armstrong, M. (2010): *Armstrong's Handbook of Reward Management Practice: Improving Performance through Reward*. 3<sup>rd</sup> edn, Kogan Page, New Delhi.
- Arndt, C. (2011): *The Importance of Face to Face Communication in HR Department: A Study in the Field of Organizational Communication*. Master in Communication Thesis, Report No. 2011: 046, University of Gothenburg.
- Ashour, Ahmed S. (2004): *Transparency and Accountability in the Public Sector in the Arab Region- Integrity, Transparency and Accountability in Public Sector HRM*. Concept Paper 3, United Nations.
- Aswathappa, K. (2005): *Human Resource and Personnel Management: Text and Cases*. Tata McGraw-Hill Publishing Company Ltd., New Delhi.
- Aswathappa, K. (2010): *Human Resource Management: Text and Cases*. 6<sup>th</sup> edn, Tata McGraw Hill Education Private Limited, New Delhi.
- Baishya, P (2012): *Economy of Nagaland in Transition: A Case Study on Infrastructure Facilities*. Global Publishing House, India.
- Boxall, P., Purcell, J. and Wright, P. (2007): *HRM: Scope, Analysis and Significance*, In P. Boxall, J. Purcell, and P. Wright (eds.), *The Oxford Handbook of HRM*, Oxford University Press, New York.
- Budhwar, Pawan S. (2001): *Human Resource Management in India*. In Pawan S. Budhwar, and Yaw A. Debrah (eds.), *HRM in Developing Countries* Routledge, London.
- Bratton, J. (2007): *The Evaluation Context*. In J. Bratton, & J. Gold (eds.), 4th edn, *HRM: Theory and Practice*, Macmillan, UK.
- Charity Central (2011): *Road to Accountability Handbook*. Charity Central, Legal Resource Centre of Alberta, Ltd., Edmonton, Alberta.
- CIPL (2010): *Demonstrating and Measuring Accountability: A Discussion Document*. The Centre for Information Policy Leadership, Hutton & Williams LLP.
- Das, D. K. Lal (2000): *Practice of Social Research*. Rawat Publications, New Delhi.
- Dess, Gregory G., Lumpkin, G. T. (Tom) and Taylor, Marilyn L. (2005): *Strategic Management: Creating Competitive Advantages*. McGraw-Hill Irwin Company Inc., New York.
- Dessler, G. (2005): *HRM*, Prentice Hall of India, New Delhi.

- Devanna, Mary A., Fombrun, C. and Tichy, N. (1981): *Human Resource Management: A Strategic Perspective*. Organizational Dynamics, Elsevier Science Publishing Company Inc.
- Drucker, P. F. (1986): *Management, Task, Responsibilities, Practices*. Truman Talley Books, USA.
- Drucker, Peter F. (2002): *The Effective Executive*, Harper Business Essentials.
- Druke, H. (2007): *Can E-Governance Make Public Governance More Accountable?* In A. Shah (ed.) *Performance Accountability and Combating Corruption, Public Sector Governance and Accountability Series*, The Work Bank, Washington.
- Farnham, D. (2010), *Human Resource Management in Context*, CIPD, UK.
- Ghosh, B. (2000): *HRD and Management*. Vikas Publication House Pvt. Ltd., New Delhi.
- Gomez-Mejia, Luis R., Balkin, David B. and Cardy, Robert L. (2005): *Managing Human Resource*. Prentice Hall of India, New Delhi.
- Guest, David E. (2007): *HRM and the Worker: Towards a New Psychological Contract*. In P. Boxall, Purcell & Wright (eds). *The Oxford Handbook of HRM*, Oxford University Press, New York.
- Harbison, F., & Myers, C. A. (1964), *Education, Manpower, and Economic Growth: Strategies of Human Resource Development*, McGraw-Hill, New York.
- Henderson, I. (2009): *HRM*. Universities Press (India) Ltd., Hyderabad.
- Hofstede, G. (2001): *Culture's Consequence*. Thousand Oaks, Sage Publications, CA.
- Holbeche, L. and Springett, N. (2004): *In Search of Meaning at Work*. Roffey Park Institute, Horsham.
- IFAC (2001): *Governance in Public Sector: A Governing Body Perspective*. Study 13, International Federation of Accountants (IFAC), New York.
- IPMA (2002): *Workforce Planning Resource Guide for Public Sector HR Professionals*. International Personnel Management Association.
- Jamir, N. Talitemjen and Ao, Lanunungsang (2005): *Naga Society and Culture: A Case Study of the Ao Naga Society and Culture*. Tribal Research Centre: Nagaland University.
- Kaila, H. L. (2005): *Human Resource Management*. Kalpaz Publications, New Delhi.
- Katz, Daniel and Kahn, Robert L. (1978): *The Social Psychology of Organisations*. 2<sup>nd</sup> edn, John Wiley and Sons, New York.
- Kaufman, Bruce E. (2007): *The Development of HRM in Historical and International Perspective*. In P. Boxall, J. Purcell & P. Wright (eds.), *The Oxford Handbook of HRM*, Oxford University Press, New York.
- Keenan, T. (1998): *The Origins and Nature of HRM*. Edinburgh Business School, Herriot-Watt University.
- Khanka, S. S. (2003): *HRM Text and Cases*. S. Chand & Company Ltd., New Delhi.
- Kovach, H., Neligan, C. and Burall, S. (2003): *The Global Accountability Report: Power without Accountability?* One World Trust.

- Latham, G., Sulsky, Lorne M. and Macdonald, Heather (2007): *Performance Management*. In Boxall, Purcell, & Wright (eds.), *The Oxford Handbook of HRM*, Oxford University Press, New York.
- Lengnick-Hall, Mark L. and Lengnick-Hall, Cynthia A. (2002): *HRM in Knowledge Economy A New Imperative for Human Resource Management*. Berrett-Koehler Publishers.
- Liu, Anita M. M., Chiu, W.M. and Fellows, Richard (2007): *Enhancing Commitment through Work Empowerment*. Emerald Group Publishing Ltd.
- Marchington, M. and A. Wilkinson (2008): *HRM at Work*. CIPD, London.
- Mayo, A. (2008): *Developing HR Strategy*. Wolters Kluwer Ltd., Issue 20, UK.
- McShane, Steven L. and Glinow, Mary A. V. (2005): *Organisational Behaviour: Emergence Realities for the Workplace Revolution*. McGraw-Hill Irwin, New York.
- Mehrotra, R. (2013): *HRM and HRD: Key Elements and Dynamics*. Cyber Tech Publications, New Delhi.
- Meyer, J. (2005): *Stakeholder Power Analysis*. International Institute for Environment and Development.
- Monappa, A. (1997): *Managing Human Resources*. MacMillan India Ltd.
- Nankervis, A., Compton, R., Baird, M. and Coffey, J. (2011): *HRM: Strategy and Practice*. 7<sup>th</sup> edn, Cengage Learning Australia Pvt. Limited.
- Newstrom, J. W. and Davis, K. (1998): *Organisational Behaviour: Human Behaviour at Work*. 10<sup>th</sup> edn, Tata McGraw Hill Publishing Company Ltd., New Delhi.
- Noe, R., Hollenbeck, J., Gerhart, B. and Wright, P. (2008): *HRM, Gaining a Competitive Advantage*. McGraw Hill Irwin, New York.
- Patton, M. Q. (2002): *Qualitative Research & Evaluation Methods*. Sage Publications, New Delhi.
- Pattanayak, B. (2006): *HRM*. Prentice Hall of India Pvt. Ltd., New Delhi.
- Pennington, A. Edwards, and T. (2000): *Introduction to HRM*. Oxford University Press Inc., New York.
- Peters, B. Guy (2007): *Performance Based Accountability*. In A. Shah (ed.), *Performance Accountability and Combating Corruption, Public Sector Governance and Accountability Series*, The Work Bank, Washington.
- Pfeffer, J. and Salancik, Gerald R. (1978): *The External Control of Organisation: A Resource Dependence Perspective*. Harper & Row, New York.
- Pollock, Roy V. H. (2006): *An Introduction to Getting Your Money's Worth from Training and Development*. ExecBlueprints, Books24x7.
- Prasad, L. M. (2005): *HRM: Text and Cases*. Sultan Chand & Sons, New Delhi.
- Purcell, J. (2008): *Personnel Management*. Sage Publication Inc.
- Rao, P. S. (1999): *Essentials of HRM and Industrial Relations (Text, Cases and Games)*. 2<sup>nd</sup> revised and enlarged edn, Himalaya Publishing House, Mumbai.
- Rao, C. N. S. (2006): *Sociology: Principles of Sociology with an Introduction to Social Thought*. S. Chand & Company Ltd., New Delhi.

- Sema, Piketo (1991): *British Policy and Administration in Nagaland, 1881-1947*. Scholar Publishing House, New Delhi.
- Sambrook, S. and Stewart, J. (2005): *A Critical Review of Researching HRD: The Case of a Pan-European Project*. In C. Elliott and S. Turnbull (eds.), *Critical Thinking in HRD*, Routledge, London.
- Shikhu, Inato Y. (2007): *A Rediscovery and Re-building of Naga Cultural Values: An Analytical Approach with Special Reference to Maori as a Colonized and Minority Group of People in New Zealand*. Regency Publications, New Delhi.
- Singh, M. Amarjeet (2009): *A Study on Illegal Immigration into North-East India: The Case of Nagaland*. IDSA Occasional Paper No. 8, Institute for Defence Studies and Analyses, New Delhi.
- Singh, N. (2012): *Industrial Sociology*. Tata McGraw Hill Education Private Ltd., New Delhi.
- Swanson, Richard A. and Holton III, Elwood F. (2001): *Foundations of HRD Developments*. Berrett-Koehler Publishers Inc., San Francisco.
- SHRM (2010): *Employer Brand in India: A Strategic HR Tool*. Society for HRM.
- UNDP (2004), *Public Sector Transparency and Accountability in Selected Arab Countries: Policies and Practices*. United Nations Development Programme, New York.
- Vallance, Robert J. (2006): *Employee Engagement and Commitment*. SHRM Foundation, USA.
- Werner, S., Schuler, Randall S. and Jackson, Susan E. (2012): *HRM*. 11<sup>th</sup> edn, South-Western, Canada.
- Werner, Jon M. and DeSimone, Randy L. (2012): *Foundation of HRD*. 6<sup>th</sup> edn, Cengage Learning, South-Western, USA.
- Widmalm, S. (2008), *Decentralisation, Corruption and Social Capital: From India to the West*, Sage Publications India Pvt. Ltd., New Delhi.
- Wight, Bakke, E. (1960): *Human Resources Functions*. Lecture Series No. 21, Lecture at Labor and Industrial Relations Seminar, November, at the University of Illinois, Yale Labor and Management Center.
- Winterton, J. (2007): *Training, Development, and Competence*. In Boxal et al. (eds.) *The Oxford Handbook of HRM*, Oxford University Press, New York.

