

**HRD for unorganized sector( in construction company) – A tool to organizational productivity**

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*Abstract*

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*Human resources are the major assets of the organizations. Just as machines, money and processes are required; human resources are also required to make the organization a complete entity. Without Human resources no implementation is possible. Organizations commitment towards H.R. ultimate enhances its productivity. Hence, in context with this, a study has been done wherein the HRD (Human resource development) is considered for the study as a tool to deal the organizational productivity. The empirical research has been done wherein the unorganized sector in the construction Industry has been targeted for research and the research is done to prove that HRD is necessary for the organizational productivity. The unorganized sector (in construction Industry) has been taken as the sample for understanding the importance of HRD tool in organizational productivity. The unorganized sector is usually not considered whenever HRD is spoken of. This sector is used only for doing the work. But by the studies it has been seen that if HRD is used as a tool for their development, ultimately the organizations productivity is increased to a great extent.*

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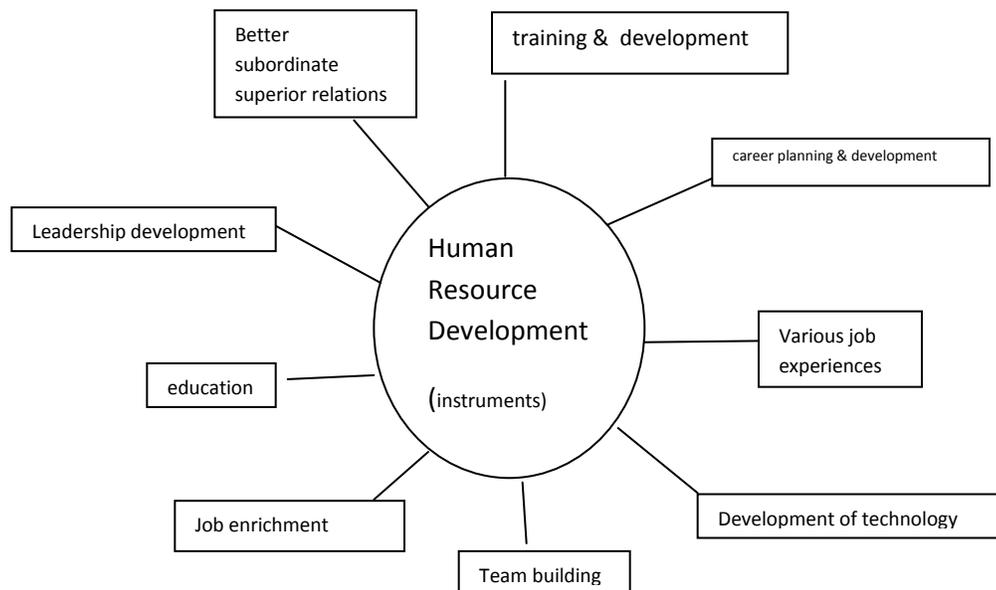
Keywords: Unorganized sector, Productivity, HRD, Organization productivity.

### Introduction :

Several researchers have studied that HRD has positive effects on the employee's productivity and also on employee's commitment towards the organization. This ultimately increases the organizations productivity. Major constructs of HRD are:-

- Induction
- Training & Development
- Job analysis
- Career and succession planning
- Performance management

Researchers have empirically proved the positive effects of HR practices on the commitment aspect of individuals in the organizational setup. They also have delineated the effects of individual HR practices (training, performance appraisal, career development etc.) on different Constructs of organizational commitment namely affective, continuance and normative commitment. HRD is the need in all organizations and for all the sectors. The unorganized sector usually catering the Construction Industry is ignored for HRD. The labours are usually illiterate and they can do the work which deals with the body strength and not intellectual work. So if these people are developed skillwise then they can perform good giving good quality work.



