IN-HOUSE TRAINING CENTRES IN PUBLIC ENTERPRISES IN INDIA—A CRITICAL ANALYSIS OF SIX LARGE ENTERPRISES IN DELHI REGION

DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

BY

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Aligarh

Ishaque Ahmed
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CHAPTER I

NEED FOR PUBLIC ENTERPRISES IN INDIA

Over the last thirty years or so, the public sector in India has been a subject of discussion amongst intellectuals, businessmen, politicians, workers and layman for a variety of reasons. It has been to some among us, an end in itself, as also an instrument of delivering the means of production from private ownership and exploitation to social ownership. They have found in the enlarging of public sector, a movement towards a welfare society, towards a socialisation state and as an instrument of the dominance of the individual by the state. Others have found in the public sector wastage, corruption, inconvenience and inefficiency. But in essence, public sector belongs to no single such group. It is a mixture of achievements and successes with failures and wastages. But if looked at from a broader angle, it would show that the frequency or extent of successes and failures are no more or less than those in the private sector. But the fact is that for the large majority of us, the picture that emerges is one of performance considerably shorter of what was expected or promised.

Public sector have over the years from preindependence diversified its field and at present covers electricity generation, transport, coal, iron ore, steel, oil, chemicals and fertilizers, textiles, consumer goods, import and export trade, food procurement and distribution etc. besides irrigation, post and telegraph, railways and Ordnance factories. Apart from the central government, State and local governments have also

........ contd/
established or taken over production of other kinds of units. Recently, units have also been set up jointly with the private sector. The number of public sector enterprises at present, including state electricity boards and those units owned by state or local governments, numbers around 4.0 million.

But the question that arises here is what was the need for setting up industries in public sector?

Before answering this question it would be appropriate to define the term public enterprise -- The term public enterprise is generally used to denote an undertaking in which the government has a larger interest of ownership and management. Prof. Ixmali Harin in his book "Principles and Practice of Public Enterprise Management" has defined public enterprise as "an activity of the government, whether central, state or local, involving manufacturing or production of goods, including agriculture, or making available a service for a price; such activity being managed either directly, that is, departmentally, or through an autonomous body with the government having a majority ownership, that is, more than 50% of equity." But as per United Nations definition, public enterprise is an economic undertaking in which the government owns or controls wholly or partly its function. It includes those enterprises - the mixed enterprises - which are controlled by the state. A mixed enterprise is one jointly owned by the state and by private persons. If the state contributes over half of its capital, it automatically has a controlling interest. In some cases the state even has a control over the mixed enterprise for which it provides less than half of its capital.

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After the Second World War, expansion of public enterprises has been one of the most marked trends in the economy of several developing countries including India. But the factors responsible for setting up of public enterprises differ from country to country depending upon its economic system.

There are many practical considerations which lead a government to take over certain sectors of the economy.

1. When private enterprises do not take interest in economic activity which the government considers essential or desirable.

2. The government has certain developmental priorities which cannot materialize if left to private enterprises and other private organizations.

3. When regulatory measures are inadequate to control private enterprises.

4. The government may introduce public enterprises as an instrument of development in an underdeveloped region.

A V. N. Expert in development administration has advanced the following reasons which lead a government to expand public enterprises:

1. National defence, war and related activities which the government does not feel desirable to leave in private hands.

2. Lack of appropriate private enterprises for certain enterprises.

3. Inability of private interests to develop certain lines of production.

4. Desire to impose a more rational organization on specific sectors of the economy.

5. Desire to establish 'model' productive units and

6. The fact that certain economic undertakings have traditionally been public enterprises.

Closely related to 2 & 3 is the strong desire of the governments of many
countries to accelerate economic growth, to speed up the process of diversification through new enterprises, to achieve greater self-reliance and self-sufficiency and/or to reduce the excessive influence of enterprises owned by foreigners or by unpopular minority groups, and the incapacity of private enterprises to achieve these objectives.

Thus the public sector enterprises play an important role not only in the growth of the gross national product but also in the promotion of social justice. Hence the need for setting up public enterprises.

In India, public enterprises were set up out of compulsion and necessity rather than choice. At the time when the country got independence from the British, the economy of the country was in doldrums. Free India got neither the industries nor the resources. The result was that the government had to take quick actions to industrialize the country as a lot depended upon the country's economy. The private entrepreneurs were only to reluctant to enter those fields in which either there were no profits, meagre profits or where gestation period was too long. This compelled the government to take the responsibility of entering such fields even if it meant an initial loss. Actually, the main idea for the state participation was that the state considered that its prime objective is to earn 'social profit'. This thinking subsequently relegated the profit motive to the second place.

The other prime motive for opening public enterprises in India was that foreign collaborators from the erstwhile European countries were prepared to extend their help only to government organizations and it would not have been wise to shut that aid out.
Concepts like "Workers Participation in Management" can be and have been first experimented in government run enterprises. In matters like these the government is in a position not merely to guide the industries but act as the industrial leader, and this has been one of the first lessons learnt after the entry of the public sector into trade and industry.

The other advantage of government intervention in business is that it has augmented the national divided. The income from these enterprises goes into the economic pool and is available for redistribution and reinvestment. This pool may be used as a means of equitable division of the national divided. Unless the government does all this the divided the government has to pay may take the form of a division of poverty, not a division of wealth.
CHAPTER 2

PUBLIC SECTOR IN INDIA: A PERSPECTIVE

The birth of the public sector in India took place in the third and fourth decades of the 19th century. In its early days, governmental enterprise concerned itself with the lines of communication, which were extended more or less keeping pace with the territorial extension of British rule in the country. For the rest of the Industrial Revolution which was transforming the economy and society in the west, it was left to private enterprise, mainly through firms organised and controlled from Britain, to establish such industries in India as they thought fit; and what they thought fit was mainly those industries which could best subserve the economic interests of their home economy.

Until the first quarter of the twentieth century, most governments confined themselves to the happy and much easier task of governing and keeping themselves in power. But it is sad to say that the latter task is still the prime consideration of most governments, but now, in order to tackle the growing socio-economic problems, they have to consider and direct the socio-economic development of the country.

The major events that took place in India were the first railway line from Bombay to Thane in 1853, communication linkage between Bombay and London in 1870 and the setting up of telephone exchanges in Calcutta, Bombay and Madras in 1882.

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Other pre-independence landmarks in the public sector included electrification of railway lines in Bombay, nationalisation of the private enterprise Hindustan Aircraft Company, nationalisation of telephone systems in Calcutta, Bombay and Madras in 1943, nationalisation of all railways in 1944 and nationalisation of Overseas Communication Service in 1947.

India under the able guidance of the late Prime Minister, Pandit Jawaharlal Nehru, took a deliberate policy decision to establish and develop our own capital and basic goods industry on top priority, in a planned manner in the overall industrialization of the country. The justification given was that with the lack of capital and basic goods industry, the desired growth of consumer durable industries could not be achieved for lack of raw materials which would be supplied by the capital and basic industries. Not only this, development of capital and basic industries would have been put back by decades, which the government could not afford to.

The first year of independence marked a forward surge in public enterprises. The government published its first Industrial Policy Resolution (post independence) declaring that "any improvement in the economic conditions in the country postulates an increase in national wealth. A mere redistribution of existing wealth would make no difference to the people and would merely mean the distribution of poverty. When the mass of people are below the subsistence level, the emphasis should be on the expansion of production. The problem of state participation in industry and the conditions in which the private enterprises should be allowed to
operate must be judged in this context. There can be no doubt that the state must play a progressively active role in the development of industries, but ability to achieve the main objectives should determine the immediate extent of state responsibility and the limits to private enterprise. Further this resolution emphasised that "the decision should be to operate in the existing fields or on new units of production in other fields rather than on acquiring or running existing units". The first step was the setting up of the Camogar Valley Corporation to supply power generation in the public sector.

The First Five Year Plan was presented to the government by the Planning Commission in December 1952. Allocating a sum of Rs. 1,560 crores for the public sector (46.4% of the total) emphasised the need for a rapid economic development and social responsibilities of the state by a progressive widening of the public sector and a reorientation of the private sector to the needs of planned economy. The allocation for the public sector in the subsequent years was as follows:

2nd. Five Year Plan............ Rs. 3,650 crores (54.1%)
3rd. Five Year Plan............ Rs. 6,100 crores (59.5%)
4th. Five Year Plan............ Rs. 13,655 crores (60.5%)
5th. Five Year Plan............ Rs. 31,400 crores (66.7%)

MACROPROFILE OF THE PUBLIC SECTOR IN THE SEVENTIES

Whatever may be the constraints and shortcomings of the public sector enterprises, the fact is and would remain that public sector enterprises in India have in the last three decades captured commanding heights in the spreading of activity and technology. They have matured into such a position that now they are capable of influencing the growth pattern of the country's economy. This situation has developed on account of the public enterprises holding production of most of the infrastructural goods and services holding a majority of the capital and basic goods industries. Public enterprises over the years have achieved phenomenal growth in investment, turnover, employment and other parameters of performance. These facts have to be kept in mind when assessing and appraising their performance and contribution to the economic health of the country.

During the last ten years i.e. 1970-1980, the turnover as percentage of capital employed has shown a steady improvement from 88% in 1970-71 to 141% in 1979-1980. Turnover itself has risen seven fold in ten years. Gross profit before interest and taxes has shown eight fold increase. Yet profit before tax shows an unsteady trend. Out of the last five years of this ten year period, losses were incurred, the last three years show a continuous loss. It indicates that unless the sale margin increases, PSUs cannot generate adequate profits.

2. Macro Profile of the Public Sector in the Seventies: V.J. Kesary in Eighties for the Public Sector pp 139. SXP publication.
TOP TEN PUBLIC ENTERPRISES IN TERMS OF TURNOVER

<table>
<thead>
<tr>
<th>Enterprise</th>
<th>Rs. Crores</th>
<th>1971</th>
<th>Rs. Crores</th>
<th>1980</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indian Oil Corporation</td>
<td>724</td>
<td></td>
<td>Indian Oil Corporation</td>
<td>4,485</td>
</tr>
<tr>
<td>Food Corporation of India</td>
<td>688</td>
<td></td>
<td>Food Corp. of India</td>
<td>2,811</td>
</tr>
<tr>
<td>Hindustan Steel Limited</td>
<td>417</td>
<td></td>
<td>Steel Authority of India</td>
<td>1,995</td>
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<tr>
<td>Minerals &amp; Metals Trading Corporation of India</td>
<td>259</td>
<td></td>
<td>State Trading Corp. of India</td>
<td>1,529</td>
</tr>
<tr>
<td>State Trading Corporation</td>
<td>222</td>
<td></td>
<td>R.L.T.C.</td>
<td>1,410</td>
</tr>
<tr>
<td>Fertilizer Corporation of India</td>
<td>72</td>
<td></td>
<td>Hindustan Petroleum Corp.</td>
<td>1,172</td>
</tr>
<tr>
<td>Hindustan Aeronautics Ltd.</td>
<td>70</td>
<td></td>
<td>Bharat Heavy Electricals Limited</td>
<td>936</td>
</tr>
<tr>
<td>National Coal Development Corporation</td>
<td>44</td>
<td></td>
<td>Madras Refineries Ltd.</td>
<td>435</td>
</tr>
<tr>
<td>Madras Refineries Ltd.</td>
<td>44</td>
<td></td>
<td>Oil and Natural Gas Commission</td>
<td>433</td>
</tr>
<tr>
<td>Bharat Heavy Electricals Ltd.</td>
<td>40</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>2,586</strong></td>
<td><strong>Total for 10 Enterprises</strong></td>
<td><strong>15,846</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>3,309</strong></td>
<td><strong>Total for all Enterprises</strong></td>
<td><strong>23,124</strong></td>
</tr>
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</table>

Source: Sixties For the Public Sector by Dr. Raj K.Singam, 1981
3XPE publication


The public enterprises have in the last ten years generated adequate resources for entering into new projects without burdening the budget of the states. The Public Sector has raised Rs. 3,893 crores as internal resources in the period 1975-76 to 1979-80 and are expected to null it up to Rs. 5,240 crores by the end of Sixth plan (1980-85).
EMPLOYMENT:

As regards the question of employment, the role of public sector is worth mentioning. From a mere employment figure of 5,60 lakhs in 1970-71, the public sector now employs 18.44 lakhs (1979-80). With more enterprises coming up, the current unemployment problem should ease, but the rate at which aspirants are getting ready to be employed is at a much higher rate than the rate of new employment opportunities, hence, the public sector by itself cannot solve the problem of unemployment.