### **Webliography**

- Dowse, E. "Aspect of Accountable Behaviour", [Online: web] Accessed on May 26, 2013, <http://www.inifac.org/articles/AspectsofAccountableBehaviorInspiringOtherstoAcc.pdf>.
- "HRM & Performance: Adding Value through People", [Online: web] Accessed on April 18, 2013, <http://www.HRMhighered.mcgraw-hill.com/sites/dl/free/0077119983/832078/CH3.pdf>.
- Raga, K. and Taylor, D. "Impact of Accountability and Ethics on Public Service Delivery: A South African Perspective, Nelson Mandela Metropolitan University, Port Elizabeth, Republic of South Africa", [Online: web]

Accessed on May 25, 2013,  
<http://www.thepublicmanager.org/articles/docs/kishore.pdf>.  
 The Australian National University, “Career Development Guide for HR Practitioners”, [Online: web] Accessed on January 09, 2014.  
<http://www.info.anu.edu.au/hr.pdf>.  
 Wright, P. M., Rowland, Kendrith M. and Ferris, Gerald R., “Perspectives on HRM”, [Online: web] Accessed on April 20, 2014. [http://www.hampp-verlag.de/Archiv/3\\_94\\_Wright.pdf](http://www.hampp-verlag.de/Archiv/3_94_Wright.pdf).

### **Newspaper**

TSU appeals DOSE on appointment of teachers, Nagaland Post, dated 27<sup>th</sup> June 2014.  
 Govt. educational institutions not faring well: Governor, Nagaland Post, dated 4<sup>th</sup> June, 2014.  
 Rio on State’s Finances, Nagaland Post, dated 25<sup>th</sup> March 2014.  
 NPCC exposes RMSA funds misused in State, Nagaland Post, dated 14<sup>th</sup> February 2014  
 National Law Students Federation, Nagaland Post, dated 26<sup>th</sup> Sept 2012.

### **Audit Reports/Memorandums/Handbooks etc.**

Annual Administrative Report of ATI for 2001-2008, Nagaland: Kohima.  
 Annual Employment Review (2006-2014), State Employment Market Information Unit, Directorate of Employment & Craftsman Training, Nagaland, Kohima.  
 Department Letter, NO.AR-11/2/76 Dated Kohima, the 2<sup>nd</sup> Sept. 1977, Govt. of Nagaland, Department of P&AR (Administrative Reforms Branch).  
 Department Letter NO AR-11/2/78 Dated Kohima, the 17<sup>th</sup> Nov’ 88, Govt. of Nagaland, Department of P&AR (Administrative Reforms Branch).  
 Department Letter, No. AR-1/ATI-72/TRG/2004 (Pt), Dated, Kohima, the 19<sup>th</sup> August, 2004, Department of Personnel & Administrative Reforms (Administrative Reforms Branch), Govt. of Nagaland.  
 Evaluation Study on 'Employment Opportunities forgone by Nagas and Employment of Non- Nagas in the State' (2007), Publication No.52, Directorate of Evaluation, GON, Nagaland: Kohima.  
 Inspection Reports on Accounts of The General Manager, from 01/10/2008-31/05 2010, NST: Dimapur.  
 Kohima-District Human Development Report (2009), GOI- UNDP Project, Department of Planning & Coordination, Govt. of Nagaland.  
 Livelihood and Employment Opportunities In Nagaland - Sectoral Issues (2011): A Thematic Report, GOI-UNDP Project, Department of Planning and Coordination, Govt. of Nagaland.  
 Memorandum, NO.AR.12/1/85, Dated, Kohima, the 22<sup>nd</sup> March 1985, Govt. of Nagaland, Department of P&AR (Administrative Reforms Branch).  
 Memorandum, NO.AR-3/GEN-10/97 (PT)/B, Dated, Kohima, the 5<sup>th</sup> March, 2001, Govt. of Nagaland, Department of P&AR (Administrative Reforms Branch).

Notification, NO.APPT 15/04/67, Dated, Kohima, the 21<sup>st</sup> April, 1969, Govt. of Nagaland, Home Department.

Notification, NO.AR-11/10/75 Dated Kohima, the 17<sup>th</sup> April, 1979, Govt. of Nagaland, Department of P&AR (Administration Reforms Branch).

Notification, NO.AR-15/9/91, Dated, Kohima, the 5<sup>th</sup> January, 1992, Govt. of Nagaland, Department of P&AR (Administrative Reforms Branch).

Notification, NO.AR-2/1/87 Dated, Kohima, the 31<sup>st</sup> March, 2001, Govt. of Nagaland, Department of P&AR (Administrative Reforms Branch).

Notification, NO.AR-5/ASSO/98, Dated, Kohima, the 16<sup>th</sup> Nov' 2006, Govt. of Nagaland, Department of P&AR (Administrative Reforms Branch).

Office Memorandum, NO. AR-8/8/79 Dated, Kohima, the 15<sup>th</sup> May 1980, Govt. of Nagaland, Department of P&AR (Administrative Reforms Branch).

Office Memorandum, NO.PAR-1/16/77, Dated, Kohima, the 27<sup>th</sup> April, 1983, Govt. of Nagaland, Department of P&AR (Administrative Reforms Branch).

Office Memorandum, NO.AR-2/1/87, Dated, Kohima, the 16<sup>th</sup> Sept, 1987, Govt. of Nagaland, Department of P&AR (Administrative Reforms Branch).

Office Memorandum NO.AR-13/5/89, Dated, Kohima, the 5<sup>th</sup> Sept 1994, Govt. of Nagaland, Department of P&AR (Administrative Reforms Branch).

Office Memorandum, NO.AR-12/3/89, Dated, Kohima, the 24<sup>th</sup> June 1996, Govt. of Nagaland, Department of P&AR (Administrative Reforms Branch).

Office Memorandum, NO.AR-3/Gen-41/99, Dated, Kohima, the 26<sup>th</sup> Aug. 1999, Govt. of Nagaland, Department of P&AR (Administrative Reforms Branch).

Office Memorandum, NO.AR-5/ASSO/98 (C), Dated, Kohima, the 26<sup>th</sup> Feb' 2001, Govt. of Nagaland, Department of P&AR (Administrative Reforms Branch).

Office Memorandum, NO.AR-3/Gen-67/2001 (Pt), Dated, Kohima, the 22<sup>nd</sup> Sept. 2004, Govt. of Nagaland, Department of P&AR (Administrative Reforms Branch).

Office Order, No: P&A/G-10/01, Dated Dec 19, 2005, NIDC Ltd.

Report of the Comptroller and Auditor General of India on State Finances, for the Year Ended 31 March 2006, 2007, Government of Nagaland.

Report of the Comptroller and Auditor General of India on State Finances (Report No. 1), for the Year Ended 31 March 2007, 2008, Government of Nagaland.

Report of the Comptroller and Auditor General of India on State Finances (Report No. 1), for the year ended 31 March 2008, 2009, Government of Nagaland.

Report of the Comptroller and Auditor General of India on State Finances (Report No. 1), for the Year Ended 31 March 2009, 2010, Government of Nagaland.

Report of the Comptroller and Auditor General of India on State Finances (Report No. 1), for the Year Ended 31 March 2010, 2011, Government of Nagaland.

Report of the Comptroller and Auditor General of India on State Finances (Report No. 1), for the Year Ended 31 March 2011, 2012, Government of Nagaland.

Report of the Comptroller and Auditor General of India on State Finances (Report No. 1), for the Year Ended 31 March 2012, 2013, Government of Nagaland.

State Industrial Policy – 2000 (Revised - 2004), Department of Industries and Commerce.



State Human Development Report (2004), Department of Planning & Coordination, Government of Nagaland.

State Training Policy (2004), Department of P&AR (Administrative and Reform Branch), Govt. of Nagaland.

Transport & Communication Department, Audit Report (Civil) for the Year Ended 31 March 2005.

The Industrial Disputes Act, 1947 (Act No 14 of 1947) [As Amended by the Industrial Disputes (Amendment) Act, 2010 (No. 24 of 2010) dated 18<sup>th</sup> August, 2010] and The Industrial Disputes (Central) Rules, 1957, Current publications, Mumbai.

### **Websites**

<http://www.citeman.com/7392-hrm-evolution-in-india.html>.

<http://indiankanoon.org/doc/401284/>

<http://www.vijayabank.com>

<http://www.sbi.co.in> and [www.statebankofindia.com](http://www.statebankofindia.com)

<http://nagalimonline.tangkhul.com/modules.php?name=News&file=article&sid=2294>

<http://nagalandpage.co.in/census.html>

### **Journals and Working Paper Series**

Aguinis, H. and Kraiger, K. (2009): *Benefits of Training and Development for Individuals and Teams, Organizations, and Society*. Annual Review Psychology, 60.

Allen, Natalie J. & Meyer, John P. (1990): *The Measurement and Antecedents of Affective, Continuance and Normative Commitment to the Organization*. Journal of Occupational Psychology, 63.