### Review Literature:

The introduction of innovative human resource practices increases the commitment of the individuals and helps in achieving the goals of the organization (Agarwala 2003). Human resource practices contribute to the economic success of an organization by enhancing the employee commitment and satisfaction (Zornitsky 1995). They have a strong sense of positive relationship between them (Moynihan et al 2001). In other words, the satisfaction of the

employees with the human resource practices elicits the commitment of the individuals towards the organization (Bergmann et al 2000). The perception of the employees on HRM practices such as fairness of promotion practices, accuracy of merit system, supervisory behavior influences organization commitment (Ogilvie 1986). The availability and adequacy of training provided to the individuals in the organization in a more systematic way makes a concrete effect on their satisfaction and commitment (Lowry et al 2002). Performance appraisal, benefits and compensation act as an important ingredient to the development of commitment (Meyer and Smith 2000; Paul and Anantharaman 2003). The formulation of career plan provides the opportunity to an individual to develop their full potential and this increases the commitment towards the organization (Meyer and Smith 2000). Taking interest on the employee's career development or advancement creates a sense of compulsion among the employees to stay in their organization (Nawi and Ahmed 2002). Career development practices were the best predictor of affective and normative commitment (Meyer and Smith 2000).

Human Resources Development (HRD) as a theory is a framework for the expansion of human capital within an organization through the development of both the organization and the individual to achieve performance improvement. Adam Smith states, "The capacities of individuals depended on their access to education". The same statement applies to organizations themselves, but it requires a much broader field to cover both areas.

Human Resource Development is the integrated use of training, organization, and career development efforts to improve individual, group and organizational effectiveness. HRD develops the key competencies that enable individuals in organizations to perform current and future jobs through planned learning activities. Groups within organizations use HRD to initiate and manage change. Also, HRD ensures a match between individual and organizational needs.

### **HRD Process, practice and its relation to other fields**

Notably, HRD is not only a field of study but also a profession. HRD practitioners and academia focus on HRD as a process. HRD as a process occurs within organizations and encapsulates:

1. training and development (TD): the development of human expertise for the purpose of improving performance
2. organization development (OD): empowering the organization to take advantage of its human resource capital

TD alone can leave an organization unable to tap into the increase in human, knowledge or talent capital. HRD practitioners find the interstices of win/win solutions that develop the employee and the organization in a mutually beneficial manner. HRD does not occur without the organization, so the practice of HRD within an organization is inhibited or promoted upon the platform of the organization's mission, vision and values.

Other typical HRD practices include:

- executive and supervisory/management development
- new-employee orientation
- professional-skills training

- technical/job training
- customer-service training
- sales-and-marketing training
- health-and-safety training

HRD positions in businesses, health care, non-profit, and other fields include:

- HRD manager
- vice-president of organizational effectiveness
- training manager or director
- management development specialist
- blended-learning designer
- training-needs analyst
- chief learning officer
- individual career-development advisor

The essence of Human Resource Development is education, which plays a significant and remedial role in balancing the socio-economic fabric of the Organization. Human Resource Development (HRD) means to develop available manpower through suitable methods such as training, promotions, transfers and opportunities for career development. HRD programmes create a team of well-trained, efficient and capable managers and subordinates. Such team constitutes an important asset of an enterprise. One organisation is different from another mainly because of the people (employees) working therein. According to Peter F. Druker, "the prosperity, if not the survival of any business depends on the performance of its managers of tomorrow." The human resource should be nurtured and used for the benefit of the organization.

The unorganized sector in construction Industry is almost 40% of the total unorganized sector in India. This sector is an overlooked sector for its Human resource development or development of its skill. Organizations scarcely take any initiative in developing this sector. This labours are uneducated and they are very rarely knowledgeable of the latest trends in market. So the Government though has formed laws to safeguard the interest of this sector yet there is lack of monitoring done. Training is essential to make this sector strong so that ultimate organizations will gain its productivity.

The research is done considering the construction site labours which are working informally. They are either working through the contractors or through the organizations. The contractors are also considered during the research process as these people are also informal and they are the sources through which labours and other workers will get developed.

In Construction Sector job titles used are: Workers/ Labours, Masons, Carpenters, Plumbers, Electricians, stone cutters

Objective of study:

- To study the HRD practices.
- To study the impact of HRD practices on labours in unorganized sector of construction Company.
- To study HRD for unorganized sector in a construction company as a tool in organizations productivity.