SOCIAL WELFARE:

Improvement of India's economy is not the only objective of public sector, with it an equal emphasis is laid on the general improvement of the employees and the public. Employee welfare receives the highest priority in public enterprises manifestos. The major enterprises, and especially those located in greenfield areas, maintain large townships, hospitals and schools besides providing facilities for cultural and recreational activities of their employees.

EXPORTS:

The public enterprises during the ten year period 1970-71 to 1979-80 earned Rs. 12,104 crores of foreign exchange. Of this earnings through the various sources is as given overleaf.

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This analysis shows that by and large the production enterprises with large capacities, and quite a good part of it unutilized, are oriented to domestic markets and are not geared to look for markets abroad. Though some efforts in recent years to venture into international markets have yielded good results, e.g., the H.E.T.

**REGIONAL DEVELOPMENT:**

The other major field where the contribution of public enterprises is worth mentioning is the equal distribution of productive wealth of the country and removing regional imbalances in economic activity. PSs of Bihar, West Bengal and Madhya Pradesh top the list in distribution of investment. This is due to the fact that these three states provide most of the basic materials needed for running industries in other states.
CHAPTER 3

CONSTRAINTS OF PUBLIC ENTERPRISES

The setting up of public enterprises in India has no doubt been a boon in shaping the economy of the country and in placing India at such a high position in the list of developing countries, that now India is able to export goods, varying from machinery to foodstuffs, to almost all the countries in the world.

But inspite of all these achievements, public enterprises have never been free from criticisms and mud-slinging from political parties, institutions and intellectuals. The main reasons for this attack are: a) poor financial performance and b) enormous sufferings due to the failure of the infra-structure by way of electric power and railways.

I would prefer defining and explaining the constraints faced by public sector instead of answering to the criticisms.

As regards the poor financial performance, it is not fair on our part to blame the entire sector. Not all public enterprises incur losses, there are many which record profits more than their targets. But when the aggregate financial performance is taken, the average result is dismal. e.g. in 1978-79 more than half the public sector units showed profits, but losses were boosted enormously by the massive loss by the Coal India Limited.

I shall further elaborate on the poor financial performance of public sector units- public sector had been set up in the beginning as a provider of infra-structure. The very same political parties, which
now criticize the public sector on account of their poor financial performance, were the same who applauded and cheered the decision of the Indian government late back in 1947 to set up public enterprises in India was being finalised. One can either talk of a firm being 'profit making concern' or 'a provider of infra-structure' regardless of the profit concept.

Political Pressure: This has been the biggest constraint for public enterprises ever since their birth. Parliament has no doubt the supreme power to question the functioning of any enterprise. But it is certainly not advisable for the parliament to interfere in the day to day functioning of public units. Instances of political party bosses compelling the top management to include their man in the enterprise is not uncommon. For the interest of their party they would not hesitate to include a dump, inexperienced man in a senior management position. But who suffers? Naturally the enterprise.

Another example of political pressure is the expansion of a unit, under political pressure, without ensuring that there was adequate money available for maintenance of existing units.

Besides, the starred questions in parliament regarding public enterprises are so numerous and the replies needed so urgently, that the executives spend a lot of their valuable time in collecting data, furnishing facts etc. Sometimes very confidential information relating to costs and customers complaints are raised on the floor. Then the business of a public enterprise happens to be in direct competition with private
sector, divulging information on cost and causing damage to the reputation of the products of the public enterprise will be highly detrimental to the profitability and marketability of the goods produced by the public sector enterprises.

The other major constraint faced by public enterprises is their circumscribed size and investments without simultaneous and commensurate development of competent cadre of management and technical personnel and skilled labour force. The result is that many take long gestation periods.

The immature management personnel of whom many do not have any practical training or experience in big firms is another constraint. The situation, as it certainly would, becomes critical with the result that they soon face closure or if not closure, the get the title 'sick unit'.

The high technology and heavy expenditure products manufactured by public enterprises is another constraint worth mentioning. It has been seen that most of the high technology items such as aace, nuclear programmes and aeronautic industry are products of public sector. Further development of high technology products takes a lot of time and are high priced and thus their marketing is not an easy job. With foreign competitors in the scene, marketing becomes all the more difficult even though many of the obstacles viz. inadequate travelling allowances, promotional expenditure, entertainment of customers and easy terms of payment have been removed. Yet, there is still a long way for the public sector to go at par with their competitors in the private sector.
Training has been rightly termed as a key management function. Its emphasis on strategy, planning, segmentation, obsolescence and adaptability are yet to be felt. It is time industries realised this vital concept. Training establishments take care of manpower development programmes such as diversification of the skills of the employees, management training and creativity techniques and other training programs. In-company training programmes to suit the essential requirements of various areas and to post managers and supervisors with up-to-date knowledge of the latest trends in any particular technology.

The training function has assumed great importance in the past few years. Training is basically a process of changing people and their behaviour, knowledge, skills, and attitudes with programmes, instructions, demonstrations, practice and other planned techniques. It is also a process of aiding employees to gain effectiveness in their present and future work.

Training is a means of reducing obsolescence among the employees and of keeping pace with the technological and social changes which are rapidly taking place in our country. In earlier years little thought was given to the importance of training. Present thinking is that a better output with available resources is also an important management goal. It can be achieved only through manpower (with its limitless potential), materials, machines, and other resources. Skill in managing manpower puts a crucial and challenging demand on managers and supervisors. In the present day context, training assumes a major significance in the improvement of human performance and the speeding up of work. Assessment
of training needs, preparation of training plans, and revision of training activities based on records of past achievements and results are major areas in management function.

**NEED FOR TRAINING**

Most countries are going in for rapid industrialization to meet the demands of the ever-growing populations. This is much more evident in a country like India where industrialization is still in its infancy. Humanpower is one of the resources which has to be utilized effectively. In the past twenty years or so, it has become evident, that the development of human resource is essential to its effective utilization. This can only be done through training and development. An organised and scientific approach to training and development is being gradually accepted by Indian industries.

Formerly, one had to shuttle between classroom and workplace to learn and to practice. With the increase in the number of persons undergoing training and in the complexity of jobs, new training methodology had to be found. It is here that serious thought was given to the development of new teaching and training methods from time to time. Training aids ranging from simple charts to sophisticated techniques such as computer aid instructions have been developed. Strangely, each one of them continues to be in vogue to this day.

The use of training aids in India is very recent, and the industries do not make full use of even the available aids. It was therefore considered desirable to study the training facilities in our industries. The importance of the study is evident from the rapid development in service and technology compared to modern times.
The training methodology consists of the following activities:

1. Determination of training needs.
2. Training methods and techniques.
3. Follow-up action.
4. Successive evaluation.
5. Research and development.

The principal areas of training in regular industries are as follows:

1. Knowledge of the company: This includes knowledge of the company's objectives, policies, procedures, organisational structure and products, and of the industry in which the company's sphere of activities lies.
2. Job skills: A new employee brings to his job a full range of skills required of him, and he has to acquire many skills after he joins the company. Training must be designed to fit the specific needs of each company.
3. Technical and professional training: Professional and technical workers need continuous development after employment to keep them upto date in their specialized fields and to prevent obsolescence.
4. Human resources: The function of training is to instruct all employees, particularly those concerned with the profession, in the principles of human behaviour, and to help them apply the most effective methods in their day to day dealings with people.

v. Managerial training:- Special training in leadership, communication, motivation, handling of grievances, organizational skills, forecasting and planning is essential to efficient management.

There are certain objectives basic to any management development programs. These are:

1. Key concepts and research findings on productive management of manpower.
ii. Developing participants profile on their strengths in communication and motivation of the subordinates.
iii. Skills in handling grievances at the workplace.
iv. Developing personal effectiveness with subordinates and supervisors.
v. Skills in effecting work motivation.
vi. Employee counselling practices.

The above objectives can be achieved through a procedure consisting of the following stages:

a) Recruitment/Selection/Placement:- Selection of the right man for the right job is obviously fundamental to management development. This places a heavy responsibility on those in-charge of recruitment. Unfortunately, this task has not been handled scientifically. It can be made easier if full job specifications are available to those in-charge of recruitment.

b) Performance appraisal:- This is necessary for determining

i. the employee's performance in his job.
ii. his suitability for promotion to a higher job and the type of training he needs to develop his natural abilities and to overcome his shortcomings.
ECONOMIC OBJECTIVES OF TRAINING

For many years, the training profession has been strongly influenced by psychologists, especially learning theorists. This influence has been a rich one and has often led industrial trainers into the forefront of experimentation and testing of new teaching methods, whereas the more conservative and stable college and school faculties have dragged their heels over introducing such change. The use of role-playing in changing behaviour has made small impact but is used extensively in supervisory and management development programmes.

As regards the question whether training is an economic function, most training programmes are considered successful by the people who attend them, especially the management development programmes. Almost any well planned and competently executed course will draw a favourable response from those who attend it. In fact, there is some doubt as to whether or not the questionnaires normally distributed at the end of the course are worth very much because they are uniformly laudatory with only minor suggestions for improvement.

One of the problems that confronts trainers is that many of the widely used methods of training have no basis for use in the firm because they do not change behaviour.

The training of managers in human relations has an exceedingly poor record in this respect.

Here are certain definite rules for measuring behaviour change:
1. Have an experimental group that is to be trained and a control group that is not to be trained.
2. Measure behaviour in specific actions that can be seen or counted in both groups before and after the training.
3. Measure the changes in each group and infer meaning from the results by T-test, Chi-square, multiple correlation and the like.

Managers today ask the following questions about the training programmes:
1. Its contribution to profit.
2. Its contribution to growth/efficiency or
3. Efficiency has been made by expenditures made for training.

All too often have concluded that the gains have not justified the expense. Accordingly, training departments budgets are often the first to suffer when a downtown in business or economy drive is underway.

In the light of this, it is necessary for the trainer to reevaluate his learning practices from an economic viewpoint.

In fact, it is necessary to his survival as a trainer, to do so continuously. It is becoming apparent now that industrial training has a poor record of survival when the earnings of the business decline. When profits disappear, so does the training department in many cases, although many stalwarts of training system are of the opinion that a loss of profit should be followed by high and extensive training programmes.

Economic analysis of the training programmes should answer the question as whether training should be conducted.

**SYSTEMATIC APPROACH TO TRAINING**

All training has to suit the company's present needs and future plans. It should also include a strategy for planning the company's corporate objectives in regard to the available human resources, thereby making the training quantifiable by results. Following steps are recommended for systematic training:

1. Establish annual target and task for each major function of the company and for each individual occupying management position in these functions.