Antoniou, E. (2010): *Career Planning Process and its Role HRD*. Annals of the University of Petrosani, Economics, 10 (2).

Aycan, Z., Kanungo, R. N., Mendoca, M., Yu, K., Deller, J., Stahl, G., and Kurshid, A. (2000): *Impact of Culture on HRM Practices: A 10 Country Comparison*. Applied Psychology: An International Review, 49 (1).

Aziri, B. (2011): *Job satisfaction: A Literature Review*. Management in Research and Practice, 3 (4).

Bernthal, Paul R., Rogers, Robert W. & Smith, Audrey B. (2003): *Managing Performance, Building Accountability for Organisations, HR Benchmark Group*. 4 (2), Development Dimensions International, Inc.

Boselie, P., Paauwe, J. and Jansen, P. (2001): *HRM and Performance: Lessons from the Netherlands*. International Journal of Human Resource Management, 12 (7).

Boice, Deborah F. and Kleiner, Brian H. (1997): *Designing Effective Performance Appraisal Systems*, Work Study, 46 (6).

- Bryson, John M., Berry, Frances S. and Yang, K. (2010): *The State of Public Management Research: A Selective Literature Review and Set of Future Directions*. The American Review of Public Administration, XX (X).
- Cardona, P., Lawrence, Barbara S. and Espejo, A. (2003): *Outcome- Based Theory of Work Motivation*. University of Navarra, Working Paper, No. 495.
- Chang, E. (1999): *Career Commitment as a Complex Moderator of Organizational Commitment and Turnover Intention*. Human Relations, 52 (10).
- Colakoglu, S., Lepak, David P. and Hong, Y. (2006): *Measuring HRM Effectiveness: Considering Multiple Stakeholders- In a Global Context*. Human Resource Management Review 16.
- Daud, N. (2010): *Investigating the Relationship between Quality of Work Life and Organizational Commitment amongst Employees in Malaysian Firms*. International Journal of Business and Management, 5 (10).
- Deci, Edward L., Koestner, R. and Ryan, Richard M. (2001): *Extrinsic Rewards and Intrinsic Motivation in Education: Reconsidered Once Again*. Review of Educational Research, 71 (1).
- Denhardt, R. B. and Denhardt, J. V. (2006), in John M. Bryson, Frances S. Berry and K. Yang, (2010): *The State of Public Management Research: A Selective Literature Review and Set of Future Directions*, The American Review of Public Administration, XX (X).
- Den Hartog, D. N., Boselie, P. and Paauwe, J. (2004): *Performance Management: A Model and Research Agenda*. ERIM Report Series, Erasmus Universiteit Rotterdam.
- Den Hartog, D. N. and Verburg, R. M. (2004): *High Performance Work System, Organisational Culture and Firm Effectiveness*. Human Resource Management Journal, 14 (1).
- Dordevic, B. (2004): *Employee Commitment in Times of Radical Organizational Changes*. Series: Economics and Organization, 2 (2).
- Elci, M. and Alpan, L. (2009): *The Impact of Perceived Organisational Ethical Climate*. Journal of Business Ethics, 84 (3).
- Ferris, Gerald R. and Judge, Timothy A. (1991): *Personnel/HRM: A Political Influence Perspective*. Journal of Management, 17 (2).
- Gayathiri, R. and Ramakrishnan, L. (2013): *Quality of Work Life: Linkage with Job Satisfaction and Performance*. International Journal of Business and Management Invention, 2 (1).
- Garavan, Thomas N., McGuire, D. and O'Donnell, D. (2004): *Exploring HRD: A Level of Analysis Approach*. Human Resource Development Review, 3 (4).
- Gill, C. (1999): *Use of Hard and Soft Models of HRM to Illustrate the Gap between Rhetoric and Reality in Workforce Management*. Working Paper Series, No. WP 99/13.
- Gratton, L. and Truss, C. (2003): *The Three-Dimensional People Strategy: Putting HR Policies into Action*. Academy of Management Executive, 17 (3).

- Guest, D. E. (2001) in Deanne N. Den Hartog and Robert M. Verburg (2004): *High Performance Work Systems, Organisational Culture and HRM Effectiveness*, Human Resource Management Journal, 14 (1).
- Harney, B. and Tundon, T. (2006): *An Emergent Theory of HRM: A Theoretical and Empirical Exploration of Determinants of HRM Among Irish Small to Medium Sized Enterprises (SMEs)*. Advances in Industrial and Labour Relations, 15.
- Harney, B. and Tundon, T. (2006): *Capturing Complexity: Developing an Integrated Approach to Analysing HRM in SMEs*. Human Resource Management Journal, 16 (1).
- Haslinda, A. (2009): *Major Challenges to the Effective Management of HR Training and Development Activities*. The Journal of International Social Research, 2 (8).
- Haslinda, A. (2009): *Evolving Terms of HRM and Development*, The Journal of International Social Research, 2 (9).
- Harackewicz, J. (1979): *The Effects of Reward Contingency and Performance Feedback on Intrinsic Motivation*. Journal of Personality and Social Psychology, 37.
- Hong, Eric N. C., Hao, L. Z., Kumar, R., Ramendra, C., and Kadiresan, V. (2012): *An Effectiveness of HRM Practices on Employee Retention in Institute of Higher Learning: A Regression Analysis*. International Journal of Business Research and Management, 3 (2).
- Ishak, Nor. K., Abdullah, Fakhrul Z. and Ramli, Zainal A. (2011): *The Association between Hard and Soft HRM Orientations in the Malaysian Hotel Organizations*. International Journal of Business and Social Science, 2 (22).
- Janssens, M. and Steyaert, C. (2009): *HRM and Performance: A Plea for Reflexivity in HRM Studies*. Journal of Management Studies, 46 (1).
- Jehanzeb, K., Rasheed, M.F., Rasheed, A. and Aamir, A. (2012): *Impact of Rewards and Motivation on Job Satisfaction in Banking Sector of Saudi Arabia*. International Journal of Business and Social Science, 3 (21).
- Johnson, Richard A., Kast, Fremont E. and Rosenzweig, James E. (1964): *Systems Theory and Management*. Management Science, 10 (2).
- Jose, G. and Mampilly, Sebastian R. (2012): *Satisfaction with HR Practices and Employee Engagement: A Social Exchange Perspective*. Journal of Economics and Behavioural Studies, 4 (7).
- Kane, B., Crawford, J. and Grant, D. (1999): *Barriers to Effective HRM*. International Journal of Manpower, 20 (8).
- Kaufman, Bruce E. (2007): *Theorising HRM and the Firm's Demand for HRM Practices*. Andrew Young School of Policy Studies Research Paper Series, Working Paper 07-30.
- Khatri, N. and P. Budhwar (1999): *Employee Turnover: Bad Attitude or Poor Management?* The SABRE Centre Working Paper Series, Vol. 2, 12/99.

- Khan, Muhammad T., Khan, Naseer A. and Mahmood, K. (2012): *An Organizational Concept of HRD- How HRM Scholars View 'HRD'*. Universal Journal of Management and Social Sciences, 2 (5).
- Kraines, Gerald A. (2002): *Accountability Leadership*. The System Thinking, 13 (10).
- Lengnick-Hall, Mark L., Lengnick-Hall, Cynthia A., Andrade, Leticia S. and Drake, B. (2009): *SHRM: The Evolution of the Field*, Human Resource Management Review, 19.
- Lee, M. (2001): *A Refusal to Define HRD*. Human Resource Development International, 4 (3).
- Lincoln, Nicola D., Travers, C., Ackers, P. and Wilkinson, A. (2002): *The Meaning of Empowerment: The Interdisciplinary Etymology of a New Management Concept*. International Journal of Management Reviews, 4 (3).
- Metcalfe, Beverly D. and Rees, Christopher J. (2005): *Theorizing Advances in International HRD*. HRD International, 8 (4).
- Marciano, Vitor M. (1995): *The Origins and Development of HRM*. Academy of Management Proceedings.
- McLeod, Robert J. (1976): *Communicating for Better Relations*. Journal (American Water Works Association), 68 (9).
- McLean, G. (2005): *Examining Approaches to HR Evaluation-The Strengths and Weaknesses of Popular Measurement Methods*, Strategy HR Revue, 4 (2).
- McLean, G. N, and Wang, X. (2007): *Defining International Human Resource Development: A Proposal*. HRD International, 4 (3).
- Meyer, John P., Stanley, D. J., Herscovitch, L. and Topolnytsky, L. (2002): *Affective, Continuance, and Normative Commitment to the Organization: A Meta-analysis of Antecedents, Correlates, and Consequences*. Journal of Vocational Behaviour 61.
- Minor, Kevin I., Dawson-Edwards, C., Wells, James, B., Griffith, C. and Angel, E. (2009): *Understanding Staff Perceptions of Turnover in Corrections*. Professional Issues in Criminal Justice, 4 (2).
- Nasurdin, A. M., Hemdi, M. A. and Guat, L. P. (2008): *Does perceive Organisational Support Mediate Relation between Organisational Commitment*. Asian Academy of Management Journal, 13 (1).
- Netra, ENG, and Craig, D. (2009): *Accountability in Cambodia*. CDRI Working Paper Series No. 40, Cambodia's Leading Independent Development Policy Research Institute.
- Paauwe, J. & Boselie, P. (2003): *Challenging (Strategic) HRM Theory: Integration of Resource-Based Approaches and New Institutional*. Human Resource Management Journal, 13 (3).
- Permarupan, P. Y., Al- Mamun, A. and Saufi, R. A. (2013): *Quality of Work Life on Employees Job Involvement and Affective Commitment between the Public and Private Sector in Malaysia*. Asian Social Science, 9 (7).
- Pillay, S. & Dorasamy, N. (2010): *Linking Cultural Dimensions with the Nature of Corruption: An Institutional Theory Perspective*. International Journal of Cross Cultural Management, 10 (3).