Research methodology:

Empirical research is done wherein the experiences on Construction site and through the observations, necessary conclusions and suggestions are given in this Qualitative research paper.

A HRD process for a construction company is prepared so that it can be used as a tool for implementation.

Sample: Labours & Contractors working at the construction site. 6 construction sites of a single company have been considered for the study.

	Site	Contractors	No. of Labours
1	Satara site – Sugar Industry	3	64
2	Sangli site- 4 storey Flour mill	3	71
3	Nasik Site –Power plant project	2	51
4	Mumbai site –International convention centre	1	44
5	Chinchwad Site – Residential complex	2	55
6	Pimpri Site – Canteen Extension for Industry	1	32
	Total	12	317

Observations & Conclusion:

- Labours of the unorganized sector face lack of technological and intellectual knowledge.
- Maximum contractors dealing with these labours do not fulfill any statutory compliances.
- The Construction company has to fulfill the **statutory compliances** for the labours as it becomes mandatory for them to produce the PF and ESI No. or the workmens compensation act of the labours to get the projects.
- Labours are given expenditure cost on every Sunday for their minimum expenses to be catered for the week.
- Contractors take the salary from the construction company for the labours but pays them as per their convenience .
- Labours are **not trained for the safety measurements** to be taken while working. There have been seen that few accidents have taken place while working on the construction site. (One of the labours had lost his hand thumb while doing the cutting process; one labour had a severe knee injury while working.)

- Labours are also **not given the training of cleanliness and hygiene** while they are on the site and when they are having their accommodation at the site. ( They do not keep their surroundings clean , also they do not bath on daily basis)This creates an epidemic of disease among them that ultimately affects the work. At the Satara site a case of Malaria had occurred to maximum labours.
- Contractors have not been trained and developed for their **supervisory responsibility**. Usually contractors assume that they have to only arrange for the labours on site for work. Many a times due to excess height of a job to be performed the labours are not ready to do that work. Inability to accept the work.
- Inability of the labours to learn or get educated for their own development. **Retention strategy is not implemented** for labours.
- Most of the contractors are not educated regarding the statutory rules to be followed while providing the labours to the company.
- Performance related management such as **appraisal of contractors or labours is not** been done.
- **Lack of motivation** in labours has been observed. Retention of labours has been seen as a major issue. The main cause most of the times is the financial requirement on daily or weekly basis.

#### Major issues for the organizations were:

Labours were more money oriented and have no concern towards the project being hampered if they go on strike for nonpayment or if they leave the site. Thus organizations should take some initiatives in building commitments towards the labours working on the site. Also, making urgent arrangement of labours on site also creates major concern for the organizations. So retention of labours is necessary for the organizations and hence they should go into for implementation of HRD tool as a best tool for developing the mentality and commitment for organizations productivity.

#### Suggestions:

- **Leadership training** can be given to the contractors so that they can deal with the labours with the right attitude and make the work done.
- **Motivation strategies** (Maslow's theory of motivation) need to be implemented for this sector as they lack motivation. Either financial or non financial motivation strategies can be adopted.They are satisfied with only the basic needs. They should be motivated for having concern towards social and self esteem needs.
  - Provide **orientation programmes towards safety requirements** and basic workplace practices ( punctuality, no clashes or fights during the work or after the work, cleanliness and personal hygiene)
  - Trainer's expertise in the relative work can be called for giving the training. **Supervisory trainer** for supervisors can be allotted for development of the supervisor/Contractor.
  - As per the requirement, training for labours can be arranged and their mindset for **accepting the change** has to be made in advance.
  - The contractors have to be educated regarding the **Contract labour act as well as the Workmens Compensation act** and the statutory laws necessary for the labours