2. Prepare a 'task analysis' for each special job. This necessitates preparation of a detailed list of tasks which the employees must do to achieve the prescribed target.

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iii. Prepare a list of 'knowledge and skills' required by an employee to complete each task. Each such list should cross-refer to respective task-analysis. The task-analysis and the knowledge and skills should be prepared by the function concerned.

iv. Check the requirements of each job as needed in the task-analysis with the knowledge and skill list. The ability of the employer to perform the job has to be up to acceptable standards. This is an area of judgement for the managers.

iv. Make lists annualy of each employee's training and development needs. Decide what is required to improve each man's performance and then list the requirements in a common order of priority in relation to departmental objectives so that a common programme may be formulated.

v. Select the suitable means of training of employees—on the job training, formal courses, individual training etc.

vi. Prepare consolidated training programmes, and ensure that they be implemented according to plan.

vii. Evaluate the results in terms of improved performance on the job. This is a joint responsibility of the training manager and the line manager.

IN-COMBINATION TRAINING PLAN

This consists of the following main items:

1. Induction courses: When a young trainee joins a company from a university, he is generally on probation for one year. During

This period he is given a grounding in the company's activities, the various areas of its operations, and such other information as may be necessary for his role in the company. The induction course is very important for everybody entering a company.

2. **Task for Functional Courses:** This is the next step for formal training. The main purpose of this training is improvement of employees performance in his current job. The normal practice is to depute him to various functional courses between the fifth and fifteenth years of his service; for it is during this period that he is normally rotated from one job to another to widen his experience.

3. **Management Courses:** This type of training is given to persons who are above the average ability and who are likely to occupy senior management positions in the company. Many large companies have adequate resources to run management development courses. Smaller companies take advantage of such courses run by management institutes in the country.

4. **Formal Course for Top Management Personnel:** There are certain special courses conducted by the Administrative Staff College of India, Hyderabad and other such colleges for general managers, senior directors, and officers in similar positions in large companies to bring them up to date in present day methods and uses. This is vital for the company's survival. It is mainly to reduce top management obsolescence in a rapidly changing environment.
Evaluation of the training course is essential to find whether the training has been effective or not. Without any evaluation the very purpose of training is left untouched. Evaluation helps in making further improvements in the training programmes and is also a means to determine the extent to which the trainees have benefited from this course.

The two types of training evaluation prevalent in companies are as follows:

1. Cost Evaluation:- Cost decisions should be taken before proceeding with any training programme, including the cost incurred as justified in terms of benefits that were derived from it. This is difficult to ascertain, and necessitates accurate costing, considering all direct and indirect costs involved.

2. Results Evaluation:- This type of evaluation is important to ensure the 'cost effectiveness' of training. It involves assessment of the extent to which the objectives of training programmes are achieved. It is necessary, therefore,
a) to ensure that training is designed very carefully to meet the needs of those who undergo it.

b) to assess a trainee's performance after he has returned to his work.

Results evaluation involves discussions between the trainees, his line managers, and the organisers of the courses. Each training programme should include a review session at its conclusion to give the trainees an opportunity to comment frankly on the training session and the courses as a whole. Evaluation of training should be done within six months of the completion of the course. The Training Manager writes to the Line Manager concerned, ask for comments on the programme, and requests him to state specifically in what respect it has helped the trainees on the job.

APPRAISAL OF TRAINING AND DEVELOPMENT IN PUBLIC UNDERTAKINGS

The public sector is now playing a vital role in almost all countries of the world. In Socialist Countries, the public sector owns all means of production, and there is no private sector. Even in Capitalist Countries, where the private sector controls a major part of the means of production, the public sector has become important, although in all respects it is subservient to the market mechanism. In developing countries, the public sector has acquired a key place in economic development. In India it has a prominent place in the economy. This is natural
and inevitable for a country which has opted for a Socialist pattern of society, a mixed economy and planned growth. In pursuance of the objectives of self-reliance and growth with social justice, the public sector, in addition to developing basic and heavy industries, has been assigned the task of expanding the capacity in essential consumer goods industries such as cement, paper, drugs and textiles.

With the introduction of planning and adoption of mixed economy, a development strategy, the government went into industrial projects—some for reasons of their strategic importance e.g. Hindustan Aeronautics—and others to acquire economic dominance e.g. financial institutions and the rest by takeover from private sector either to complete the arrears or to salvage the units from almost certain death e.g. "T.C.

The total investment at the beginning of the plan era (Rs. 29 crores) 1 stands no comparison with the present figure of Rs. 13,000 crores. 2 The rapidly growing public sector has naturally necessitated large investments as shown below:

**Growth of Investment in Public Sector**

<table>
<thead>
<tr>
<th>Period</th>
<th>Total Investments (Rs. crores)</th>
<th>No. of Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>At commencement of plan I</td>
<td>29</td>
<td>5</td>
</tr>
<tr>
<td>At end of 3rd plan 31.3.1966</td>
<td>2,415</td>
<td>74</td>
</tr>
<tr>
<td>As on 31.3.1976</td>
<td>6,973</td>
<td>130</td>
</tr>
<tr>
<td>As on 31.3.1978</td>
<td>13,000</td>
<td>153</td>
</tr>
</tbody>
</table>

1. First Five Year plan. Planning Commission report.
2. and 3. Fifth Five Year plan. Planning Commission report.
Industrial production during the period April-December, 1978 is estimated to have increased by 7.5% as against 4.2% during the corresponding period in the previous year.

It is not that the industrial production of all the public sectors has been showing an increasing trend - National Newsprint and Paper Mills, National Textile Corporation, Hindustan Copper, Cement Corporation of India are some who have been showing a regular downward trend in their production. Others like the State Trading Corporation of India, the Bharat Heavy Electricals Limited have on the contrary been showing an upward trend.

Employment in the organised sector constitutes less than 1/4 of the total number of wage and salary earners. Of the 21.09 millions which stood at end of December 1977, the public sector accounted for as much as 14.15 million and the private sector less than 1/3. The highest growth rate was recorded by agriculture, hunting etc., followed by financing, insurance, real estate, electricity, gas and water. At the lower end of the scale were wholesale and retail trade, transport, storage and communication.

The number of job seekers on the registers of employment exchange rose from 9.33 million in 1975 to 12.33 in 1978. It appears that employment opportunities generated in the organised sector have not kept pace with the demand for employment.

2. Report of the Labour Ministry
3. Report of the Labour Ministry
EMPILEMENT IN PUBLIC SECTOR AND PRIVATE SECTOR (in lakhs)

<table>
<thead>
<tr>
<th>Year</th>
<th>Public Sector</th>
<th>Private Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>1961</td>
<td>70.50</td>
<td>50.40</td>
</tr>
<tr>
<td>1966</td>
<td>93.75</td>
<td>68.13</td>
</tr>
<tr>
<td>1971</td>
<td>107.31</td>
<td>67.42</td>
</tr>
<tr>
<td>1972</td>
<td>113.05</td>
<td>67.69</td>
</tr>
<tr>
<td>1973</td>
<td>119.75</td>
<td>68.49</td>
</tr>
<tr>
<td>1974</td>
<td>124.86</td>
<td>67.94</td>
</tr>
<tr>
<td>1975</td>
<td>128.68</td>
<td>68.04</td>
</tr>
<tr>
<td>1976</td>
<td>133.63</td>
<td>68.44</td>
</tr>
<tr>
<td>1977</td>
<td>138.76</td>
<td>68.67</td>
</tr>
<tr>
<td>1978</td>
<td>144.08</td>
<td>70.40</td>
</tr>
</tbody>
</table>

Figures for 1979 onwards not available

TRAINING ESSENTIAL FOR DEVELOPMENT OF VAST HUMAN CAPITAL

The management problems of public enterprises in India primarily rests upon that of organisation i.e. organising the set-up scientifically contributing to maximum national welfare, the objective being to combine ownership with public accountability and business management for public ends.

Whatever the form in which the management of public enterprises in cost, the determining factor for success is the ability of the men at every level of management, Public enterprise have been facing serious absence of personnel in their initial state of operation. Most top level executives have not had

practical experience of management in industry. On the Job, ad-hoc training may go a long way in adding new features to management responsibilities and administration programmes of these undertakings.

It is being realised that employees are also the known assets to public undertakings, and expenditure on training and development is an investment in human capital. Training means education somewhat narrowly, mainly by instruction, drill and discipline, whereas development inculcates an unfolding process and carries an implication of growth and maturity. The change that is induced by business and industry through science and technology demands rapid individual and social adjustment. It also renders obsolete products and processes, skills and attitudes, and with them men and jobs. Meeting this challenge of dynamic change is necessarily the responsibility of management. This challenge to management and industry can be met by training and development.

The essential purpose of training is to develop that knowledge and those skills and attitudes which contribute to the welfare of the company and the employees. Training programmes also aim at making the employees more effective and productive in their jobs and increasing their potential for higher jobs.

Training is a widely accepted problem-solving device. It is, however, no cure for all manpower problems, and it is necessary to introduce it where it would be useful and where it would meet a problem situation. Here are very industrial and
business problems or situations in which training and development programmes are very useful. In modern industry there are various changes, such as job changes, method changes, organisation changes, personnel changes, which are constantly taking place and which necessitates modification of understanding, attitude and skills on the part of the personnel. These can be met through intensive training, which results in reduction of wastes, improvement of methods, reduction of learning time, reduction of costs, improvement of quality, efficiency, productivity and morale, and reduction in accident rate, absenteeism and turnover.

Training policies, objectives and goals must be thought out carefully before instituting a training programme. Through training and development programmes, management provides an opportunity to the employees to improve their skills, attitudes and knowledge. All levels of management are equally responsible for the success of a training programme, and their interest and co-operation are essential. Because of the expertise and specialist technical knowhow required to organise training and development programmes, Personnel managers should evolve the training programmes and conduct them with the help of line managers.

The scope of training programme depends upon the size and resource of the organisation. There is a great need for training employees at various levels of the organisation. Faculty of the financial resources comes in the way of organising
programs in most of the companies, but few of the companies have well organised training programs for their employees. Use of sound principles of training is bound to make the training programme effective and result in positive gains to the trainee and the employer, and finally to national economic growth.

**TRAINING WITHIN INDUSTRY**

If on-the-job training is to be the basic approach, it is essential that training supervisors possess teaching skills. The training procedure which has proved to be of great value is the training within industry. It involves proper preparation of the instructor to have a time-table and a systematic break-down of the job, and to have everything ready to prepare the worker, to present the operation, to tryout performance and to undertake the follow-up.

Here are several types of training programs which make use of on-the-job training. Job Rotation entails the employee being sent through different jobs to give him a wider exposure.

Internship training refers to a joint program of training in which schools and business cooperate and enable the trainee to attain a good balance between theory and practice. Classroom principles are better understood against practical background in a factory. Apprenticeship training is used in those
trades, crafts and technical fields in which proficiency can be acquired after a relatively long period of time, in direct association with the work and under the direct supervision of experts. "Ostensive training" has the merit of training large number of persons without hampering the current operations. Any companies now beyond training their employees for specific job skills by offering programmes of general education, which rely mainly on traditional class-room methods of instruction.

Sometimes the method of programmed instruction is followed. The success of any training programme, regardless of how well it is organised, planned and developed, depends upon competent trainers and instructors. Selection of instructors and their training are important when supervisors and foreman are required to teach.