- Rai, Soumi (2012): *HRM and Labour Relation in the Indian Industrial Sector*, Discussion paper, SP III 2012–301.
- Rao, T. V, Rao, R. and Yadav, T. (2007): *A Study of HRD Concepts, Structure of HRD Departments and HRD Practices in India*, Vikalpa, 26 (1).
- Roberts, Gary E. (2003): *Employee Performance Appraisal System Participation: A Technique that Works*. Public Personnel Management, 32 (1).
- Schuler, Randall S. (2000): *Internationalisation of IHRM*. Journal of International Management 6.
- Schuler, Randall S. and Jackson, Susan E. (2005): *A Quarter-Century Review of HRM in the U.S*. Management Revue, 16 (1).
- Schneider (1978) in S. A. Snell, (2000): *HR Strategy: The Era of Our Ways*, Working Paper 00-17, Centre for Advance Human Resource Studies, Cornell University.
- Segon, M. (2010): *Managing Organisational Ethic: Professionalism, Duty and HR Practitioners*. Journal of Business Systems, Governance and Ethics, 4 (4).
- Shanahan, V., Garavan, T. and Carbery, R.: *Strategic HRD and Dynamic Capabilities, Leadership and Management Development*, Refereed Paper.
- Som, A. (2007): *Adopting Innovative SHRM in India*. International Journal of HRM, 18 (5).
- Trevino, L. K. & Brown, M. E. (2004): *The Role of Leaders in Influencing Unethical Behaviour in the Workplace*. In Managing Organisational Deviance, Sage.
- Truss, C., Gratton, L., Hope-Hailey, V., McGovern, P. and Stiles, P. (1997): *Soft and Hard Models of HRM: A Reappraisal*. Blackwell Publishers Ltd., Journal of Management Studies, 34 (1).
- Ulrich, D. (1997): *Measuring Human Resources: An Overview of Practice and A Prescription for Results*. Human Resource Management, 36 (3).
- Wilkinson, A., Dundon, T., Marchington, M. and Ackers, P. (2004): *Changing Patterns of Employee Voice: Case Studies from the UK and Republic of Ireland*. The Journal of Industrial Relations, 46 (3).
- Wright, Patrick M., and McMahan, Gary C. (1993): *SHRM: Alternative Theoretical Frameworks*. CEO Publication, G 93-20 (240).
- Zedeck, S. and Cascio, W. F. (1984): *Psychological Issues in Personnel Decisions*. Annual Review of Psychology, 35.
- Zhu, Y., Collins, N., Webber, M. and Benson, J. (2008): *New Forms of Ownership and HR practices in Vietnam*. Human Resource Management, 47 (1).

## ANNEXURE A

### TABLES

**Table 4.1 Educational Profile & Work Experience: Public Sector (Respondents as on 2008-09)**

Work Experience	Level of Education												Total N= 256
	Nil	UM	M	HS	Dip	G	PG	BA/ CA	BA/ B. Ed	BA/ LLB	Ph.D	MBBS	
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>
39-35 years	- -	05 1.95%	01 0.39%	- -	- -	- -	- -	- -	- -	- -	- -	- -	06 2.34%
34-30 years	01 0.39%	05 1.95%	09 3.52%	04 1.56%	01 0.39%	05 1.95%	- -	- -	- -	- -	- -	- -	25 9.77%
29-20 years	- -	30 11.72%	09 3.52%	10 3.91%	01 0.39%	18 7.03%	04 1.56%	01 0.39%	- -	- -	- -	- -	73 28.52%
19-10 years	- -	18 7.03%	14 5.47%	09 3.52%	03 1.17%	09 3.52%	04 1.56%	- -	01 0.39%	01 0.39%	01 0.39%	01 0.39%	61 23.83%
09-04 years	- -	17 6.64%	07 2.73%	09 3.515%	02 0.78%	21 8.20%	08 3.13%	- -	- -	- -	- -	- -	64 25.00%
03 years	- -	01 0.39%	01 0.39%	- -	- -	01 0.39%	05 1.95%	- -	- -	- -		- -	08 3.12%
02 years	- -	02 0.78%	- -	- -	02 0.78%	05 1.95%	04 1.56%	- -	- -	- -	- -	- -	13 5.08%
01 year-06 months	- -	- -	- -	- -	- -	06 2.34%	- -	- -	- -	- -	- -	- -	06 2.34%
Total	01 0.39%	78 30.47%	41 16.02%	32 12.5%	09 3.51%	65 25.39%	25 9.77%	01 0.39%	01 0.39%	01 0.39%	01 0.39%	01 0.39%	256 100%

**Table 4.2 Educational Profile & Work Experience as on 2010: Public Sector (Employees)**

Level of Education	Work Experience (In years)						Total (N)
	39-35	34-30	29-20	19-10	09 yrs-06mth	NA (yr)	
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
Under-matriculate	19 (0.60%)	135 (4.29%)	421 (13.37%)	258 (8.19%)	219 (6.95%)	02 (0.06%)	1,054 (33.46%)
Class X	01 (0.03%)	44 (1.39%)	166 (5.27%)	196 (6.22%)	157 (4.98%)	-	564 (17.90%)
Matriculate	04 (0.13%)	29 (0.92%)	95 (3.02%)	94 (2.98%)	83 (2.63%)	-	305 (9.68%)
Pre-University	01 (0.03%)	19 (0.60%)	56 (1.78%)	91 (2.89%)	103 (3.27%)	-	270 (8.57%)
Diploma	02 (0.06%)	13 (0.41%)	30 (0.95%)	53 (1.68%)	50 (1.59%)	01 (0.03%)	149 (4.73%)
Graduate	-	23 (0.73%)	93 (2.95%)	95 (3.02%)	166 (5.27%)	02 (0.06%)	379 (12.03%)
Grad/Diploma	-	-	02 (0.06%)	03 (0.09%)	04 (0.13%)	-	09 (0.29%)
Post Graduate	-	-	07 (0.22%)	11 (0.35%)	39 (1.24%)	-	57 (1.81%)
Ph.D	-	-	-	01 (0.03%)	-	-	01 (0.03%)
PG/Diploma	-	-	01 (0.03%)	01 (0.03%)	02 (0.06%)	-	04 (0.13%)
BA/LLB	-	-	02 (0.06%)	01 (0.03%)	-	-	03 (0.09%)
BA/B.Ed	-	-	01 (0.03%)	01 (0.03%)	01 (0.03%)	-	03 (0.09%)
BA/BSc.	-	-	02 (0.06%)	-	-	-	02 (0.06%)
B.Theology	-	-	-	01 (0.03%)	-	-	01 (0.03%)
KGCE	-	-	01 (0.03%)	01 (0.03%)	01 (0.03%)	-	03 (0.09%)
SSE/SEC	-	-	01 (0.03%)	-	02 (0.06%)	-	03 (0.09%)
Not Available	02 (0.06%)	15 (0.48%)	89 (2.82%)	69 (2.19%)	97 (3.08%)	55 (1.75%)	327 (10.38%)
Nil	-	-	08 (0.25%)	06 (0.19%)	02 (0.06%)	-	16 (0.51%)
Total	29 (0.92%)	278 (8.83%)	975 (30.95%)	882 (28%)	926 (29.4%)	60 (1.90%)	3,150 (100%)

‘N’ is the total number of employees from the entire selected organisations. NA in the second last row of the table indicates educational data missing and the second last column to the right indicates year of joining service missing. In few organisations, changes affected by the mass retirement in 2009 had not been updated. Hence, the entire data as provided in the incumbency list have been reflected in the tables.

**Table 4.3 Class I & II Educational Profile & Work Experience as on 2010:**  
**Public Sector (Employees)**

Level of Education	Work Experience (In years)- Class I & II						Total (N)
	39-35	34-30	29-20	19-10	09-06mths	NA	
UM	- -	01 0.28%	- -	- -	- -	- -	01 0.28%
X	01 0.28%	03 0.83%	01 0.28%	- -	- -	- -	05 1.39%
M	04 1.11%	12 3.33%	04 1.11%	02 0.56%	- -	- -	22 6.11%
PU	01 0.28%	17 4.72%	04 1.11%	- -	- -	- -	22 6.11%
Dip	01 0.28%	13 3.61%	16 4.44%	26 7.22%	10 2.78%	01 0.28%	67 18.61%
G	- -	20 5.56%	64 17.78%	48 13.33%	30 8.33%	01 0.28%	163 45.28%
G/Dip	- -	- -	02 0.56%	01 0.28%	- -	- -	03 0.83%
PG	- -	- -	06 1.67%	- -	16 4.44%	- -	22 6.11%
PG/Dip	- -	- -	- -	01 0.28%	- -	- -	01 0.28%
Ph.D	- -	- -	- -	01 0.28%	- -	- -	01 0.28%
BA/LLB	- -	- -	01 0.28%	01 0.28%	- -	- -	02 0.56%
BA/B.Ed	- -	- -	01 0.28%	01 0.28%	- -	- -	02 0.56%
BA/BSc.	- -	- -	02 0.55%	- -	- -	- -	02 0.55%
KGCE	- -	- -	01 0.28%	01 0.28%	- -	- -	02 0.56%
NA	- -	03 0.83%	08 2.22%	15 4.17%	09 2.5%	10 2.78%	45 12.5%
Total	07 1.94%	69 19.17%	110 <b>30.56%</b>	97 26.94%	65 18.05%	12 3.33%	360 100%

‘N’ is the total number of Class I and II categories of employees from the entire selected organisations.



