
UNIT 17 SELECTIVE MARKET TECHNIQUES

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17.0 LEARNING OUTCOME

After going through this Unit, you should be able to:

- Explain the significance of human resource development
- Discuss the concept of organisation development; and
- Highlight some key market techniques that help in improving efficiency and productivity.

17.1 INTRODUCTION

There are now a number of agencies engaged in marketing personnel services, which is said to lead to effectiveness of their organisational systems. Let us discuss the select market techniques for developing the personnel and organisations. We shall be discussing these aspects in detail in the Course MPA-014 on Human Resource Management.

Human Capital is the key to development. Public systems management as we all are aware is exposed to competitive environment and is also in the process of service delivery involved in marketing of services and goods. The competitive scenario marked by entry of new competitors, responding to the needs and choices of customers, maintaining a balance between demand and supply of goods and services calls for human resource with strong marketing abilities, and managerial skills. With certain core competencies, one needs to look at the organised human resources and their capabilities to achieve the desired objectives.

In this Unit, we shall focus on the human resource development, organisation development and a few market techniques, which shall enhance the public organisations' efficiency and productivity.

17.2 HUMAN RESOURCE DEVELOPMENT

The quality of the public organisations would be dependent to a great extent upon the quality of the employees engaged in their operations. Personnel constitute a key component of the administrative machinery.

Ferrel Heady (1979), considers, "The importance of administration is almost universally recognised amongst commentators on development. An effective bureaucracy is coupled with vigorous modernising elite as a prerequisite for progress".

Among the three components required for developmental tasks – personnel, money and material, it is more the human element than any other factor which determines the quantity and quality of the performance and output. Sharp (1961), has aptly remarked, "Good administration is a composite of effective organisation, adequate material facilities and qualified personnel. Even poorly devised machinery may be made to work if it is manned with well trained, intelligent, imaginative and devoted staff. On the other hand, the best planned organisation may produce unsatisfactory results if it is operated by mediocre or disgruntled people".

Personnel constitute an integral and crucial aspect of public organisations. It is with their requisite skills, aptitude, integrity and organising capacity that they can build the image of their organisations as effective institutions in the nation building process.

There is a general tendency in the organisations to lay emphasis on materials and financial management to the utter neglect of the personnel. What are the consequences? It is observed that the process of development takes longer, sometimes even fails. Why? The main reason for this is that we are not attending to the administration of personnel earnestly who are the real agents of development and ultimately the beneficiaries of the process of development. Persons, properly selected and given the job of their choice, produce excellent results, otherwise they are a liability on the organisation.

Every State is enormously dependent upon the quality of its public officials. "The civil service" writes Sir William Beveridge, "is a profession, and I should like it to become and realise itself as a learned profession." According to Milton Mandell, it is "a system predicated on recruiting young men and women with capacity to learning and growth, training them in order to develop and utilise their aptitudes, and offering them opportunities for advancement in responsibility and remuneration." Therefore, there is a need to propagate this art among the personnel, especially the top personnel, to make the organisations viable and efficient. However, there is a great need to make this art perfect and professional through training and development, case studies and research.

The perceived lack of focus on the issue of marketing human resource development might be one of the reasons for training and development not being given the credence it deserves.

Human Resource Development (HRD) has become the key functional area in public administration and in management generally, since technology per se no longer grants sufficient competitive advantage in today's global world of accelerated dissemination of information and knowledge. Personnel resources are, therefore, to be optimally tapped for organisational excellence, and here again the over-emphasised left brain skills of analysis and logical manipulation are being found to be insufficient to meet the transformational needs generated by quickening change (Saran, 2000).

According to United Nations, the basic objectives of HRD in administration are to:

- equip the civil servant with precision and clarity in transaction of business;
- attune the civil servant to new tasks which he/she will be called upon to perform in a changing world;
- develop resistance to the danger of becoming mechanised by visualising what he is doing in wider setting and by preserving his own educational development;
- develop capacity for higher work and greater responsibility;
- develop and maintain staff morale, particularly because a large number of people have to deal with tasks of a routine nature;
- inculcate right attitude towards the public, never forgetting that the civil servant is the servant and not the master of the community; and
- sustain the human touch not only in direct personal contact with the public but also in handling correspondence which demands a proper sense of urgency and due consideration of the “man at the other end”.