SUPERVISORY TRAINING

Supervisor is the main communication link between managers and employees, and he is the one who has to get things done thro' his men. It is often said that he is the step-child of management or an orphan, because he is often not considered as one of the management, and he is not one of labour either. But the supervisor has a very important role, and many units with a policy of promotion from within may select most future managers from among the supervisors. Supervisory experience is the first step on the management ladder. Management is interested in the supervisory training because as the
company expands, it needs more supervisors. Supervisory programmes are
often the basis of executive development programmes. Good supervision
is responsible for good team spirit and teamwork. There is also a
feeling that there is need to keep the supervisors in good shape all
the time.

**EXECUTIVE TRAINING**

Executive talent is the most important asset which a
public undertaking possesses. Although it does not appear on the
company's balance sheet, it certainly produces important effects on
the company's progress and its profits. The possibilities of Executive
obsolescence lead to increased emphasis on training and development.
of the executives. Executive development refers to a complex of
activities, the object of which is to ensure that, as the demand for
manager's rises at various levels in the organisation, suitably
qualified persons are ready to fill the vacancies. It involves a
systematic and integrated plan of forecasting, selection, training
and development.

Generally the aim of all training programmes (executive)
is to generate in manager's a deeper understanding of themselves and
others so that their decisions take better account of the needs and

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1. Indian Journal for Training and Development: Pub. Indian Society
feelings of the people. They seek to develop managerial styles that are likely to build morale and motivate people for effective work on company objectives.

Case Study is one of the methods. A case is a written account seeking to describe an actual situation. A good case is the vehicle by which an element of reality is brought into the classroom. Discussion on a case requires an able instructor who can evoke and guide an intelligent discussion and analysis so that effective learning experiences result. The merits of this method are:

1. More depth of thinking.
3. More respect and consideration for opinion of others.

The number of published cases is so large that a wide variety is available.

Incident method is an outgrowth of dissatisfaction with the case method. In the usual case method, the entire problem is presented, whereas in the incident method only a brief incident is presented for discussion in the class. The group then puts questions to the instructor to draw out of him the salient facts and additional information needed to arrive at a reasonable solution or resolution of the case. This method draws the participants into discussion with

greater involvement. A unique benefit of this method over the case method is the procedure of obtaining information by questions, one that often takes place in actual business situations.

In the role-playing method, the Instructor assigns parts taken from case materials to group members. The situation is usually one of conflicts between persons. The role players attempt to act the parts as they would have done in a real situation, working without a script or memorized lines, and improving as they go on. Development of empathy and sensitivity is one of the primary objects of role playing.

The basket-method consists of lectures, notes, documents and reports designed to stimulate on-the-job reality of the manager's "in-basket". Its purpose is to train the managers in decision making skill. The trainee deals with the in-basket materials as he would do in his own job. Usually, feedback is provided so that he can himself appraise his results. The merits of this method are:

1. realism
2. flexibility
3. high involvement and
4. built-in motivation.

Sensitivity training involves the use of training groups in which 10-15 persons are placed in a face-to-face situation.

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The group has no history, externally imposed tasks, or objectives. Its agenda is open to be determined by the group itself. Members of the group are usually told that they can learn much about their own behaviour and that of others and about group behavior from continuous observation and analysis of experiences in the group. The trainer refuses to act as a discussion leader but proposes to help group members to find ways of utilising their experiences for learning.

The laboratory programme aims at achieving behavioural effectiveness in transaction with one's environment. Laboratory conditions must encourage trust among members and reduce the threats inherent in self-exposure. A management game has been described as a "dynamic training exercise utilising a model of a business situation." In this game the participants are divided into teams to compete with each other in resolving some problem, information about which is supplied to all teams. The game illustrates the value of analytic techniques, such as the use of mathematical models to arrive at optimum solutions. Stimulators are used to provide trainees with physical equipments which resemble to some extent the equipment that is to be used on the job. Usually such devices are used when for some reason it is not possible to use the actual equipment, or when the cost of actual equipment is excessive. Such devices may include simple mock-ups, models and prototypes, or extremely

complex stimulators. Films and televisions are specially suited to those situations where it is not possible to assemble such techniques; they are more economical than several other techniques and can be used over and over again.

Mutual problems form the subject of discussion in a conference. Participants pool their ideas and experiences in attempting to arrive at improved methods of dealing with the problems. The attitude is one of joint exploration. Members of the group come together to teach each other and to learn together.

One of the latest approaches to executive training, called "autonomy training" and aims at developing a person's ability to manage his own training. This means that trainees learning almost entirely on their own. The concept on which this method rests is the tremendous speed at which the new knowledge is replacing the old one. So, executives may be trained to teach themselves new skills as they go along. As in the sensitivity training, the situation is kept unstructured.

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(Manpower Development Process Charts given overleaf)

MANAGEMENT DEVELOPMENT PROCESS CHART

- Receipt of Magazines
- Receipt of Training Needs from Personnel Department
- Review Reports from Divisional Heads
- Receipt of External Magazines

Precise List of Training Needs Cell

Feedback

Organisation Needs

Division Needs

Individual Needs

Finalized List of Nominations for Training

Training Department Prepares Detailed Programmes to Suit Organisational Goals

Source: Indian Journal for Training and Development
January - March 1980
Management Development Process Chart

Source: Indian Journal For Training And Development

January - March, 1980
Since after World War II, the race has been on to discover new novel techniques of teaching managers and employees. Conferance and Discussion methods were probably the first break-through from straight lectures-- or even worse, paper read by executives. The trend was undoubtedly needed and may well have prevented training from being inundated under a "great wave of boredom. Whatever else may be said about special methods of presentation that were akin to the theatre, unless the class is willing to stay through the whole session and pay reasonable attention to the proceedings in the room, the chances of affecting behaviour are diminished.

Despite the ever present possibility that training can become a form of managerial entertainment on the company premises, there are volumes to be spoken in favour of each device. Such devices present instructions as role-play, management games, incident process and the like. But the unifying thread in all of them is that they require some simulated behaviour on the part of the trainees and that they afford him some feedback on the effects of that behaviour from both the trainer and his peers.
ACTION TRAINING:

Here are certain key ingredients which should be strictly adhered to for action training programmes:

i. The desired terminal behaviour of the trainee has been specifically designed.

ii. His present level of behaviour and performance are specified.

iii. Through Task Analysis, the specific behaviour changes needed have been clearly defined.

iv. During the training session he engages in some action, namely, talking, writing, walking, conferring and the like.

v. The action that he engages in stimulates the behaviour sought back on the job.

vi. The course of change in behaviour is composed of some orderly progression of small steps.

vii. At each stage of training he obtains feedback that makes it known to him whether his action is successful or not.

viii. The learning is under the control of an Instructor.

ix. A summary evaluation, measuring actual outcome with stated objectives is possible.

The forms that Action Training takes include most of the major innovations in training such as role-play, certain uses of case studies, management games, incident processes, in-basket, as well as Practice Sessions and Work-Shops. The range of these applications is wide and grows steadily.

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ACTION TRAINING PROGRAMME MODEL

is suggested by George S. Cdiorne in "Training by Objectives"
FORMS OF ACTION TRAINING

The specific forms of Action Training breakdown into different kinds of simulation. Simulation does not always mean faithful, complete, and accurate reproduction of all details of the job. Completeness of the Simulation could be achieved only by taking the man right back to the department, the people, machines, problems and the pressure of the real job.

The methods of simulation include:

1. Role playing
2. Case studies (with variations)
3. Management Games
4. Demonstrations.

ROLE PLAYING:

Role playing is a concept developed by Dr. J.J. Moreno, a Viennese psychiatrist. Role playing is defined as a method of human interaction that involves realistic behaviour in imaginary situations. The idea of role playing involves action, doing and practice. The technique makes it possible for individuals and groups to improve their effectiveness not by talking about a problem but actually doing something about it.

This form of action provides the quickest and the surest achievement of behaviour change. Permitting the people to

play a role in a relatively safe environment, the training session permits the person to receive feedback during his action and immediately afterword. It can be controlled by the Director or the Trainer.

The easiest form of role-play to introduce and direct is that which grows out of a problem or case that has been presented to the group. In all forms of role-playing, somebody—either the Instructor or the group—presents some situation or problem to the group and asks the people to think about solutions and choose one.

In certain cases it might happen that an individual takes a strong position on an issue and gets very emotional in his expressions. This may produce a counteraction on the part of his antagonist. When this has occurred and is at a rather heated stage, the Director may 'cut', and after a few words of transition may ask the participants to switch roles. The result of this reversal in role-playing is often enlightening to the participants as they are then able to "feel physically the difference in role positions".  

The Director may be able to give the role-players simulations of experiences that the group would never have had the opportunity to experience without great risks of failure in real life.

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Role-playing Collective-bargaining sessions with simulated Union Officers, played by persons who actually know the personalities and language of the Union can accelerate the learning rate of persons about to join the bargaining team.

Role-playing method has often resulted in misguiding the trainees on account of the following lapses on the part of the trainer:

1. They have been hesitant to try it at all for fear of failure, and when they did, it reflected their hesitancy and was shallow, trivial or meaningless. Be bold in directing it.

2. They did not have a specific definition of behaviours to be taught.

3. In order to teach decision making methods using role-playing, trainers must have a pattern of decision making in mind to teach.

4. Role-playing as a means of selling a general proposition more often than not will merely confuse people. It is true that in amending or adding to behavioural skills they will often change attitudes, but the reverse is less likely.

SPECIAL KINDS OF ROLE-PLAY:

Besides the structured and the planned types of roleplay, George S. Odiorne has named three special types of role-play.

A brief account of the three methods is given in the next page.

1. DOUBLING:-

In this the role-playing begins as described for two individuals, but by prior instruction, an empty chair is left behind each of the protagonists. The observers are instructed that "any time you see one of the individuals taking a position that you feel doesn't represent a normal or completely authentic stance, you may become his alter ego, -- sort of an inner man or conscience, and join him. At this point you speak aside which reflect what he might really be thinking." ¹

This method serves to obtain complete information, or to uncover authentic responses to enquires, and obtain authentic statements from persons.

2. MIRRORING :-

Another variation of role-playing that has been stated by George S.Chiorne, can be used is to arrange four persons to play two roles. An example of role-playing can be seen in the case when a boss and the subordinate are discussing over some matter related to letter promotion. The boss while listening to the subordinate and the subordinate listening to the boss, each would be hearing the others sentence and also his mental interpretation (or mirror). The mirror may be clear and in agreement with the surfaced words crit may distort and elaborate or shorten the message - the way a mirror in a fun-house does.

¹ Training by Objectives. George S.Chiorne. Macmillan Co. 1970
² Or, cit.
3. **Feedback:**

At the end of the session where mirroring, doubling, or another variation of role playing is used, it is important that feedback relevant to the objectives be presented to the players and observers. The observers are armed with observation guides, perhaps in outlined form or they ask questions of the Directors.

Without feedback, role-playing becomes amusement. It is at the feedback and only there that the learning and behaviour change will be affected. All else is designed to lead to this teaching point.

**Case Method:**

Developed in 1880's by Christopher Langdell at the Harvard Law School, this non-directive way of helping students to think for themselves slowly won acceptance in Law, Medicine, Business Administration and Social Work. This method is also widely used in almost all the leading enterprises in India. The prime objective of this method, as stated by George C. Diorne, is that the students should learn for themselves by independent thinking; discerning in the ever-tangled skein of human affairs, principles and ideas which have lasting validity and general

applicability.

A case is a real life illustration for studying a problem. The case helps in developing analytical and decision making skills. It also points out that there are more than one way to analyse and solve a problem.