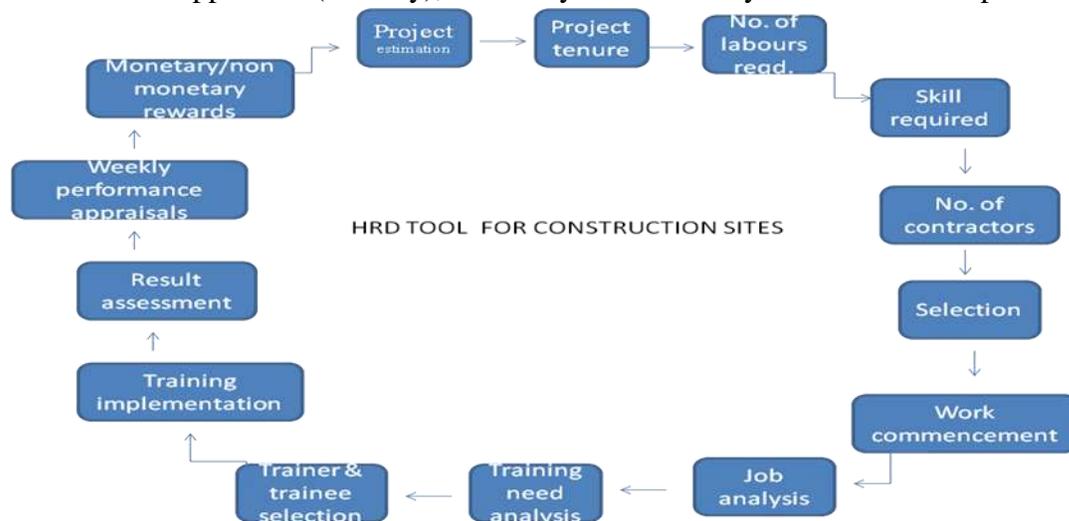
.Education regarding the positive impacts of maintaining these statutory compliances should be given so that accordingly they can be developed for the same in all the projects. Practically, it may be difficult for the contractor to maintain these things but yet management must try to motivate them to follow this practice.

- The labours must also be educated regarding the **PF, ESI** and the workmen’s compensation act so that they too will be aware of its importance and that will help in retaining these labours for a longer period of time in the organization.
- Organizations should assess the problems and as need arises, **change management** on the site must be done so that a good work culture can be developed and the labours will also be motivated to work.
- **Job Analysis** during the performance managements can be done by the organizations in support of the contractors so that **multiskill training** can be given to the labours which can used during urgency. This can help to motivate the labours and can give them chances to earn more.
- Payment should be through Bank mode. Labours must be trained and educated for saving the money for their future.

Thus if organizations take initiatives in developing this unorganized sector ultimately their productivity will be increased. As on the construction sites these labours and contractors are the one which have to be retained and developed for better results. Projects are time based and even a single day delay brings loss to the organizations.

**HRD PROCESS FORMULATED FOR THE LABOURS AND CONTRACTORS ON THE CONSTRUCTION SITE**

Project estimation, project tenure, No. of labour requirements, Skill required, No. of contractors required, selection on the above criterias, Work started, Training need analysis , Job analysis, Trainer selection, Training implementation, Assessing training results on site, Performance appraisals ( weekly), Monetary/non monetary benefits for best performers.



Thus if the organizations take the initiatives in using HRD tool for development of these unorganized employments’ in unorganized sectors ultimately organization productivity can

be gained to great extent. Initiatives should be taken by Organizations along with Government support/ NGO support.

**SPECIMEN OF JOB ANALYSIS FORM**

1. Name of the organization :
  2. Title of the job :
  3. Name of jobholder :
  4. Date of filling the form :
  5. Details of job :
  6. Tasks to be performed :
  7. Name of the supervisor :
  8. Kind of supervision needed :
  9. Whether supervising others work :
  10. Relationship with other jobs :
  11. Tools and equipments, machinery used :
  12. Whether the use makes the job easy :
  13. Prevailing working conditions :
  14. Required working conditions, improvement required if any :
  15. Physical requirements of job :
  16. Qualification required for the job :
  17. Special skill required , if any :
  18. Training requirement :
  19. Experience required to perform the job :
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