Singh (2000) opines, “HRD refers to the improvement in the capacities and capabilities of the personnel in relation to the needs of that particular sector. It involves the creation of a climate in which the flower of human knowledge, skills, capabilities, creativity can bloom ... Human Resource Development seeks to provide a package of systems and processes through which these can be cultivated and enhanced among the people forming part of the network of roles in that sector”.

So as we can see, some element of marketing of the functions and processes of HRD is necessary, although it may not be of the overt nature that is often associated with marketing products. Wilson *et al* (1992), suggest that customers can be grouped together according to their needs, not just their development needs but also a range of needs that become important, from the point of view of the customers. Analysing the market with these questions can help:

What service is on offer

Personal development

Management development

Organisational development

At what price or cost

High (lengthy accredited courses)

How to contact the customer

Direct mail

Selling

Consultancy

Where to deliver it

Classrooms

Open learning

On the job

In order to market the Human Resource Development (HRD) function effectively to these groups, an analysis should be undertaken using the questions described earlier. What should become clear from this are the very different learning needs, preferences and expectations that originate from the different segments.

There are many advantages of taking the help of specialised agencies engaged in the marketing of HRD activities. Armstrong (1999), mentions the following advantages and areas for HRD marketing.

There are certain reasons for outsourcing human resource development activities.

- Cost saving – human resource costs are reduced because the services are cheaper and the size of the function can be cut back.
- Concentration of human resource effort – members of the function are not diverted from the key tasks, which add value.
- Obtaining expertise – know-how and experience that is unavailable in the organisation can be purchased.
- Optimisation – Achieving the best out of given resources
- Sole Satisfaction – Enjoying the role leading to high production
- There are certain areas being outsourced in present times which include, employee health and welfare, compensation, occupational health etc.

HRD in brief is transformation of potential human resources into productive human resources for optimisation of the capacities of the employees. It has been rightly said in a study of the capacity of United Nations Development System that “Human rather than capital is the key to development.” Development is not a mechanical process. It is a human enterprise and its success will depend ultimately on the skill, quality and motivation of the persons associated with it.

It is therefore, by increasing the efficiency, integrity and the intelligence of its personnel that the organisation will give itself the real means for advancing towards growth and productivity. The constant improvement of the efficiency of an employee is as much the responsibility of the employee himself as of the organisation. Thus, there is a great need for marketing HRD activities.

Marketing human resource development, according to some, can be carried out in the same way as marketing the human resource contribution as a whole. The difference is that employee development 'products' are more easily identifiable and there is stronger competition from external providers (although slimmed-down employee development functions are increasingly relying on external sources to deliver training). There is therefore a greater need to create a brand image (branding), which can be used to identify all information and communications about employee development initiatives.

The other approaches to marketing HRD are:

- Market research to identify customer needs - this means identifying managers' business needs first and then suggesting how training can satisfy them.
- Competitor analysis to establish what external providers are offering.
- Customer surveys to establish the degree to which internal customers are satisfied with the products on offer to them.
- Establishing target markets based on an analysis of the market segments in which the employee development function will concentrate.
- Market planning to determine the actions required to develop new products or to reposition the existing ones and what needs to be done to promote those products to customers (mainly internal, but some employee development departments market their products and services externally).
- Sales promotion - the promotional and communication campaigns required to assist product launches and to increase demand for the products on offer.

Specific Action Plan and Strategy

It is necessary to develop a time-bound plan to implement the proposed changes. We may use here techniques like Programme Evaluation Review Technique/Critical Path Method. We have referred to these techniques in Unit 14 of this Course. There is a need to design the strategy in terms of goals and objectives. HRD represents an intervention strategy with, inter alia the following overall objectives, namely:

- 1) Arresting obsolescence, both individual and organisational (preventive)
- 2) Bridging pre-active insufficiencies of knowledge and professional skills (curative)
- 3) Shaping adjustments with socio-technological, environmental changes (adaptive)
- 4) Developing new outlook, an ethological version of quality excellence and accomplishment (promotive), and
- 5) Making a total human being with new cultural attributes (transformative) (Dey, 1982).