**Table 4.4 Class III Educational Profile & Work Experience as on 2010: Public Sector (Employees)**

Level of Education	Work Experience- Class III (in years)						Total (N)
	39-35	34-30	29-20	19-10	09-06 mths	NA	
UM	16 0.79%	96 4.75%	277 13.69%	131 6.48%	134 6.62%	- -	654 <b>32.33%</b>
X	- -	38 1.88%	151 7.46%	138 6.82%	103 5.09%	- -	430 21.25%
M	- -	16 0.79%	88 4.35%	73 3.61%	64 3.16%	- -	241 11.91%
PU	- -	02 0.09%	52 2.57%	86 4.25%	90 4.45%	- -	230 11.36%
Dip	- -	- -	14 0.69%	27 1.33%	37 1.83%	- -	78 3.85%
G	- -	03 0.15%	29 1.43%	45 2.22%	130 6.43%	01 0.05%	208 10.28%
G/Dip	- -	- -	- -	02 0.09%	03 0.15%	- -	05 0.25%
PG	- -	- -	01 0.05%	11 0.54%	22 1.09%	- -	34 1.68%
PG/Dip	- -	- -	- -	- -	02 0.09%	- -	02 0.09%
BA/LLB	- -	- -	01 0.05%	- -	- -	- -	01 0.05%
PG/B.Ed	- -	- -	- -	- -	01 0.05%	- -	01 <b>0.05%</b>
B. Th.	- -	- -	- -	01 0.05%	- -	- -	01 <b>0.05%</b>
KGCE	- -	- -	- -	- -	01 0.05%	- -	01 0.05%
SSE/SEC	- -	- -	01 0.05%	- -	02 0.09%	- -	03 0.15%
NA	01 0.05%	07 0.35%	41 2.03%	21 1.04%	49 2.42%	11 0.54%	130 6.43%
Nil	- -	- -	03 0.15%	- -	01 0.05%	- -	04 0.2%
Total	17 0.84%	162 8.00%	658 <b>32.53%</b>	535 26.45%	639 31.59%	12 0.59%	2,023 100%

‘N’ is the total number of class III category of employees from the entire selected organisations.

**Table 4.5 Class IV Educational Profile & Work Experience as on 2010: Public Sector (Employees)**

Level of Education	Work Experience- Class IV (in years)						Total (N)
	39-35	34-30	29-20	19-10	09-06 mths	NA	
Under-Matric	03 (0.39%)	38 (4.95%)	144 (18.77%)	127 (16.56%)	85 (11.08%)	02 (0.26%)	399 (52.02%)
Class X	-	03 (0.39%)	14 (1.83%)	58 (7.56%)	54 (7.04%)	-	129 (16.82%)
Matric	-	01 (0.13%)	03 (0.39%)	19 (2.48%)	19 (2.48%)	-	42 (5.48%)
Pre-University	-	-	-	05 (0.65%)	13 (1.69%)	-	18 (2.35%)
Diploma	01 (0.13%)	-	-	-	03 (0.39%)	-	04 (0.52%)
Graduate	-	-	-	02 (0.26%)	06 (0.78%)	-	08 (1.04%)
Graduate + Diploma	-	-	-	-	01 (0.13%)	-	01 (0.13%)
Post Graduate	-	-	-	-	01 (0.13%)	-	01 (0.13%)
PG/ Diploma	-	-	01 (0.13%)	-	-	-	01 (0.13%)
Not Available	01 (0.13%)	05 (0.65%)	40 (5.22%)	33 (4.30%)	39 (5.08%)	34 (4.43%)	152 (19.82%)
Nil	-	-	05 (0.65%)	06 (0.78%)	01 (0.13%)	-	12 (1.56%)
Total	05 (0.65%)	47 (6.13%)	207(26.99%)	250 ( <b>32.59%</b> )	222 (28.94%)	36 (4.69%)	767 (100%)

‘N’ is the total number of class IV category of employees from the entire selected organisations.

**Table 4.8 Educational Profile Decadal Wise: Public Sector (Employees)**

Class	1960-79			N= 3,150	1980-89			N= 3,150	1990-99			N= 3,150	2000-10			N= 3,150	Year NA		Yr & Q
	M&B	HS&A	NA		M&B	HS&A	NA		M&B	HS&A	NA		M&B	HS&A	NA		M&B	HS&A	
I&II Total %	21 0.67	52 1.65	03 0.09	76 2.41	05 0.16	97 3.08	08 0.25	110 3.49	02 0.06	80 2.54	15 0.48	97 3.08	Nil -	56 1.78	09 0.28	65 2.06	- -	02 0.06	10 0.32
III Total %	166 5.27	05 0.16	08 0.25	179 5.68	519 16.48	98 3.11	41 1.3	658 20.89	342 10.86	172 5.46	21 0.67	535 17.08	302 9.59	288 9.14	49 1.55	639 20.28	- -	01 0.03	11 0.35
IV Total %	45 1.43	01 0.03	06 0.19	52 1.65	166 5.27	01 0.03	40 1.27	207 6.57	210 6.67	07 0.22	33 1.05	250 7.94	159 5.05	24 0.76	39 1.24	222 7.05	02 0.06	- -	34 1.08
Total %	232 7.37	58 1.84	17 0.53	307 9.74	690 <b>21.9</b>	196 6.22	89 2.82	975 <b>30.95</b>	554 17.58	259 8.22	69 2.19	882 28	461 14.63	368 <b>11.68</b>	97 3.08	926 29.4	02 0.06	03 0.09	55 1.75

‘N’ is the total number of employees from the entire selected organisations. \*M&B- Matriculates and below (nil have been included under this M&B category); HS&A: Higher Secondary and Above; NA: Not Available; Yr & Q: Year and Qualification.

**Table 4.9- Educational Profile & Work Experience: Private & other organisations (Respondents)**

Work Experience (in years)	Level of Education: Private and other organisations												Total (N)
	Nil	UM	M	HS	Dip	G	PG	G/ Dip	BA/BSc	PG/Dip	MBA	MBBS	
30 Total %	- -	- -	- -	- -	- -	01 0.69%	- -	- -	- -	- -	- -	- -	Q 01 0.69%
29-20 Total %	- -	02 1.39%	02 1.39%	03 2.08%	01 0.69%	04 2.78%	- -	- -	- -	01 0.69%	- -	- -	Q 13 9.03%
19-10 Total %	- -	07 4.86%	03 2.08%	02 1.39%	- -	06 4.17%	- -	01 0.69%	- -	01 0.69%	- -	- -	18Q/02P 20 13.89%
09-04 Total %	01 0.69%	06 4.17%	04 2.78%	16 11.11%	04 2.78%	12 8.33%	04 2.78%	02 1.39%	- -	01 0.69%	01 0.69%	- -	30Q/21P 51 35.42%
03 Total %	- -	01 0.69%	- -	09 6.25%	- -	01 0.69%	01 0.69%	- -	- -	- -	- -	- -	02Q/10P 12 8.33%
02 Total %	- -	02 1.39%	02 1.39%	08 5.56%	01 0.69%	05 3.47%	03 2.08%	01 0.69%	01 0.69%	- -	- -	02 1.3%9	04Q/21P 25 17.36%
01yr-06 months Total %	- -	06 4.17%	03 2.08%	02 1.39%	01 0.69%	06 4.17%	01 0.69%	01 0.69%	- -	- -	- -	02 1.39%	04Q/18P 22 15.28%
Total %	01 0.69% (Q)	24 16.67% 12Q/12 P	14 9.72% 09Q/0 5P	40 27.78% 15Q/25 P	07 4.86% 03Q/04 P	35 24.31% 22Q/13 P	09 6.25% 04Q/05 P	05 3.47% 02Q/03 P	01 0.69% (P)	03 2.08% (Q)	01 0.69% (Q)	04 2.78% (P)	144 100% 72Q/72P

\*'Q' indicates Quasi Establishment and 'P' indicate Private own enterprise

**Table 4.10 Educational Profile as on 2010: Private & other organisations  
(Employees)**

Sl. No.	Qualification	Frequency	Per cent
01	Nil	01	0.21
02	Under Matriculate	148	31.76
03	Matriculate	60	12.88
04	Higher Secondary	60	12.88
05	Diploma	40	8.58
06	Graduate (G)	73	15.67
07	Post Graduate (PG)	30	6.44
08	G/ Diploma	15	3.22
09	PG/Diploma	01	0.21
10	G/LLB	03	0.64
11	Not Available	35	7.51
Total (N)		466	100%

‘N’ is the total number of employees from the entire selected organisations.

**Table 4.11 Age Group as on 2010: Public Sector (Employees)**

Age Group	Age Group of Employees							Total (N)
	Below 20	20-29	30-39	40-49	50-59	60+	NA	
Total	03	289	1,003	1,061	681	17	96	3,150
%	0.95%	9.17%	31.84%	<b>33.68%</b>	21.62%	0.54%	3.05%	100%

‘N’ is the total number of employees from the entire selected organisations.

**Table 4.12 Age Group & Male/Female Participation: Public Sector  
(Respondents)**

Gender	Age Group								Total (N)
	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-60	
Male	06	36	26	26	27	42	12	06	181
%	2.34	14.06	10.16	10.16	<b>10.55</b>	<b>16.41</b>	4.69	2.34	<b>70.71</b>
Female	04	17	13	15	05	12	06	03	75
%	1.56	6.64	5.08	5.86	<b>1.95</b>	<b>4.69</b>	2.34	1.17	<b>29.29</b>
Total	10	53	39	41	32	54	18	09	256
%	3.9	20.7	15.24	16.02	<b>12.5</b>	<b>21.1</b>	7.03	3.51	100%

**Table 4.13 Male/Female Participation as on 2010: Public Sector (Employees)**

Public Sector	Gender		Total (N)
	Male	Female	
Total	2,459 (78.74%)	664 (21.26%)	3,123 (100%)

‘N’ is the total number of employees from the entire selected organisations. The gender identities of twenty seven (27) employees on fixed pay were not available. Hence, the percentage of male/ female workforce participation was calculated as the total number of identities that were confirmed that is, 3,123 instead of 3,150 employees.

**Table 4.14 Age Group as on 2010: Private & other organisations (Employees)**

Private & other organisations	Age Group of Employees						Total (N)
	20-29	30-39	40-49	50-59	60+	NA	
Total	175	127	120	20	02	22	466
Per Cent (%)	<b>37.55</b>	27.25	25.75	4.29	0.43	4.72	100%

‘N’ is the total number of employees from the entire selected organisations.