Great care is needed in the preparation of case material and case writing. The writer should not include his personal views, likes, dislikes or biases. The case report must be a faithful reproduction of the issues involved without observation and comments. It must be comprehensive, and well documented with proper history facts and figures. The medium of case presentation may be:

1. Full length written case report (Harvard type)
2. Part of it may be presented on film
3. By television
4. By tape or re-created through role-playing.

Certain set standards of case reporting must be met and these are as follows:

1. Report should be realistic and based on first hand information
2. They should show more than they tell. It should provide the kind of information given on organisation charts and in position descriptions.
3. Case report should depict progress, that is, it should reveal some effects of change.

d) It should indicate what seems to have been happening in people-at the level where outward events are transmuted into personal experiences. Should contain clues to the feelings and attitudes which motivate behaviour.

An important pre-requisite to successful case method training is that all the participants should have equal mental equipment and experience which would react to the stimuli provided by the case; in an unequal group, the greater and more experienced might find their exercise frustrating.

In this method, the situation is presented without interpretation, usually from the viewpoint of one observer, and may include statements, copies or extracts of reports, or simply verbal description of the situation in as many particulars as the case writer chooses to include.

**USES OF CASE STUDIES:**

Case method is used in a range of ways—incorporated with lectures, used to teach decision making and problem solving, in small group discussion prior to class reporting, and through the flow of feedback in case reporting classes. A brief account of the various uses of case studies is as given on the next page.

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1. INCORPORATED WITH LECTURES:

Some Instructors require that a case be read in order that his lectures have as a base point certain real life experiences or situations that flush out the theories that he presents to his class. In cases of students without practical experience it lends an air of plausibility and reality to what might otherwise be a purely theoretical lecture.

It results in the student memorizing a part of the case giving him some memories of the business situations filling a gap in his background in lieu of real life experience. Reading enough cases, he builds up the equivalent of a long business career in a variety of industries, firms and times.

The feedback in this kind of case utilization is the final examination, and the term papers that are part of the academic trading plans.

2. TO TEACH DECISION MAKING AND PROBLEM SOLVING:

The more common use of case study is to teach the skills of decision making and problem solving in business. To take a typical pattern of decision making behaviour sort, the Instructor might wish to have them follow a pattern as follows:

a. master the available facts.

b. define the objectives you would like to see achieved


c. specify the problem and some probable causes.
d. layout alternative solution courses.
e. screen these alternatives through your criteria
f. select the one that seems to be most suitable in terms of the
criteria that you have chosen

3. define some controls needed to make the action effective
h. where action involves inter-personal relations
i. role play the action to test its effectiveness and find
limiting conditions on it.

**VITAL ROLE OF FEEDBACK**

The flow of the case preparation and discussion has been very clearly diagrammed in "Training by Objectives" by George C. Odiorne, Macmillan Co. 1970, and is given below:

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The diagram shows a flow of steps in case preparation and discussion, with a focus on the vital role of feedback. The steps include:

1. **Lesson Plan**: Sequence of steps to be followed.
2. **Case Chosen and Assigned**: Selection of cases for study.
3. **Small Groups**: Division into smaller discussion groups.
4. **Feedback**: Continuous feedback mechanism.

The diagram illustrates how the process iterates, with feedback guiding the preparation and discussion of cases.

**Source**: *Training by Objectives* by George C. Odiorne, Macmillan Co. 1970.
It can be seen that the Instructor has a behaviour change in mind for the group that is part of a repertory of behaviours he hopes to effect in them. The case is chosen and assigned for reading by the entire group, working individuals who subsequently meet in small groups. One of the members is a leader for that session and guides the small group discussion through its analysis and solution to the specific question assigned. The small groups then merge to form the class itself and the respective groups report their conclusions and defend them. It is at this stage that the groups obtain feedback.

Feedback is obtained in three ways:

1. The Instructor probes and questions.
2. The other groups may express doubt about it, deride and contradict the findings, conclusions or even facts of the others.
3. The report of other groups also comprise a form of feedback, in reporting conclusions or solutions that the listening and observing groups did not find themselves. This is shown below:
VARIATIONS OF THE CASE METHOD

The three variations of the case method are:

1. The Incident Process
2. In-basket Method
3. Management Games Method.

A brief account of each method is as follows:

1. INCIDENT PROCESS:

Given a specific training objective, the case is presented differently by the instructor to the group. The first contact that the trainee has with the case is when the class is convened in plenary session. The instructor then opens the session by explaining the process and its purpose which is similar to the case method. It then starts in a sequence which goes as follows:

   Step 1. : Present the Incident

   Step 2. : The class identifies "what questions must be answered by the group here, or what problem needs solving?" The group suggests problems that need solving and questions that need answering. After having agreed on the problem to be solved, the class is now ready to proceed with step 3.

   Step 3. : Small-Group Problem-Solving Conferences: The group breaks up into small groups with a leader, a reporter, and perhaps an observer who watches the process objectively to

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describe how small groups arrive at decisions. After some decisions and recommended solutions have been developed, the small groups assemble once more and the leaders or recorders report. 

**Step 4:** The small groups engage in the feedback process, defend their solutions and discuss the other groups' solutions. The observers report, their comments being designed to show how the interpersonal relations or the individual actions of group members might have affected the final solutions recommended.

**Step 5:** A final best solution is sought and a summary of the entire case is presented.

The limitations of this method are that it requires more extensive preparation by the Instructor and often the preparation of special materials. Ordinary cases can be converted into incidents in some instances. The Instructor carries the burden of making step I. work through his ability to field questions and not get cornered by his group.

2. **THE IN-BASKET METHOD:**

This method is often used by some firms as testing material for selection of supervisory personnel. This method is a simulation of the in-basket found in every manager's desk. The information in the case is assembled in 'items' that comprise all the inputs of information. They resemble the random and unorganised memoranda, letters, brochures, and notes that might be found in the in-basket of a manager on a typical day.
The person is given a verbal statement of the situation and who he is supposed to be in the case. Each person is then assigned the task of working by himself on the simulated in-basket. Each person has the same in-basket of materials, but each works separately by himself. He works over the materials, deciding what the problems are, setting priorities, and making decisions. He may dictate a reply, may route to others for their solution, or may make notes to himself.

Upon the termination of the one hour, he returns to the classroom where the Instructor conducts a discussion of how the materials were handled. There may be a discussion of the in-basket was approached, what priorities were assigned and how the decisions were made. Again, the Instructor has a training objective in mind.

The similarities to the case method lie in the method of teaching. The difference lies in the organisation of the material to stimulate real life ways of receiving information and the ways of working over the facts. Some Instructors vary this method of class management by conducting study groups following the individual study of the facts. Here the small groups may seek agreement on the facts, problems, solutions and actions taken. In those instances where action involves face to face conversations, the Instructor may move into role-playing. This is less suitable, however, because the in-basket method often stipulates that no contact with others is
possible for the solutions.

A final variation of the case study is the Management Games.

3. MANAGEMENT GAMES:-

In this method the approach taken has been to establish simulated business conditions to the extent possible and then to present business situations that demand a behaviour that actual business will demand. The feedback is the only aspect that differentiates it from the battlefield.

In simulation the only aspect of reality that is not faithfully reproductive in kind is the feedback. This is the beneficial aspect of simulation from the viewpoint of the trainee; he can learn behaviours that could hurt if not performed properly while avoiding the damaging aspects of the feedback.

Management games were first introduced by a group of researchers at the American Management Association in 1955. As a first step of management games, eight key decisions that General Manager's must make were selected - prices could be raised or lowered, advertising expenditure could be raised, lowered or kept same, production volume could be scheduled based on estimates of future sales and presentry inventory levels, and so on. All these decisions worked within a competitive market. These series of decisions affecting inputs were then fed

by punched cards into a computer. In India, the final results worked out by the teams are studied by the same administrator, who in turn studies the performance of the teams, conducts a critique session, discussing the techniques, strategies, defects observed in the working of teams. In Western countries, the computer is preprogrammed to execute the variables of a model of a competitive market. Five firms all with the same rules of play, sought to maximize profit, return on investment, share of market, networth, and other business objectives. The influences at work in the model that guided the computer, simulated those that characterize the real world of market competition. Higher production lead to a lower per unit cost of production. Production higher than sales lead to rise in inventories and rise in cost of maintaining inventories. Research and development could increase the product's attractiveness and trim the cost of manufacturing. Advertising could increase the share in the market during the period the advertising money was spent. All these conditions were explained to the contestants, who knew that they, and their competitors, were operating under similar rules.

The same using the computer deals with quantitative inputs and outputs and measures the financial and physical consequences of managerial behaviour. The output that comes from

The computer is returned in a few minutes and the feedback - the consequence of their decisions - is given to them almost immediately. The simulation and training effect lies in the fact that the players can discover the consequences of their decisions for a whole quarter immediately after they are made. They return to analyzing these results and making their decisions for the next quarter.

The advantages of Management Games as listed by R. Rudrabeeavara in his book "Executive Development in the Public Sector" are:
1. Decisions are rapid, feedback is objective and further decisions are based on the feedback of earlier decisions.
2. The consequences of many alternatives in a situation can be evaluated over a period.
3. Participants live with the consequences of their decisions and pay for them. This leaves a lasting impression.
4. Emotional involvement without any strain. Participants play for hours without any sustained interest.
5. Decision making is by a group consisting of managers and specialists from different industries and departments. During the critique session, there is an opportunity available for the conference method.
6. An abstract and complex situation is made to look like the real world, helping in the learning process.
7. Student participation is excellent as against passive audiences.
8. Mixing managers from different functional areas, managers get a better appreciation of the other functions of the company.
9. Effects of long-term policies can be demonstrated in the same.
10. Efficacy of planning and a systematic approach can be demonstrated.
11. Team co-operation can be fostered, departmental conflicts can be mellowed down.
12. Promising young managers can be given a perspective of the company as a whole, by making them work with their senior colleagues in the same.

Besides these methods of Action Learning, there are a number of other methods too for imparting of training to executives in the company. Any of these methods are in wide use in the Public Enterprises in India at present, but if they hope to improve their position in the future, they will have to adopt the new improved methods of training as given above.

The other types of training methodology are:

1. Lecture method
2. Syndicate method
3. Conference method
4. Workshop method
5. Seminar method

Discussing each in detail:

1. **Lecture Method**:
   
   This method though still prevalent in India to a large extent, has become outmoded and outdated in the eyes of the business...
experts and management critiques. The main reason for this method being rejected by experts is that there are many who can give a lecture but only a few can make it effective by drawing participation from trainees. A well planned lecture with a good facility of communication can make good impression.

The advantages of this method are:
1. It is most effective when a well informed person is engaged in communicating his knowledge to others.
2. It is within the control of the speaker and conserves time.
3. It is the only method suitable to a large audience.

The disadvantages of this method are:
1. It could be dull
2. Requires considerable preparation and ability to speak and communicate.

There are certain essential pre-requisites to a good lecture method:
1. Motivate group interest and be adapted to its needs.
2. Be planned as to the purpose, main ideas, clear organisation, interesting development.
3. Be presented by an enthusiastic and animated speaker who has his listeners needs and interests in mind and
4. not draw out in length - 30 minutes is a good duration with one hour as the usual outside limit.

2. SYNDICATE METHOD:

Used largely by the Administrative Staff College of India, it is suitable only where the participants are fairly

1. Annual Report of the Administrative Staff College of India, 1979
experienced in their fields. The situation of a syndicate has to be carefully organized to derive maximum advantage for each and every member of the group. Best results are obtained where the syndicate is setup as a team with different functional interests and representations, so that there can be an interchange of ideas and experiences. Participants are carefully chosen for their involvement, with the contribution they can make to the subject. The syndicate should be given a task properly spelt out in terms of briefs, background papers, etc. Large groups are broken down into small ones and discussions are supplemented by short lectures.