The most important task of an organisation must be to give abundant and constant evidence of its belief that personnel in an organisation are the key to development. This requires proper motivation of the employees, which provides a base for the management functions of planning and organising. It has been noticed that the performance of the personnel either as individuals or members of a group is less as compared to their capabilities in terms of skills, abilities and capacities.

Training Contents

The training courses generally include the following aspects:

- a) **Job Aspects:** The particular job that has to be supervised such as the knowledge of the job, planning procedures, work analysis, methods of work, organisation and coordination and cost analysis of the service.
- b) **Human Aspects:** Skills to improve motivation to increase the productivity of personnel working in the organisation.
- 1) c) **Organisation Aspects:** Knowledge of the organisation, the use of records, communication skills and ways of raising the morale of the employees.

HRD approach focuses on the optimum utilisation of valuable human resources through tapping their potential energy to vitalise, activate and renew an organisation to generate dynamism and development.

Civil servants are being given training in many training institutes set up by the government and also in some specialised training institutions to achieve the objectives of the organisation.

According to Mathur (1989), the basic objectives of HRD in government are to:

- a) Help the employee to overcome the weaknesses and improve upon strengths and thus enable him/her to enhance his/her performance as well as that of the department.
- b) Generate adequate feedback and guidance from the reporting officers or supervisors to the employee.
- c) Contribute to the growth and development of the employee by helping him/her through realistic goal setting.
- d) Provide a system of rewards comprising salary increments, appreciation, additional responsibilities, promotions, etc.
- e) Help in creating a desirable culture and tradition in the organisation.
- f) Help in identifying employees for the purpose of motivating, training and developing them.
- g) Generation of significant, relevant, free and valid information about employees.

There is a general fallacy widely prevalent in the senior circles of bureaucracy that the top level administrators do not really need any kind of training and that there is very little

for them to learn. Such attitude impedes organisational effectiveness. The reforms needed on this front are:

- a) Revision of the basic concepts underlying the present personnel policy
- b) Modernisation of administrative practices
- c) Introduction of a career development system
- d) Reform of recruitment methods
- e) Establishment of an expanded training programme; and
- f) Special organisational studies.

Surveys of Compensation in the Market

Another area of marketing in HRD is the determination of compensation available in the market for various kinds of job to keep their employees contented, avoid absenteeism and flight of personnel.

To ensure that pay levels are competitive, it is necessary to track market rates for the jobs within the business, especially those that are particularly vulnerable to market pressure because of scarcity factors. This is some times called benchmarking.

This can be entrusted to an outside agency. The activity requires

- Obtaining accurate and representative data covering base pay, bonuses and benefits
- Comparing them with terms of the type and size of the job and the type of organisation - this is the process of 'job matching'
- Obtaining up-to-date information
- Interpreting data in the light of the organisation's circumstances and needs; and
- Presenting data in a way which indicates the action that is required.

The agency would do all types of surveys efficiently and at a lesser cost.

17.3 ORGANISATION DEVELOPMENT

Organisation development involves basically structuring the work situation in an organisation with a view to improving organisational efficiency. Bennis (1969), considers organisation development as “a complex educational strategy intended to change the beliefs, attitudes, values and structure of organisations so that they can better adapt to new technologies, markets and challenges, and dizzying rate of change itself”. Organisation development (OD) is a strategy that deals with managing change.

Organisation development is presented as a cycle:

- 1) Confrontation with environmental problems, change opportunities, recognising the issues that confront the organisation.