**Table 4.15 Age Group & Male/Female Participation: Private Sector & other organisations (Respondents)**

Gender	Age Group								Total (N)
	21-25	26-29	30-35	36-40	41-45	46-50	51-55	56-60	
Male	20	23	12	13	10	10	01	-	89
%	<b>13.89</b>	<b>15.97</b>	8.33	9.03	6.94	6.94	0.69	-	<b>61.79</b>
Female	15	24	08	04	02	02	-	-	55
%	<b>10.42</b>	<b>16.67</b>	5.56	2.78	1.39	1.39	-	-	<b>38.21</b>
Total	35	47	20	17	12	12	01	-	144
%	<b>24.31</b>	<b>32.64</b>	13.89	11.81	8.33	8.33	0.69	-	100%

**Table 4.16 Male/Female Participation as on 2010: Private & other organisations (Employees)**

Private & other organisations	Gender		Total (N)
	Male	Female	
Total	303	163	466
Per Cent (%)	<b>65.02%</b>	<b>34.98%</b>	100%

‘N’ is the total number of employees from the entire selected organisations.

**Table 4.20 Employee's Perception towards Training Programme**

Level of Judgement	Sector	
	Public	Private
<b>S1:</b> The objectives of trainings are always well informed		
Agree	125 (77.64%)	40 (65.57%)
Strongly Agree	20 ( <b>12.42%</b> )	19 ( <b>31.15%</b> )
Disagree	08 (4.97%)	01 (1.64%)
Strongly Disagree	-	-
NA/ND	08 (4.97%)	01 (1.64%)
Total (N)	161 (100%)	61 (100%)
<b>S 2:</b> The trainings are always conducted in a non-discriminatory fashion		
Agree	105 (65.22%)	31 (50.82%)
Strongly Agree	24 ( <b>14.9%</b> )	22 ( <b>36.06%</b> )
Disagree	15 (9.32%)	04 (6.56%)
Strongly Disagree	-	01 (1.64%)
NA/ND	17 (10.56%)	03 (4.92%)
Total (N)	161(100%)	61 (100%)
<b>S 3:</b> The training(s) provided is/are up to my expectation		
Agree	122 (75.78%)	34 (55.74%)
Strongly Agree	15 ( <b>9.32%</b> )	20 ( <b>32.79%</b> )
Disagree	04 (2.48%)	06 (9.83%)
Strongly Disagree	-	-
NA/ND	20 (12.42%)	01 (1.64%)
Total (N)	161 (100%)	61 (100%)
<b>S 4:</b> The training(s) is/are relevant for my job		
Agree	132 (81.99%)	32 (52.46%)
Strongly Agree	26 ( <b>16.15%</b> )	25 ( <b>40.98%</b> )
Disagree	-	01 (1.64%)
Strongly Disagree	-	-
NA/ND	03 (1.86%)	03 (4.92%)
Total (N)	161 (100%)	61 (100%)
<b>S 5:</b> The training(s) stimulated my learning		
Agree	127 (78.88%)	32 (52.46%)
Strongly Agree	28 ( <b>17.39%</b> )	24 ( <b>39.34%</b> )
Disagree	02 (1.24%)	02 (3.28%)
Strongly Disagree	-	-
NA/ND	04 (2.48%)	03 (4.92%)
Total (N)	161 (100%)	61 (100%)
<b>S 6:</b> The training instructor(s) is/are always helpful		
Agree	125 (77.63%)	34 (55.74%)
Strongly Agree	27 ( <b>16.77%</b> )	23 ( <b>37.7%</b> )
Disagree	04 (2.49%)	01 (1.64%)
Strongly Disagree	01 (0.62%)	-
NA/ND	04 (2.49%)	03 (4.92%)
Total (N)	161 (100%)	61 (100%)

**Table 4.21 Employee's Perception towards Career Planning**

<b>Level of Judgement</b>	<b>Sector</b>	
<b>S1: The organisation provides career guidance and counselling</b>	<b>Public</b>	<b>Private</b>
Agree	48 (18.75%)	46 (31.94%)
Strongly Agree	09 ( <b>3.51%</b> )	05 ( <b>3.47%</b> )
Disagree	146 ( <b>57.03%</b> )	45 ( <b>31.25%</b> )
Strongly Disagree	28 (10.94%)	25 ( <b>17.36%</b> )
NA/ND	25 (9.77%)	17 (11.81%)
Total (N)	256 (100%)	*144 (100%)
<b>S2: My career goal match the organisational career system</b>		
Agree	161 (62.89%)	67 (46.53%)
Strongly Agree	31 ( <b>12.11%</b> )	13 ( <b>9.03%</b> )
Disagree	28 (10.94%)	21 (14.58%)
Strongly Disagree	05 (1.95%)	06 (4.16%)
NA/ND	31 (12.11%)	31 (21.53%)
Total (N)	256 (100%)	*144 (100%)
<b>S3: The organisational opportunity is helping me accomplish my career aspiration</b>		
Agree	162 (63.28%)	60 (41.67%)
Strongly Agree	27 ( <b>10.55%</b> )	13 ( <b>9.03%</b> )
Disagree	35 (13.67%)	28 (19.44%)
Strongly Disagree	14 (5.47%)	09 (6.25%)
NA/ND	18 (7.03%)	28 (19.44%)
Total (N)	256 (100%)	*144 (100%)
<b>S4: The organisation helps me utilise my potential to the fullest</b>		
Agree	164 (64.06%)	77 (53.47%)
Strongly Agree	26 ( <b>10.16%</b> )	28 ( <b>19.44%</b> )
Disagree	36 (14.06%)	09 (6.25%)
Strongly Disagree	06 (2.34%)	07 (4.86%)
NA/ND	24 (9.38%)	23 (15.97%)
Total (N)	256 (100%)	144 (100%)
<b>S5: The organisation enlightens all employees on the need for ethical behaviours</b>		
Agree	177 (69.14%)	91 (63.19%)
Strongly Agree	34 ( <b>13.28%</b> )	34 ( <b>23.61%</b> )
Disagree	19 (7.42%)	07 (4.86%)
Strongly Disagree	05 (1.96%)	06 (4.17%)
NA/ND	21 (8.2%)	06 (4.17%)
Total (N)	256 (100%)	144 (100%)

\* Indicates the six respondents from NEPED that is, 4.17% (N=144) of total respondents whose views have been considered as invalid.



**Table 4.22 Employee's Perception towards Developing Employee Relation**

<b>Level of judgement</b>	<b>Sector</b>	
<b>S1: Employees have free access to information concerned with workers</b>	<b>Public</b>	<b>Private</b>
Agree	160 (62.5%)	110 (76.39%)
Strongly Agree	12 ( <b>4.69%</b> )	17 ( <b>11.8%</b> )
Disagree	37 (14.45%)	06 (4.17%)
Strongly Disagree	04 (1.56%)	02 (1.39%)
NA/ND	43 (16.8%)	09 (6.25%)
Total (N)	256 (100%)	144 (100%)
<b>S2: Employees are encouraged to communicate with their superiors/ managers about their performance</b>		
Agree	172 (67.19%)	101 (70.14%)
Strongly Agree	14 ( <b>5.47%</b> )	18 ( <b>12.5%</b> )
Disagree	31 (12.11%)	11 (7.64%)
Strongly Disagree	05 (1.95%)	06 (4.17%)
NA/ND	34 (13.28%)	08 (5.55%)
Total (N)	256 (100%)	144 (100%)
<b>S3: Employees suggestions are valued and implemented</b>		
Agree	114 (44.53%)	87 (60.42%)
Strongly Agree	14 ( <b>5.47%</b> )	21 ( <b>14.59%</b> )
Disagree	68 (26.56%)	10 (6.94%)
Strongly Disagree	11 (4.3%)	10 (6.94%)
NA/ND	49 (19.14%)	16 (11.11%)
Total (N)	256 (100%)	144 (100%)
<b>S4: Employees are given opportunity to voice dissatisfaction to higher level</b>		
Agree	170 (66.41%)	95 (65.97%)
Strongly Agree	15 ( <b>5.86%</b> )	12 ( <b>8.34%</b> )
Disagree	28 (10.94%)	19 (13.19%)
Strongly Disagree	09 (3.51%)	05 (3.47%)
NA/ND	34 (13.28%)	13 (9.03%)
Total (N)	256 (100%)	144 (100%)
<b>S5: There is continuous communication and consultation between employees and management in matters affecting their functioning</b>		
Agree	171 (66.79%)	85 (59.03%)
Strongly Agree	13 ( <b>5.08%</b> )	32 ( <b>22.22%</b> )
Disagree	40 (15.63%)	14 (9.72%)
Strongly Disagree	05 (1.95%)	02 (1.39%)
NA/ND	27 (10.55%)	11 (7.64%)
Total (N)	256 (100%)	144 (100%)