If the Syndicate is not properly structured and directed, it results in waste of time. In absence of proper pressure on the participants, offered by the participants themselves or by the trainers, there is the possibility of some participants "dragging their feet". This method could be used as device not merely for the study of a specific problem, but also for other tasks. Each Syndicate prepares a report which is presented to the other groups of executives. Opportunity is provided for discussion, suggestions, criticisms, comments and recommendations for action. More than one Syndicate may concurrently be considering other subjects.
3. **CONFERENCE METHOD** :-

This method is almost the opposite of the lecture method discussed earlier. While the lecture method is based on the assumption that the lecturer has the knowledge which the students do not have, in the conference method, the participants have the knowledge and the conference is intended to bring out all the knowledge, ideas, and views of the group. This method involves a group of people to pool ideas, examine and share facts and test assumptions and draw conclusions, all of which contribute to the improvement of job performance. It provides them constructive and individual treatment and participation.

To use the conference method effectively, it is necessary to have a background of information and experience which will enable the conferees to take part in the discussion, to be capable of understanding complete information data and experience supplied by the literature.

The conference leader plays a crucial role. He has to be highly skilful, courteous, persuasive and not dominating. He should not monopolise discussions but help bring out the best from every conferee. This method, however, suffers from one major drawback - it cannot be used where the number of participants is too large. It is most suitable for a small group of 15-20 members.
CHAPTER VI

SURVEY DETAILS OF THE SIX LARGE ENTERPRISES IN DELHI REGION

After a broad coverage of the public enterprises in India and the training of personnel in these public enterprises, I turn to a study of the In-house training centres of the individual enterprises. Vital and relevant information regarding the In-house training centres was gathered after conducting a personal face to face interview with the personnel of the training departments of the individual concerns. The mode and sequence of questions asked in the questionnaire is attached in the appendix.

The reasons for choosing only six public enterprises and that too in Delhi region only are far too many - the prime factor being that since these concerns were Delhi based, it was easier for me to contact them individually. Even though I tried my utmost to cover other leading public enterprises outside Delhi, by sending them copies of the questionnaires, yet it was futile. May be the Personnel departments of these concerns were far too busy.

Since my span is limited only to the Delhi based public enterprises, I have in no way tried to generalize the whole of public sector on the basis of these six enterprises.
Bharat Heavy Electricals Limited, BHEL, was incorporated on 30th November, 1964, as a fully owned government company to take over the management and control of the heavy electricals equipment plants at Hardwar and Hyderabad and the high pressure boiler plant at Karichirapalli, from the Heavy Electricals (India) Limited, Bhopal.

BHEL TODAY: At the end of 1971-72, the company employed 20,091 persons, had a total capital of Rs. 167 crores, and an annual sales of Rs. 51 crores.

The main objectives of the company, as perceived by the management are:

1. to build indigenous capability for design and manufacture of heavy power equipment, such as hydro-turbines, generators, steam turbines and turbo alternators, boilers etc.
2. to take up manufacture of additional products having similar technologies.
3. to maintain the position of BHEL as a leader in the heavy equipment industry.
4. to attain complete self reliance for such equipment during the next decades.

The organizational chart of BHEL is given overleaf.
Organizational Chart of BHIL

Chairman and Managing Director

General Manager Coordination

Director Finance

Chief Finance

Chief Management Officer

Chief (Labe)

Chief (Labour) Eventual Chief Management Development and Career Planning.

Chief Engineer

Chief Industrial Relations

Chief Personnel

General Manager Research and Design

Senior Deputy General Manager (Spares & Services)

Chief Commercial Coordination

Chief (Planning & Development)

Company Secretary

G.M.'s at Different Units

BHEL has separate training institutes for its corporate group and for the supervisory group. The Management Development Institute, Delhi, runs development programmes for the senior and middle management positions. These programmes include all the important managerial functions. The Hardwar office conducts training programmes for the Junior Management and Induction Training Programmes for the new recruits.

The Management Development Institute is headed by a Deputy General Manager, who is also a faculty member. He works directly under the Director, Personnel. The role of Director, Personnel, in BHEL is mainly that of a watchdog over the activities of the MDI, indicating that he (Director, P) acts mainly as a Supervisor - evaluating the performance of MDI. BHEL has a Governing Council which decides on all important aspects of the programme. It prepares schedules of programmes, courses and topics and even the selection of guest speakers is done by the Governing Council, indicating that the MDI has just to implement the various decisions of the Governing Council.

ORGANISATIONAL CHART OF MANAGEMENT DEVELOPMENT INSTITUTE

```plaintext
General Manager

FACULTY STAFF (M)

JUNIOR FACULTY STAFF (F)

ADMINISTRATIVE STAFF
```
LOCATION OF TRAINING CENTRE AND BENEFITS TO PARTICIPANTS

A unique feature of MDI is that even though its Training Institute (TDI) is in a separate place, yet, the company makes no arrangement for the participants accommodation in Delhi. Participants are eligible for T.A./D.A. etc. as per the company rules. The TDI arranges for the participants lunch and tea and that too only on days the programme is being conducted.

FACULTY:- SHEL is one organisation which has a well laid out policy regarding the faculty strength of MDI. Generally, enterprises, both public and private do not have a fixed faculty strength - it varies with the number of participants. This no doubt gives greater flexibility to the faculty but at times creates problems. In MDI, the ratio of the Internal and external faculty members is as follows:

- 60 % from MDI
- 30 % from SHEL
- 10 % from outside.

The internal members are selected on the basis of their experiences and expertise in the organisation while the external members are selected on the basis of their market reputation.

As regards the problem of locating outside members, MDI keeps a list of all the leading experts in the various fields of management. It also takes help of feedback from previous participants in selecting external faculty members.
While the VDI members get no remuneration besides their salaries, faculty members from VDI get Rs. 100/- for a session of 90 minutes and the external members get Rs. 150/- for a 90 minutes session besides the usual T.A. or Conveyance Allowance.
Engineers India Limited, New Delhi, was registered as a public sector company in 1967 with an objective to establish, provide, maintain and perform engineering and related technical and consultancy services. In the last fifteen years, Engineers India Limited has come up as one of the leading consulting firms in India and abroad. EIL as a consultant has contributed immensely towards oil exploration in India. Besides, EIL is also being asked by the government from time to time to advise on new industries in India and abroad. At present, EIL through its reputation, has been able to compete with other American and European firms in the International market, and in Middle East in particular.

As per the information provided by EIL's Personnel Department, it has at present 2,970 employees on its rolls and the departments range from Construction, Procurement, Systems Engineer and Computer Services, Heat Mass Transfer Division, Process Design and Development, Project Engineering, Engineering Technology, Commercial, Corporate Personnel, to Accounts and Finance.

EII is one of the many companies which have an In-house training centre of its own. The in-house training centre is located at "Nazi" Kas, New Delhi, and a-d is directly under
the head of the training department who reports to the next higher authority - the Corporate Personnel Manager and finally the Board and Chairman. This Training Centre of Gil imports training to all levels of non-technical management cadre.

The head of the training department is independent in making decisions regarding the training programmes but approval of the Corporate Personnel Manager is a must in each case.

**ORGANISATIONAL CHART OF THE TRAINING CENTRE**

**MANAGER (TRAINING AND MANAGEMENT DEVELOPMENT)**

- **TRAINING IN-CHARGE**
  - **TRAINING OFFICERS**
  - **SECRETARIAL STAFF**
  - **ASSISTANTS**

The mode of determining the training needs of its employees is indeed a very appealing one. The methods adopted for determining training needs are:
1. Review past performance

2. Employee asked for his training needs

3. Potential for developing strengths and weaknesses.

IVII follows no specific methodology of imparting training but chooses one from the following - the final choice being left to the Instructor on his ability and preference:

a) Lecture method  
b) Case method  
c) Simulation method  
d) Game playing and Role playing method  
e) Experimental method  
f) Cinema method.

IVII arranges about 4-5 training programmes per month, and each of these programmes varies from a few days to a month. There are three sessions per day with each session lasting for 1 1/2 hours - thus making it a full day training.

As regards the faculty staff, IVII has both Internal as well as External faculty members - Internal members being selected on the basis of feedback from previous participants and the other method is by personal contacts with leading management experts in the country. The Internal members are not entitled to any extra payment, whereas, the external members are paid at a standard rate of Rs. 150/session or Rs. 500/day. IVII has at present 45-50 persons on its faculty list.

Another thing worth mentioning with regard to the training centre is that IVII provides for its outstation participants accommodation in its guest house. As a result, no transportation facility is provided to the candidates for
taking them from the training centre to the Head Office and back, but, this is to a certain extent compensated by free lunch, breakfast and tea that the EII provides to the participants. Participants are not entitled to any T.A./D.A. during the training period. The total number of participants in any programme is 20.
FERTILIZER CORPORATION OF INDIA

INTRODUCTION: - It was late in 1945 that as a departmental activity by the Government of India to meet the increasing demand of nitrogenous fertilizers in the country, set up the Sindri Fertilizers and Chemicals Ltd. - the first wholly owned government company, was incorporated to manage the plant. Another fertilizer plant at Nangal was started as a departmental activity but was transferred to a new government company - The Nangal Fertilizers and Chemicals Ltd. - in 1956.

As a part of the government's policy to combine various public sector fertilizer plants, a new government company - The Hindustan Chemicals and Fertilizers Ltd. - took over the Nangal plant and the execution of the new fertilizer project at Trombay in 1959. Later, the Sindri Fertilizers was also merged with this company and the Fertilizer Corporation of India, FCI, came into existence on June 2, 1961.

FCI TODAY: - At present FCI has five operating units, ten projects under implementation and three under planning. At the end of 1971-72, its capital employed was Rs. 141 crores, its total staff strength was over 24,000 and had a sales turnover of Rs. 95 crores. Its activities, both production and marketing, were wisely distributed all over the country.

FUTURE OF FCI: - FCI is a fast growing organisation. Some idea about its growth within the coming years can be had from the following figures of its installed capacity as compared to all-
India figures for 1971-72 and projections for 1978-79. The figures show that in six years its installed capacity would increase six times for nitrogenous and 12 times for phosphoric fertilizers. But even with this increase, its share will remain only 42.47 % of nitrogenous and 28.4 % of phosphoric fertilizer capacity in the country.

<table>
<thead>
<tr>
<th>Installed capacity in thousand tonnes</th>
<th>1971-72</th>
<th>()</th>
<th>1978-79</th>
<th>()</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nitrogenous</td>
<td>Phosphoric</td>
<td></td>
<td>Nitrogenous</td>
<td>Phosphoric</td>
</tr>
<tr>
<td>FCI</td>
<td>386</td>
<td>36</td>
<td>2103</td>
<td>419</td>
</tr>
<tr>
<td>All-India</td>
<td>1472</td>
<td>505</td>
<td>4926</td>
<td>1477</td>
</tr>
<tr>
<td>Share of FCI's Share</td>
<td>26.2</td>
<td>7.1</td>
<td>42.7</td>
<td>28.4</td>
</tr>
</tbody>
</table>

The In-house Training Centre of FCI is directly under the Manager, Training who looks after the needs and requirements of the training centre. The Manager Training is under the Chief Training and Manpower Advisor. Both the Manager and the Advisor report to the Chairman-cum-Managing Director of FCI. The training centre is run as per the conditions and norms laid down by the Statute of the corporation.