- 2) Identification of implications for organisation.
- 3) Educate to obtain understanding of implications for organisation.
- 4) Obtaining involvement in the project of key stakeholders.
- 5) Identification of targets and specific goals for change.
- 6) Change and development activities.
- 7) Evaluation of project and programme in current environment and reinforcement.
- 8) Return to stage one (Rose and Lawton, 1999).

OD is a long term strategy and is a continuous activity. The explicit objective of OD effort is to increase the capability of organisation as also the groups and individuals who are participating to learn and apply new ways of dealing with complex internal and external relationships and processes and to view and manage change as an internal and external function.

OD can be brought about either through top or bottom up approaches. It encompasses an analysis of the organisation, which involves the structure, authority and power relationships amongst the levels, role of different categories of personnel, inter-relationship amongst them, the several tiers and levels in the organisation.

Organisational development recognises the importance of groups and is concerned with building effectiveness through team building. For OD to be successful, it requires a learning organisation where communication is valued and skills development is encouraged. Graham (1989), indicates some of the techniques that have been used in the public sector:

- Customer care training
- The encouragement of personal responsibility through:
 - Career planning
 - Appraisal systems
 - Human resource strategy
- Self-managed training
- Joint training of managers and politicians in local government
- Networking
- Coaching
- Monitoring

17.4 TECHNIQUES FOR IMPROVING EFFICIENCY AND PRODUCTIVITY

Personal Services

Agencies, which are well established, can reach the customer through a number of methods. The agencies must keep in mind that it is easy to destroy the mountains than to change the minds of the people. So the agencies must handle marketing professionally. The agencies according to Armstrong (*op.cit*), can make use of the following techniques.

- Direct mailing
- Telephone sales
- Brochures and inserts
- HRD newsletters
- Corporate newsletters
- Internet and Intranet
- Seminars and conferences
- Focus groups
- Media
 - ▣ Advertisements on television and radio
 - ▣ Advertisements in journals and newspapers
 - ▣ Articles or case studies
- Customer visit and consultancy
- Word of mouth.

People purchase HRD services. By working on the relationship between them and the organisation it is possible to gain customer loyalty. This can be achieved by:

- Ensuring that they perceive that they are important to the organisation
- Building rapport with them;
- Giving them opportunities to gain prestige with their peers and in particular their boss;
- Taking time to understand their needs more specifically;
- Encouraging them to take ownership for the service that is provided; and
- Offering rewards and incentives.

Consultants

Management consultants act as service providers in such fields as recruitment, executive search and training. They also provide outside help and guidance to their clients by advising on the introduction of new systems or procedures or by going through processes of analysis and diagnosis in order to provide recommendations on solutions to problems

or to assist generally in the improvement of organisational performance. Their role is to provide expertise and resources to assist in development and change.

Work Study

Work study aims at the elimination of inefficiency in the functioning of management and administration through ensuring optimum utilisation of resources – personnel, money and material. It is probably the most well known and widely publicised analytical technique in works management.

“Work study is a technique used in the examination of human work in all its contexts, and which leads systematically to the investigation of all the factors which affect the efficiency and economy of the situation being reviewed in order to effect improvement” (ILO, 1974).

Various reasons for use of work study are summarised as under:

- 1) It is a means of raising the productive efficiency (productivity) of a factory or operating unit by the reorganisation of work, a method that normally involves little or no capital expenditure on plant and equipment.
- 2) It is systematic. This ensures that no factor affecting the efficiency of an operation is overlooked, whether in analysing the original practices or in developing the new and that all the facts about that operation are available.
- 3) It is the most accurate means of setting standards of performance, on which the effective planning and control of production depends.
- 4) The savings resulting from properly applied works study start at once and continues as long as the operation continues in the improved form.
- 5) It is a tool, which can be applied everywhere. It can be used with success wherever manual work is done or plant is operated, not only in manufacturing shops, but also in offices, stores, laboratories and service industries, etc.
- 6) It is one of the most penetrating tools of investigation available to management. This makes it an excellent weapon for handling inefficiency in any organisation, since, in investigating one set of problems, the weaknesses of all other functions affecting them will gradually be laid bare.