**Table 4.23 Employee's Perception towards Managing Performance**

<b>Level of Judgement</b>	<b>Sector</b>	
<b>S1: Performance standards are conveyed to us regarding our work performance</b>	<b>Public</b>	<b>Private</b>
Agree	176 (68.75%)	77 (53.47%)
Strongly Agree	20 ( <b>7.81%</b> )	33 ( <b>22.92%</b> )
Disagree	25(9.76%)	09 (6.25%)
Strongly Disagree	09 (3.52%)	06 (4.17%)
NA/ND	26 (10.16%)	19 (13.19%)
Total (N)	256 (100%)	144 (100%)
<b>S2: Employees' work performances are continuously monitored and assessed</b>		
Agree	200 (78.13%)	87 (60.42%)
Strongly Agree	20 ( <b>7.81%</b> )	30 ( <b>20.83%</b> )
Disagree	18 (7.03%)	12 (8.33%)
Strongly Disagree	03 (1.17%)	03 (2.08%)
NA/ND	15 (5.86%)	12 (8.33%)
Total (N)	256 (100%)	144 (100%)
<b>S3: Feedbacks of our performance are discussed with us supported with explanations and justifications</b>		
Agree	120 (46.87%)	75 (52.08%)
Strongly Agree	27 ( <b>10.55%</b> )	25 ( <b>17.36%</b> )
Disagree	61 (23.83%)	22 (15.28%)
Strongly Disagree	08 (3.13%)	10 (6.95%)
NA/ND	40 (15.62%)	12 (8.33%)
Total (N)	256 (100%)	144 (100%)
<b>S4: Corrective measures are promptly taken to rectify the shortfall(s)</b>		
Agree	175 (68.36%)	82 (56.94%)
Strongly Agree	37 ( <b>14.45%</b> )	42 ( <b>29.17%</b> )
Disagree	24 (9.38%)	07 (4.87%)
Strongly Disagree	05 (1.95%)	06 (4.17%)
NA/ND	15 (5.86%)	07 (4.86%)
Total (N)	256 (100%)	144 (100%)
<b>S5: Employee's are equally rewarded based on individual/team performance</b>		
Agree	66 (25.78%)	64 (44.45%)
Strongly Agree	12 ( <b>4.69%</b> )	14 ( <b>9.72%</b> )
Disagree	107 ( <b>41.79%</b> )	36 (25%)
Strongly Disagree	28 (10.94%)	07 (4.86%)
NA/ND	43 (16.8%)	23 (15.97%)
Total (N)	256 (100%)	144 (100%)

(Continue)

Level of Judgement	Sector	
S6: Important contribution made to the organisation's success is rewarded	Public	Private
Agree	71 (27.73%)	55 (38.2%)
Strongly Agree	13 (5.08%)	14 (9.72%)
Disagree	94 (36.72%)	30 (20.83%)
Strongly Disagree	16 (6.25%)	09 (6.25%)
NA/ND	62 (24.22%)	36 (25%)
Total (N)	256 (100%)	144 (100%)

**Table 4.24 Perceived Performance Level: Public Sector (Respondents)**

Public Sector								
P W L	Working Hour	Perceived Self Performance						Total N= 256
		Super Exc.	Exc.	Effective	Good	Fair	Cannot Say	
Moderate	5-6 Count	-	17	22	38	03	08	88
	% of total	-	6.64	8.59	14.84	1.17	3.13	34.37
	7-8 Count	-	02	13	08	-	01	24
	% of total	-	0.78	5.08	3.13	-	0.39	9.38
	9-10 Count	-	01	09	03	-	-	13
	% of total	-	0.39	3.52	1.17	-	-	5.08
	10+ Count	-	01	02	02	-	-	05
	% of total	-	0.39	0.78	0.78	-	-	1.95
Heavy	Total Count	-	21	46	51	03	09	130
	% of the total	-	8.2	17.97	19.92	1.17	3.52	50.78
Very Heavy	5-6 Count	-	02	12	05	02	-	21
	% of total	-	0.78	4.69	1.95	0.78	-	8.2
	7-8 Count	02	07	06	08	02	-	25
	% of total	0.78	2.73	2.34	3.13	0.78	-	9.76
	9-10 Count	-	01	04	06	-	-	11
	% of total	-	0.39	1.56	2.34	-	-	4.29
	10+ Count	-	02	09	14	-	03	28
	% of total	-	0.78	3.52	5.47	-	1.17	10.94
Very Heavy	Total Count	02	12	31	33	04	03	85
	% of the total	0.78	4.68	12.11	12.89	1.56	1.17	33.19
Very Heavy	7-8 Count	-	-	-	01	-	-	01
	% of total	-	-	-	0.39	-	-	0.39
	10+ Count	-	-	05	01	-	-	06
	% of total	-	-	1.95	0.39	-	-	2.34
	Total Count	-	-	05	02	-	-	07
	% of the total	-	-	1.95	0.78	-	-	2.73

(Continue)

Light	5-6	Count	-	02	07	10	-	01	20
		% of total	-	0.78	2.73	3.91	-	0.39	7.81
	7-8	Count	-	-	01	02	-	-	03
		% of total	-	-	0.39	0.78	-	-	1.17
	10+	Count	-	01	-	-	-	-	01
		% of total	-	0.39	-	-	-	-	0.39
Total		Count	-	03	08	12	-	01	24
		% of the total	-	1.17	3.12	4.69	-	0.39	9.37
Very Light	5-6	Count	-	06	01	02	-	01	10
		% of total	-	2.34	0.39	0.78	-	0.39	3.91
Total		Count	02	42	91	100	07	14	256
		% of the total	0.78	16.4	35.55	39.06	2.73	5.47	100%

PWL indicates Perceived Work Load. SE= Super Excellent; Exc= Excellent.

**Table 4.25 Perceived Performance Level: Private & other organisations  
(Respondents)**

Private and other organisations								
P W L	Working Hour	Perceived Self Performance						Total  N= 144
		SE	Exc.	Effective	Good	Fair	Cannot Say	
Moderate	5-6      Count	-	01	02	09	03	-	15
	% of total	-	0.69	1.39	6.25	2.08	-	10.42
	7-8      Count	01	06	23	26	01	08	65
	% of total	0.69	4.17	15.97	18.05	0.69	5.55	45.14
	9-10     Count	-	-	-	-	01	-	01
	% of total	-	-	-	-	0.69	-	0.69
	Total     Count	01	07	25	35	05	08	81
	% of the total	0.69	4.86	17.36	24.31	3.47	5.55	56.25
Heavy	5-6      Count	-	01	03	02	02	01	09
	% of total	-	0.69	2.08	1.39	1.39	0.69	6.25
	7-8      Count	01	07	16	13	01	03	41
	% of total	0.69	4.86	11.11	9.03	0.69	2.08	28.47
	10+     Count	-	-	-	06	-	-	06
	% of total	-	-	-	4.17	-	-	4.17
	Total     Count	01	08	19	21	03	04	56
	% of the total	0.69	5.55	13.19	14.58	2.08	2.78	38.89
Light	5-6      Count	-	-	-	01	-	-	01
	% of total	-	-	-	0.69	-	-	0.69
	7-8      Count	-	01	-	03	-	-	04
	% of total	-	0.69	-	2.08	-	-	2.78
	Total     Count	-	01	-	04	-	-	05
	% of the total	-	0.69	-	2.78			3.47

(Continue)

Very Light	7-8	Count	-	-	01	-	-	01	02
		% of total	-	-	0.69	-	-	0.69	1.39
Total		Count	02	16	45	60	08	13	144
		% of the total	1.39	11.11	31.25	41.67	5.55	9.03	100%

PWL indicates Perceived Work Load. SE= Super Excellent; Exc= Excellent.

**Table 4.40 Employees' Perception towards Quality of Work Life**

Level of Judgement	Sector	
<b>S1: Pay (salary/wages) is reviewed and enhanced in due time</b>	<b>Public</b>	<b>Private</b>
Agree	178 (69.53%)	78(54.17%)
Strongly Agree	53 (20.70%)	10 (6.94%)
Disagree	12 (4.69%)	34 (23.61%)
Strongly Disagree	02 (0.78%)	04 (2.78%)
NA/ND	11 (4.3%)	12 (8.33%)
Total (N) (6)	256 (100%)	*144 (100%)
<b>S2: The organisation offers adequate and fair (monetary) compensation</b>		
Agree	157 (61.33%)	69 (47.92%)
Strongly Agree	24 (9.38%)	07 (4.86%)
Disagree	36 (14.06%)	34 (23.61%)
Strongly Disagree	03 (1.17%)	03 (2.08%)
NA/ND	36 (14.06%)	25 (17.36%)
Total (N)	256 (100%)	*144 (100%)
<b>S3: Organisation offers adequate non-monetary benefits</b>		
Agree	84 (32.81%)	42 (29.17%)
Strongly Agree	22 (8.6%)	05 (3.47%)
Disagree	87 (33.98%)	51 (35.42%)
Strongly Disagree	13 (5.08%)	11 (7.64%)
NA/ND	50 (19.53%)	29 (20.14%)
Total (N)	256 (100%)	*144 (100%)
<b>S4: The organisation offers safe and accident free working environment</b>		
Agree	163 (63.67%)	97 (67.36%)
Strongly Agree	15 (5.86%)	15 (10.42%)
Disagree	48 (18.75%)	09 (6.25%)
Strongly Disagree	08 (3.13%)	02 (1.39%)
NA/ND	22 (8.59%)	15 (10.42%)
Total (N)	256 (100%)	*144 (100%)

(Continue)

Level of Judgement	Sector	
	Public	Private
<b>S5: The organisation provides healthy working environment (clean toilets, ventilations, safe drinking water, dispensaries etc)</b>		
Agree	102 (39.84%)	85 (59.03%)
Strongly Agree	09 (3.52%)	28 (19.44%)
Disagree	94 (36.72%)	21 (14.58%)
Strongly Disagree	26 (10.16%)	02 (1.39%)
NA/ND	25 (9.76%)	02 (1.39%)
Total (N)	256 (100%)	*144 (100%)
<b>S6: The organisation provides the opportunity to use and develop one's own creativity</b>		
Agree	141(55.08%)	86 (59.72%)
Strongly Agree	16 (6.25%)	19 (13.19%)
Disagree	45 (17.58%)	17 (11.81%)
Strongly Disagree	06 (2.34%)	08 (5.56%)
NA/ND	48 (18.75%)	14 (9.72%)
Total (N)	256 (100%)	144 (100%)
<b>S7: The organisation helps to maintain a balance between family/social and work life</b>		
Agree	140 (54.69%)	98 (68.06%)
Strongly Agree	35 (13.67%)	14 (9.72%)
Disagree	59 (23.05%)	10 (6.94%)
Strongly Disagree	03 (1.17%)	04 (2.78%)
NA/ND	19 (7.42%)	18 (12.5%)
Total (N)	256 (100%)	144 (100%)
<b>S8: There is social integration in the workforce</b>		
Agree	157 (61.33%)	89 (61.81%)
Strongly Agree	21 (8.2%)	24 (16.67%)
Disagree	40 (15.63%)	18 (12.5%)
Strongly Disagree	07 (2.73%)	01 (0.69%)
NA/ND	31 (12.11%)	12 (8.33%)
Total (N)	256 (100%)	144 (100%)
<b>S9: Organisation effectively handles employee grievances</b>		
Agree	134 (52.34%)	91 (63.19%)
Strongly Agree	16 (6.25%)	31 (21.53%)
Disagree	51 (19.92%)	11 (7.64%)
Strongly Disagree	08 (3.13%)	01 (0.69%)
NA/ND	47 (18.36%)	10 (6.95%)
Total (N)	256 (100%)	144 (100%)