**Organisational Chart of the Training Centre**

```
CHIEF TRAINING OFFICER / SENIOR SUPERINTENDENT

SUPERINTENDENT TRAINING

TRAINING OFFICERS (S & A)

ASSISTANT TRAINING OFFICERS (7 & 8)

JUNIOR TRAINING SUPERVISORS

INSTRUCTORS
```
Training is given to new recruits as well as promoted employees and the need for training is determined by the following methods depending upon the division:

The duration of the training programme is for 3-5 days lasting for 1 hour and 15 minutes and on an average the centre holds 2-10 such programmes at the corporate office.

The corporate office gives training to the following managerial cadres - Deputy Chief Engineer, Additional Chief Engineer, Chief Engineer and Senior Executives with the number of participants varying from 12-18 per programme with a maximum of twenty participants.

The method of imparting training varies from Instructor to Instructor and subject to subject. The common methods adopted are:
1. Group Discussion
2. Syndicate Method
3. Panel Discussion Method
4. Audio-visual Method
5. Role-playing Method.

Fertilizer Corporation of India has both internal as well as external faculty members. Internal members being selected on the basis of area of specialization and position while external members are selected through personal contacts and through inventory of faculty members i.e. management experts.
As regards the question of payment to the faculty members, while the internal faculty members get Rs. 50/session, the externals get Rs. 100/session plus transport charges (tax). The strength of the faculty per programme varies between 10-15.

Even though in the Corporate office, the training centre is in a different place than the office, FCI provides no transport facility to its participants. Hostel accommodation is provided to outstation participants, where they are given lunch, coffee and snacks at the company's cost. The participants are further given T.A./D.A., as per the company's rules during the training programme.

***************
FOOD CORPORATION OF INDIA

The Food Corporation of India was set up to ensure the maximum foodgrain price to the producer, and further to ensure an uninterrupted supply of foodgrains to the different states in India. At present, the Food Corporation of India, FCI, has come to be recognised as the middleman between the producers and the consumers. By maintaining large amounts of foodgrains in the buffer stock, FCI is in a position face any food shortage arising out of famine, droughts or floods. With such a well spread network, the need for training its employees becomes inevitable. As a result, FCI opened its own In-company training centre in Delhi where its employees from all the 4 zones get training as per their needs. The Central Training Institute (CTI) of FCI is headed by the Principal, working under the Commercial Manager. The Principal is independent in reviewing and making decisions about the CTI but the Central Advisory Committee reviews the Principal's views and advice him. Every new decision by the Principal has to be approved by the Committee before being implemented.

ORGANISATIONAL CHART OF CTI

\[\text{Principal} \]

\[\text{Faculty Members (3: F: Technology, National)}\]

\[\text{Accounts Officer} \quad \text{Library Officer}\]
Generally, TII gives training to its employees either when they get a promotion or when a new person is recruited in the company. Before the person takes up the new assignment, he is made fully aware with the working details.

TII arranges these training programmes regularly throughout the year with different programmes for different levels of management. The duration of these programmes is 6 weeks with each session lasting 6 hours/day - the break up being as follows: 1 hr. faculty member, 2 hr. guest speaker, and 1 hr. library.

The following methods of training are being used in TII:

1. Lecture method
2. Group discussion
3. Audio visual
4. Lesson method.

The lesson method, according to one of its faculty members, is one of the most effective methods as it encourages the participants to come up with their ideas and views.

The TII is well equipped with both Internal as well as external faculty members. Internal members being selected on the basis of necessary academic background and expertise in various special fields relevant to functioning of organisation. As external members are selected on personal contacts and feedback from previous participants.

While the Internal members get no extra payment besides their pay, the external members get out-of-pocket allowances (OOPA)
FJI is one enterprise which has well equipped hostels adjoining the II. Thus, no transport facility is provided but arrangements are made for the participants recreation in their free time. T.V., library, and common room facilities are available in the hostels. The participants are given free tea, lunch and dinner besides the TA/DA to which they are entitled.

A thing worth mentioning here, is the new venture launched by FJI since 1980 - special training programme was launched for the Scheduled Castes and Tribes. This was a new step for the upliftment of the backward classes and came at a time when the government was making an all out effort to improve the conditions of the backward communities. This new step of FJI was greatly applauded by the government, the Parliament and the Commissioner for Scheduled Castes and Tribes.
Indian Airlines, which is the only domestic airlines company in the country, has grown from a small company with only a few aeroplanes under it to a huge one having at present a fleet of over 600 planes. The Air-tus and Jumbo are two major landmarks in the company's history. The recent introduction of third-level air service is yet another step by Indian Airlines towards achieving its objectives.

Even though Indian Airlines is not a trading concern like the others covered so far, yet, a mention of it is necessary since it is a leading public sector undertaking and has a very advanced In-house training centre to train its employees both in the technical and administrative fronts.

The Management Training Centre (MTC) has its school at Safdarjung Airport, New Delhi, and is headed by the Training Manager - having two Deputies under him, 2 assistants and a Training Officer assist him in his training function. The Training Manager is reportable to the Deputy Managing Director. The Training Manager makes the plans and policies regarding the training programme, but, these are subject to approval of the Board of Directors.