Method Study

Method study is one of the techniques of work study to improve on ‘how’ of doing work. It is a technique to improve methods of work, with a view to increasing efficiency and effectiveness of resources – personnel, money and material. In common parlance, ‘method’ stands for the means of accomplishing an end while ‘study’ means application of mind to a problem or an exercise. Method study, then traces the cases responsible for poor administrative performance so that appropriate remedial action may be taken. In broad terms, it may be said that the method study approach can help in successfully grappling with solutions to all problems, the organisation encounters. In sum, we can say that the method study is like an autopsy interested in eliminating the disease rather than

the symptoms of ailment. The scientific and technological advancements are affecting the functioning of governmental machinery and thus there is a corresponding need to adjust the methods of public administration to suit the changing conditions for optimum performance. Method study can be of immense value to the administrators through its help in adjusting the procedures of work to the changed conditions. It is a continuous activity to ensure that the methods of work in an organisation are in tune with its objectives and are helping in accelerating the progress of the organisation rather than retarding it. Method study must be used when a new organisation is created or when an alteration is made in the existing organisation or when the problems arise in the existing organisations.

Method study is basically interested in finding better ways of doing things which can result in a better performance.

- a) Refining existing obsolete processes and procedures
- b) Improved layout of office and working environment
- c) Economy in human effort
- d) Suggesting the best use of money and material
- e) Better design of the goods or services provided by the organisation
- f) Enhancing quality
- g) Job satisfaction
- h) Improved flow of work
- i) Standardisation of processes and products

In brief, the method study aims at optimisation of resources, which are :

Manpower: Skill, morale and effort

Materials: Inventory, quality, standards

Services: Communication and information systems

Method study attempts to bring about:

- Changes in managerial styles and practices
- Management training and development
- Group activity and participation of various types
- Introduction of productivity incentive schemes; and
- Development and strengthening of productivity improvement measures including international networking activities.

17.5 CONCLUSION

The proficiency of an individual is not creative until it transforms, the means to act diligently, with one's heart in work, with zeal to improve, a spirit to outshine one's own abilities, into efficiency. This spirit of challenging oneself is the secret of self-improvement and unfolding of personality. It has become essential for every organisation to take care of the management of the personnel.

A large number of services in human resource development and organisation development strategies are being marketed by the concerned agencies. There would be a lot of benefit in engaging the services of these marketing agencies in the areas of organisational development and human resource development. This is a potential market area and is going to expand in a big way.

In public systems management, marketing of services is increasingly becoming important.. Hence, building human capital in public organisations assumes critical significance.. The competence, skills, and motivation of personnel need to be continually monitored and upgraded to meet the needs and expectations of the target consumers and to serve the overall objectives of the organisation.

17.6 KEY CONCEPTS

Bench Marking

It is a way of measuring the quality of products, services, practices of one organisation with other competing organisations. It emphasises on comparison, to improve performance by identifying the gaps, and bring about improvements in performance.

Critical Path Method (CPM)

It is a project management technique that analyses as to which activities are the most important or critical for completion of project on time. It attempts to lay down the duration of project based on the activities that fall along the "critical path". Activities which are on the critical path are key for the completion of project and cannot be delayed. Generally activities that lie along the critical path are set of dependent tasks that take the longest time to complete. Hence these require special attention by the project manager and other project personnel.

Market Planning

Planning is an important activity of all organisations. Market planning aims to define the marketing goals and objectives that are to be achieved within a specified period. It covers areas such as pricing of the product, its sales, analysis of competitive environment marketing strategies etc.

Programme Evaluation and Review Technique (PERT)

It is also a project management technique evolved by US Defence Department in 1958. It attempts to construct a network model of activities and events and schedules their time frame. It facilitates the task of determining a project's completion time. Each activity is

given three time estimates – the optimist time, the most likely time and the pessimistic time. These estimates are used to determine the average completion time.

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17.8 ACTIVITIES

1. Visit any public organisation, enquire about the human resource development practices and note your observations.
2. What according to you, can be effective techniques of enhancing organisational productivity?