(Continue)

Level of Judgement	Sector	
	Public	Public
<b>S10:</b> Organisation ensures that Constitutional protection against sexual discrimination and harassment at the workplace is strongly maintained		
Agree	187 (73.05%)	104 (72.22%)
Strongly Agree	31 (12.11%)	27 (18.75%)
Disagree	14 (5.47%)	03 (2.08%)
Strongly Disagree	03 (1.17%)	-
NA/ND	21 (8.2%)	10 (6.95%)
Total (N)	256 (100%)	144 (100%)
<b>S11:</b> Organisation ensures that every employee has Constitutional rights to free speech		
Agree	191 (74.61%)	95 (65.97%)
Strongly Agree	31 (12.11%)	24 (16.67%)
Disagree	15 (5.86%)	12 (8.33%)
Strongly Disagree	03 (1.17%)	01 (0.7%)
NA/ND	16 (6.25%)	12 (8.33%)
Total (N)	256 (100%)	144 (100%)
<b>S12:</b> Organisation ensures every employee Constitutional rights to equitable treatment		
Agree	194 (75.78%)	66 (45.83%)
Strongly Agree	21 (8.2%)	14 (9.72%)
Disagree	22 (8.59%)	25 (17.36%)
Strongly Disagree	03 (1.17%)	06 (4.17%)
NA/ND	16 (6.25%)	33 (22.92%)
Total (N)	256 (100%)	144 (100%)

\* Indicates the six respondents from NEPED that is, 4.17% (N=144) of total respondents whose views have been considered as invalid.

## **ANNEXURE B**

### **Title: Questionnaire for Employees A Questionnaire on Evaluation of Human Resource Management in Nagaland: A Case Study of Three Districts**

#### **PART I**

Gender: Male/Female

Age:

Designation:

Qualification:

Year of Joining Service:

Marital Status: Married/Single

Working Hour (normally):

#### **PART II**

Please tick (✓) the correct response to the following questions. Your response/feedback is sincerely appreciated. Thank you.

Q1. Through which source did you learn about the job vacancy in your organisation?

(This would mean your first job/post if you have already been promoted)

- a. Employment Exchange
- b. Present Employee
- c. Former Employee
- d. Advertisement
- e. NPSC
- f. Other. Please Specify.....

Q2. Did you undergo any selection procedure before entering the service/job? If yes, please specify what method.

- a. Oral Interview
- b. Selection Test (written)
- c. Departmental Interview (DSC/DPC)
- d. Reference & Background Analysis
- e. None
- f. Other. Please Specify.....



Q3. Have you attended any training as a part of your job after joining the organisation?

- a. Yes
- b. No

### PART III

Please circle your response to each item. Rate each statement on a 1-5 scale. 1 equals “Agree” and 2 equals “Strongly Agree” representing the highest and most positive impression. 3 equals “Disagree” and 4 equals “Strongly Disagree” representing the lowest and most negative impression on the scale; and 5 represents an adequate impression.

**1= Agree, 2= Strongly Agree, 3=Disagree, 4=Strongly Disagree, 5= Neither Agree/ nor Disagree**

#### Training

The objectives of the training programs are always well informed	1	2	3	4	5
The training(s) are conducted in a non-discriminatory fashion	1	2	3	4	5
The training(s) provided is/are up to my expectation	1	2	3	4	5
The training(s) is/are relevant for my job	1	2	3	4	5
The training(s) stimulated my learning	1	2	3	4	5
The training instructor(s) is/are always helpful	1	2	3	4	5
The training instructor(s) is/are always well prepared	1	2	3	4	5

#### Career Planning and Development

The organisation provides career guidance and counselling	1	2	3	4	5
My career goal match the organisational career system	1	2	3	4	5
The organisational opportunity is helping me accomplish my career aspiration	1	2	3	4	5
The organisation helps me utilise my potential to the fullest	1	2	3	4	5
The organisation enlightens employees about the need for ethical behaviours	1	2	3	4	5

## Performance Appraisal

Performance standards are conveyed to us regarding our work performance	1	2	3	4	5
Employee's work performances are continuously monitored and assessed	1	2	3	4	5
Feedbacks/results of work performance are discussed with us supported with explanations and justifications	1	2	3	4	5
Corrective actions are promptly taken to rectify shortfall(s)	1	2	3	4	5
Employee's are equally rewarded based on individual/team performance	1	2	3	4	5
Important contribution made to the organisation's success is rewarded	1	2	3	4	5

## Developing Employee Relation

Employees have free access to information concerned with workers	1	2	3	4	5
Employees are encouraged to communicate with their superiors/managers about their performance	1	2	3	4	5
Employees' suggestions are valued and implemented	1	2	3	4	5
Employees are given the opportunity to voice their dissatisfaction to higher levels	1	2	3	4	5
There is continuous communication and consultation between the workers and management in matters affecting their functioning	1	2	3	4	5

## Quality of Work Life

Pay (salary/wages) is reviewed and enhanced in due time	1	2	3	4	5
Organisation offers adequate and fair (monetary) compensation	1	2	3	4	5
Organisation pays adequate non-monetary benefits	1	2	3	4	5
Organisation offers safe (accident-free) working environment	1	2	3	4	5
Organisation provides healthy working environment (clean toilets, ventilations, dispensaries, safe drinking water, etc)	1	2	3	4	5
Organisations provides the opportunity to use and develop one's own creativity	1	2	3	4	5
Organisation helps to maintain a balance between family/social and work life	1	2	3	4	5
There is social integration in the workforce	1	2	3	4	5
Employee grievances and issues are handled effectively	1	2	3	4	5

Organisation ensures that Constitutional protection against sexual discrimination and harassment at the workplace is strongly maintained	1	2	3	4	5
Organisation ensures that every employee has Constitutional rights to free speech	1	2	3	4	5
Organisation ensures that every employee has Constitutional rights to equitable treatment	1	2	3	4	5

#### **PART IV**

Q1. Please state your job satisfaction level on the following items. Rate each item on a 1-5 scale by circling your opinion

**1= “Excellent”, 2= “Very Good”, 3= “Good”, 4= “Average”, 5= “Poor”**

Job contents (activities) of your present job	1	2	3	4	5
Working conditions	1	2	3	4	5
Nature of supervision	1	2	3	4	5
Job security	1	2	3	4	5
Amount of work and wage/salary	1	2	3	4	5
Promotional opportunity/prospect of career growth	1	2	3	4	5
Equitable reward system	1	2	3	4	5

Q2. How would you rate your work load?

- (a) Light                                      (b) Very Light                      (c) Moderate  
(d) Heavy                                      (e) Very Heavy

Q3. How would you evaluate your performance level? Give any one of the judgement listed below.

- (a) Supper excellent                      (b) Excellent                      (c) Effective  
(d) Good                                      (e) Fair                                      (f) Cannot say

Q4. Please provide three suggestions on how your organisation can improve in future.

Q5. How would you describe your experience with NEPED? (This question is only for NEPED participants)

(Thank you for your co- operation)

**Title: Questionnaire for Trainees (Training Institute)**  
**A Questionnaire on Evaluation of Human Resource Management in Nagaland:**  
**A Case Study of Three Districts**

**PART I**

Gender: Male/Female      Age:      Marital Status: Married/Single  
Community:      Qualification:

**PART II**

Please tick (✓) the correct response wherever applicable and provide appropriate information in the blanks. Your response/feedback is sincerely appreciated. Thank you.

Q1. Were you informed about the relevance/scope of this training (course) before starting?

- a) Yes, well informed      c) Partially informed
- b) Not at all

Q2. Is the training course up to your expectation?

- a) Yes, very much      b) Satisfactory
- b) Not at all      d) Cannot say

Q3. How often are the training instructors well prepared?

- a) Always      b) Only sometimes      c) Rarely      d) Never

Q4. How often are the training instructors helpful and approachable?

- b) Always      b) Only sometimes      c) Rarely      d) Never

Q5. What is your opinion on the training facilities (equipments) provided?

- a) Sophisticate and difficult to understand/operate.
- b) Sophisticate but easy to understand/operate.
- c) Neither sophisticate nor outdated but easy to operate.
- d) Neither sophisticate nor outdated but difficult to operate.
- e) Outdated but still useful.

- f) Outdated and needs replacement with newer equipments.
- g) Others. Please specify.....

Q6. What do you plan to do after this training is over?

- a) Join Govt. Service
- b) Pursue further study
- c) Start your own enterprise/business
- d) Work in private firm
- e) Others. Please specify.....

Q7. Please state your reason for the above choice (Q6)?

Q8. How would you improve this training course? (Check all that apply)

- a) Provide better information before starting the course.
- b) Clarify the course objectives.
- c) Reduce the content covered in the course.
- d) Increase the content covered in the course.
- e) Update content covered in the course.
- f) Improve the instructional methods.
- g) Make the course activities more stimulating.
- h) Make the course less difficult.
- i) Make the course more difficult.
- j) Slow down the pace of the course.
- k) Speed up the pace of the course.
- l) Allot more time for the course.
- m) Shorten the time for the course.
- n) Improve the performance test used in the course.

Q9. What other improvement would you recommend in this course?

Q10. What is least valuable about this course?

Q11. What is most valuable about this course?

(Thank you for your co- operation)