**ORGANISATION CHART**

```
Training Manager

Deputy Training Manager

Assistant Training Manager

Training Officers

Deputy Training Manager

Assistant Training Manager```
Indian Airlines is divided into four regions and each region has its own training school under an assistant training manager.

Indian Airlines determines the training needs of its employees through either of the following methods:

- a) Self-appraisal method
- b) Training need survey
- c) Questionnaire
- d) Discussion with departmental heads.

Training is generally given to the new recruits in the Induction Training Programme and promoted employees are given training in general management techniques.

Training programmes are arranged for a week with 30-35 programmes per year, each session being for 1 1/2 hours and there are 4 sessions/day. The maximum number of participants in any training programme is 25. Training is given at all levels—from the porter, clerk to the top executive.

The methods adopted for imparting training are:

1. Lecture method
2. Group discussion
3. Audio-visual
4. Roleplaying
5. On-the-job
6. Group exercises
7. Simulation exercises.

The Management Training Centre decides the number of participants, duration of programme etc, while functional areas are decided by the individual departments.

The payment made to Internal and External faculty member varies a lot—while externals get Rs. 400/day, the internal are entitled to Rs. 150/day.

***************
THE STATE BANK OF INDIA

The State Bank of India, previously the Imperial Bank of India, was founded in 1921 by amalgamating the three Presidency Banks - Bank of Bengal, Bank of Bombay and Bank of Madras. Started with the objective of assisting the Reserve Bank of India in transaction of government business, the SBI has at present such diversified functions as granting of loans, promoting agriculture and helping financially the budding young entrepreneurs to start their own business. As a result of its diversity of operations, a training programme for its employees had become unavoidable. Thus started the training centre of SBI. At present it has a number of training centres at various towns, totalling around 35 (as till 1980).

The network of these training centres is under the Chief Officer, Human Resources Development, Central office, Bombay. The Chief Officer is directly under the Chief General Manager. The Chief Officer is not independent in making training decisions; he has to work according to pre-laid norms and terms.

The bank does not provide for any transport facility to the participants, but it does provide residential facility to participants coming from other states. Free breakfast, lunch, tea etc. are given to the participants. In addition to this the participants get T.A. and Halting Allowance @ 1/4 of the permissible rate limit.

State Bank of India follows the Need-based training determination. The duration of programme varies from 3 working
days to 12 working days and the frequency of such programmes is on 'ongoing' basis. Training is imparted to all levels of employees and the number of participants per programme is on an average 30.

The following training methods are adopted by the SBI.

1. Lecture method
2. Discussion method
3. Audio-visual method
4. Role-playing method
5. Lesson method
6. Game-playing method
7. Case method
8. Group exercises
9. Simulation exercises
10. Syndicate method.

The duration of each session is for 1 hr. 10 minutes and there are 4-5 sessions per day.

SBI generally has only Internal faculty members who are selected on the basis of aptitude, experience in bank, academic qualifications, etc. At times a few guest speakers are also invited, in which case, they are given Rs. 50/session while the Internals get Rs. 200 as teaching allowance.
CHAPTER VII

ROLE OF BUREAU OF PUBLIC ENTERPRISES IN INDIA

The role of Bureau of Public Enterprises (BPPE), which was set up in 1965, in management training and management development of India’s public enterprises has also been sizeable. Management development is a function not only of training facilities and their utilization but also of management style, management organisation and management techniques. The BPPE’s management development effort in India has to be seen in this context. The BPPE’s role in rationalising the management structure of public enterprises, in improving management information system from public enterprises to government, in ensuring that greater and greater delegation of powers is made possible in the public enterprises as well as ushering in a modern tradition and culture for the public enterprises as a team in India—cannot by any means considered insignificant in the public enterprises sector in the country. In addition, introduction of newer styles like MBO, new techniques like action learning etc. is another area in which BPPE has made a lasting impression contribution in the field of management development in India’s public sector. Several important seminars and programmes were held under the aegis of the BPPE during the last decade.
CHAPTER VIII

EXECUTIVE DEVELOPMENT: AIDS AND FACILITIES

Formal In-company training and development effort must be supported adequately by the following aids and facilities.
1. Executive Development Centre, with adequate residential facilities as well as conference and class-room facilities.
2. A good library and reading room (books and journals on the different fields).
3. Film library, projector and stills.
4. Exhibits, posters and displays.
5. Tape recorders, cassette programmes.
7. Graphs, flash cards, flannels and blackboards, sign boards.
8. Notice boards, bulletin boards and enlarged drawings.
9. Cartoons, Comic books and books.
10. Stationery.

Thus it is clear that no in-company training programmes is complete without the out company agencies and facilities as no organisation is in a position to undertake all by itself the enormous tasks and variety of programmes.

Besides, the public enterprises in India are entitled to use the services provided by the following outcompany institutions:
A survey was conducted by Dr. F.C. Agarwal and Dr. S.V. Ananthakrishnan of "ITIE, Bombay" about the types of training, training films, use of audio-visual aids and the training budgets of Public and Private enterprises in India and the findings published in the Indian Journal for Training and Development, October-December, 1980.

Below is a reproduction of the survey:

**TYPES OF TRAINING IN ORGANISATIONS**

<table>
<thead>
<tr>
<th>Type of Organisation</th>
<th>Apprentice</th>
<th>Unskilled</th>
<th>Skilled</th>
<th>Engg. Diploma</th>
</tr>
</thead>
<tbody>
<tr>
<td>All India Management Association</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative Staff College of India</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indian Institute of Management, Ahmedabad and Calcutta</td>
<td></td>
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<tr>
<td>University Management Schools</td>
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<td>Indian Society for Training and Development</td>
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<tr>
<td>Professional Associations</td>
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<tr>
<td>Chambers of Commerce</td>
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<tr>
<td>Institutes of Management</td>
<td></td>
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<tr>
<td>Central Labour Institute</td>
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<tr>
<td>Management Consultants</td>
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<td></td>
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<tr>
<td>Bureau of Public Enterprises</td>
<td></td>
<td></td>
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<td>Other companies</td>
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<td>-----------</td>
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<td>-----------------------</td>
</tr>
<tr>
<td>Private: 20 (100)</td>
<td>14</td>
<td>6</td>
<td>13</td>
<td>16</td>
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<tr>
<td></td>
<td>70%</td>
<td>30%</td>
<td>65%</td>
<td>80%</td>
</tr>
<tr>
<td>Public: 34 (100)</td>
<td>27</td>
<td>18</td>
<td>29</td>
<td>29</td>
</tr>
<tr>
<td></td>
<td>79.4%</td>
<td>52.9%</td>
<td>85.3%</td>
<td>85.3%</td>
</tr>
<tr>
<td>Government: 8 (100)</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>25%</td>
<td>12.5%</td>
<td>32.5%</td>
<td>37.5%</td>
</tr>
<tr>
<td>Total: 62 (100)</td>
<td>43</td>
<td>25</td>
<td>43</td>
<td>48</td>
</tr>
<tr>
<td></td>
<td>69.4%</td>
<td>40.3%</td>
<td>69.4%</td>
<td>77.4%</td>
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</table>
### Table: Use of Audio-Visual Aids

<table>
<thead>
<tr>
<th>Type of organisation</th>
<th>Extent of use</th>
<th>%</th>
<th></th>
<th></th>
<th></th>
</tr>
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<tbody>
<tr>
<td></td>
<td>nil</td>
<td>Limited</td>
<td>Extensive</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private:30</td>
<td>3</td>
<td>15</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(100)</td>
<td>15%</td>
<td>75%</td>
<td>10%</td>
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<td></td>
</tr>
<tr>
<td>Public:34</td>
<td>6</td>
<td>22</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(100)</td>
<td>17.6%</td>
<td>64.8%</td>
<td>17.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government:8</td>
<td>3</td>
<td>4</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(100)</td>
<td>37.5%</td>
<td>50%</td>
<td>12.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total:62</td>
<td>12</td>
<td>41</td>
<td>9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(100)</td>
<td>19.23%</td>
<td>66%</td>
<td>14.8%</td>
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</table>

### Table: Training Budgets in Organisations

<table>
<thead>
<tr>
<th>Type of organisation</th>
<th>Provision made</th>
<th>Amount(in'000 Rs.)</th>
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<tr>
<td></td>
<td>YES</td>
<td>%</td>
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<td></td>
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<td>Private:30</td>
<td>3</td>
<td>17</td>
<td>Range 5-50</td>
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<tr>
<td>(100)</td>
<td>15%</td>
<td>85%</td>
<td>Average 30</td>
<td></td>
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<tr>
<td>Public:34</td>
<td>12</td>
<td>72</td>
<td>Range 1-35</td>
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<tr>
<td>(100)</td>
<td>35.3%</td>
<td>64.7%</td>
<td>Average 15</td>
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<tr>
<td>Government:8</td>
<td>1</td>
<td>7</td>
<td>Range 15</td>
<td></td>
</tr>
<tr>
<td>(100)</td>
<td>12.5%</td>
<td>87.5%</td>
<td>Average 15</td>
<td></td>
</tr>
<tr>
<td>Total:62</td>
<td>16</td>
<td>42</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(100)</td>
<td>25.8%</td>
<td>74.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N. 4 Number</td>
<td>P - Range</td>
<td>1 - Range</td>
<td>V - Average</td>
<td></td>
</tr>
<tr>
<td>-------------</td>
<td>-----------</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Row 1:**
- N. 4 Number: 1.4
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(75\) (55)

**Row 2:**
- N. 4 Number: 2
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(5.9\) (94.10)

**Row 3:**
- N. 4 Number: 3
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(2\) (25)

**Row 4:**
- N. 4 Number: 4
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0.5\) (1.1)

**Row 5:**
- N. 4 Number: 5
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 6:**
- N. 4 Number: 6
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 7:**
- N. 4 Number: 7
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 8:**
- N. 4 Number: 8
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 9:**
- N. 4 Number: 9
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 10:**
- N. 4 Number: 10
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 11:**
- N. 4 Number: 11
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 12:**
- N. 4 Number: 12
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 13:**
- N. 4 Number: 13
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 14:**
- N. 4 Number: 14
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 15:**
- N. 4 Number: 15
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 16:**
- N. 4 Number: 16
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 17:**
- N. 4 Number: 17
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 18:**
- N. 4 Number: 18
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 19:**
- N. 4 Number: 19
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 20:**
- N. 4 Number: 20
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 21:**
- N. 4 Number: 21
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 22:**
- N. 4 Number: 22
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 23:**
- N. 4 Number: 23
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 24:**
- N. 4 Number: 24
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 25:**
- N. 4 Number: 25
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 26:**
- N. 4 Number: 26
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 27:**
- N. 4 Number: 27
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 28:**
- N. 4 Number: 28
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 29:**
- N. 4 Number: 29
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 30:**
- N. 4 Number: 30
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 31:**
- N. 4 Number: 31
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)

**Row 32:**
- N. 4 Number: 32
- P - Range: 1-10
- 1 - Range: 7
- V - Average: \(0\) (0)
SUGGESTIONS

It is not enough to procure high talent. It is also necessary to develop the available talents in the proper spirit. It is true that Public Sector organisations are doing a good job in this area through their In-company formal training programmes and through the use of external facilities. It is also true that they feel the need to improve these training programmes.

Training is a problem solving device. It is necessary to identify the problems, to provide training to meet those problems, and to determine the training needs of individual employees and build training programmes for these needs. Systematic determination of individual training needs, maximum utilization of trained manpower, and systematic evaluation of the effectiveness of training are essential. Further, it is necessary to review the training policies and objectives and programmes in the light of changing development and environment. The investment in training must pay off handsomely in increased productivity, efficiency, morale and profits.

The success of training and development programmes depend upon the creation of sustained interest in the plan by all management personnel as well as purposeful and informal contacts between one level of management and the next to link the entire management group. Every manager must assist in the development of
his subordinates, who in turn must be made aware that they are being helped and encouraged to help in their present position and being equipped for higher responsibilities within the undertaking. When this attitude is widespread, the emphasis would be on personal relationship and informal contacts.

Good managers always go after best results with the belief and optimism that it is their responsibility to ensure a satisfactory performance of the undertaking, in spite of any existing handicaps. If management development work in India is to conform to certain basic standards of professional excellence, certain minimum requirements and experience are essential. Effective merit rating and performance-appraisal programmes should be instituted, and they should play an important role in promotion and career development plans.

Those who appraise the performance of subordinates need also to be trained in the techniques of performance appraisal and the right use of appraisals. It is not only necessary to earn the confidence, trust and loyalty of employees for a certain number of hours, but their loyalty to the company, and their confidence and trust in management have also to be earned. The great society is one in which the man of business thinks highly of the functions of training and development of personnel in the national interest.

The public sector in India has to expand further in accordance with the national needs. There is no escape from expanding the public sector; it must be in a position to command the heights of the country's economy. With the acceptance of the mixed economy in industrial development, the public sector
has to be accorded a pre-eminent position. We have to protect the honour of the public sector and this can be achieved through improved training of its staff.

In regards the future pattern of training and development profession in India, I would recommend certain guidelines for the public enterprises in India.

It is conclusively true that training and development profession in India holds great promise for the future. Yet we do feel that we need constant revitalization of the training profession in the country based on scientific determination of the total training needs of the various segments of national economy such as agriculture, small-scale industries, trade and commerce, and large scale industries and services. The total budget allocation and the resource planning for training and development has to be done keeping in view the sectoral requirements and the availability of inputs.

Another desirable dimension for the future pattern of training and development would be a synchronisation among the educational policy and efforts of the government. At present we have in India more than 60 Universities and very large number of affiliated colleges catering to the educational needs of the country, but it is unfortunate that even though we are making such massive investments in educational institutions, yet the scholar who after passing out from these universities enter the industries, and are not able to contribute much towards solution
of the problems of the industries. It is painful to see that a sizeable proportion of the total efforts in the educational system at various levels goes waste. With a little coordination between educational institutions and industries, there can be more effective utilization of the resources we have. This calls for better coordination of the government policy towards training and development of educational system and agriculture.

Experience shows that real development and learning takes place more effectively on the job than in institutions. The job should be structured in such a way and conditions can be created such that people can be made to utilize the opportunity created on the job for learning and development.

In this regard, EPE had conducted a special study and published a report on "Action Learning" in March, 1975. This 52 page report is based on the 'Action Learning Programme' philosophy enunciated by Prof. R.V. Pejman of England. EPE has stressed the need for urgent application of "Action Learning Programme" in Public Enterprises in India as a supplement to institutional training and development in an economic manner. Organisations like BHEL have approached the EPE in this regard, but the concept is yet to make its impact in other industries.

Another major change necessary in public enterprises in India is about their evaluation of training programme - a more quantitative approach should be adopted in the evaluation process. A continuous feedback monitoring system, determination of training
objectives in quantitative terms, and review of the impact of training on learning, job behaviour, organizational behaviour and organizational performance will go a long way in optimizing our investment on training.

Besides training, we have to give equal importance to the other strategies available for growth - sound and pragmatic system of performance appraisal, adoption of manpower planning, career planning and corporate planning can also be more effectively used growth of employees for the corporate goals. Indian public enterprises have to give a little more attention this phenomenon.

Another major disadvantage faced by the Indian public enterprises as compared to their private counterparts is the prevalent "Brain Drain" of qualified and talented professionals. The main cause for this "Brain Drain" of experts to other private and foreign concerns is the low remuneration in public enterprises, besides the high bureaucratic involvement in Indian public enterprises. Unless quick steps are taken to check this, public enterprises would soon find themselves in a vulnerable condition.

The standards of training have to be upgraded to a level of institutionalized scientific discipline. More scientific objective techniques and methods of training with regard to determination of training objectives, training needs and training methodology have to be adopted.

Lastly, the professionals should also evolve a code of conduct for themselves. The growth of trainers and training
institutions should be watched carefully. The growth should be qualitative rather than quantitative. The profession should assume the responsibility of developing less developed fellow trainers and should also discipline the profession by preventing the adoption of cheap methods of operation.

The future will bring much higher recognition to training professionals in India, but it will also make higher demands on the profession.
BIBLIOGRAPHY

11. Managing for Results: Peter Drucker.

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ORGANISATION OF IN-HOUSE TRAINING CENTRES IN PUBLIC SECTOR UNDERTAKINGS QUESTIONNAIRE

A. GENERAL BACKGROUND

1. Name of the Organisation :
2. Various Division/Departments in the Organisation :
3. Annual Turnover :
4. Total Strength :

B. ORGANISATIONAL AND ADMINISTRATIVE ASPECTS

1. Person Incharge of the training Centre :
2. Under whom is he working :
3. Is it a Senior/Middle/Lower, Management Cadre:
4. Is the person incharge working independently or is he working according to the pre-laid norms and conditions of the Organisation:
5. Organisational set up of Training Centre:
6. Whether the training centre is in the same building or separate:
7. If not in the same building - if any transport facility is available to take the trainees to the centre:
8. Whether any residential facility is available for trainees coming from branch offices outside Delhi:
9. Whether the company arranges for the trainees breakfast, lunch, tea at its own cost:
10. During the course of training, what do the trainees get (TA/DA) etc.
11. Any other benefits given to trainees during the period:

C. WHAT AND HOW ARE THE PROGRAMME SCHEDULES MADE

1. How the training need is determined :
2. Duration of programme :
3. How frequently such programmes are arranged :
4. What is the level of participants:

5. No. of participants per programme:

6. Method adopted:
   i) Lecture
   ii) Group Discussion
   iii) Audio Visual
   iv) Role playing
   v) On the Job
   vi) JRT
   vii) Lesson method
   viii) Syndicate method
   ix) Game playing
   x) Seminar method
   xi) Case method

7. Duration of Session:

8. Whether half day training & half days work or full day training:

9. Who decides the no. of participants, duration of programme & training method:

D. SOURCE OF FACULTY

1. Whether faculty members are internal or external

2. If internal how is he selected:

3. If the external what is the source & how the source is determined:

4. Payments made to faculty
   i) Internal
   ii) External