



TRAINING AND DEVELOPMENT PRACTICES AND PERFORMANCE OF SCCL

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ABSTRACT

SCCL, the second largest coal mining company in India is highly employee development oriented as evident from the various training and development programs undertaken by it for its different cadres of employees at its internal training institutes. It also deposes its employees to various external training institutes both in India and abroad so as to enable them to enhance their knowledge and skills. Further, it spends huge amount of money on training and development. Against this background, this article attempts to assess the training and development practices and performance of SCCL.

Keywords: Advanced training institute, Corporate training center, External training, Human Resource Development, Induction training, Information technology, In-house training, Mines vocational training center, Non-statutory training, Statutory training, Training and Development.



1.INTRODUCTION

In a rapidly changing society, employee training and development is not only an activity that is desirable but also an activity for which an organization must commit resources, if it is to retain available and knowledgeable work force. Training is a process of learning a sequence of programmed behavior. It is an application of knowledge. It gives people an awareness of the rules and procedures to guide their behavior. It attempts to improve their performance on the current job, and prepares them for an intended job. Dales S. Beach defined training as the organized procedure by which people learn knowledge and skills for a definite purpose. Development is a related process. It covers not only those activities, which improve job performance, but also those which bring about growth of the personality, help individuals in the process towards maturity and actualization of their potential capacities so that they become not only good employees but also better men and women. The term development can be defined as the nature and direction of change taking place among personnel through educational and training processes.

2.Significance of Training and Development

The significance of Human Resource Management to a large extent depends on human resource development, and training is its most important technique. It is a fact that no organization can get a candidate who exactly



matches with the job, and the organizational requirements. Hence, training is important to develop the employee, and make him suitable to the job. Training works towards value addition to the company through HRD. The significance of training and development can be understood from the following observations.

Training and development help employees to increase their level of performance, which directly leads to increased productivity, and improved profitability to companies. Further, it helps employees and managers to understand the most effective and efficient way of performing the job. In fact, the increasingly technical nature of modern jobs demand systematic training to make possible even minimum levels of accomplishment. Training and development also help employees to improve their job knowledge and enable them to remain up-to-date. They can handle job operations with relative ease and comfort, thereby they can achieve the targets leading to heightened morale.

Employees who are trained can perform jobs with limited supervision. Both employees and supervisor want less supervision but greater independence, which is not possible, unless the employee is adequately trained. All the same, trained employees are not prone to accidents. Further, organizations can be stable, even if key employees and managers leave them. This is due to the fact that the trained work force can adjust to the changes easily in the organization. For instance, flexibility, the ability to adjust



to short-run variations in the volume of work requires personnel with multiple skills. It is no exaggeration to state that trained employees with multiple skills can only adjust to the short-term fluctuations in the volume of work.

3.TRAINING AND DEVELOPMENT PROGRAMS IN SCCL

SCCL undertakes a number of training and development programs for its executives and non-executives. In this regard, a brief discussion is made hereunder about the various training and development programs undertaken by the company.

Statutory Training

The company provides statutory training at all Mines Vocational Training Centres (MVTCs) in compliance with MVTC Rules, 1966. The statutory training includes basic training, refresher training, orientation training to pit safety committee members, structured training, train the trainers program, training on first aid, training to contractors, workmen etc. All the employees of the company except those who are superannuating within three months have to undergo statutory training. After the successful completion of the training, managers of the MVTC's concerned issue training certificates in the standard format to the Colliery Managers or Head of the Departments who in turn issues the certificates to employees. The MVTC managers are also



required to submit a report on the statutory training to the Area Safety Officer who in turn submit the same to higher authorities.

Non-Statutory Training

The company provides non-statutory training to its employees. It is a fact that 75% to 80% of HRD work is covered in training process. The company provides rigorous training at least for one year after recruitment to all the miners who are working in the underground and open cast mines. These employees are given basic and refresher training and the frequency of refresher training is once in 5 years for a period of six days. The company also deposes its tradesmen and technical supervisors to Advanced Training Institute (ATI), Hyderabad or any other institute of equal standing once in ten years for updation of technical knowledge and skills. In case of trades like moulders, they will be deputed to Chennai or Bangalore as the training facilities are not available at ATI, Hyderabad. Further, all the frontline supervisory staff such as mining sardars, overmen etc., are given structured training for a period of two weeks once in five years on safety matters.

Induction Training Programs for Executive Trainees

The induction training program will be conducted for all trainees before deputing them to Areas for “On the Job Training”. The induction training program is aimed at acquainting the employees about the rules, regulations and procedures of the company. The training program runs for six months as



it provides exposure to the executive trainees about the entire company. Further, it provides basic knowledge to all the trainees, which will enable them to perform higher functions at a later stage. To make the induction training program effective, it has been divided into six modules. The first module provides basic exposure to employees about the various facets of the coal industry while the second module makes employees familiarize with all the departments in the company at corporate level. The third module is an advanced course in the relevant functional area. In this phase, trainees are given small assignments and they are required to give system improvement under the guidance of a middle level executive at corporate level. In the fourth module, trainees will be exposed to all Area Level Departments and they are familiarized with the same. In the fifth phase, employees will be deputed to unit level offices of the respective disciplines so that they will get experience in the same. In the sixth or final phase, trainees will have to formulate a report each and then they have to make a presentation at both Area level and Corporate level. After that trainees will be deputed to the respective places of postings and will continue the training period on the job.

Training Institutes of SCCL

SCCL has eight Mines Vocational Training Centers (MVTCs) located at Kothagudem, Yellandu, Manuguru, Ramagundam-I Area, Ramagundam-II Area, Mandamarri, Sri Rampur and Bhoopalapalli. Besides the above, it has two major training centers namely Corporate Training Center, Kothagudem



and Nargundkar Institute of Management, Godavarikhani. While Corporate Training Center (CTC) conducts in-house training programs for executives and supervisors, Nargundkar Institute of Management (NIT) undertakes training programs only for executives. Further, the company deputed its executives and non-executives to various external training institutes in India and abroad for undergoing training programs. In this regard, the various in-house and external training programs conducted by the company for its employees have been presented hereunder.

In-House training programs for executives

SCCL undertakes in-house training programs for its executives. The topics covered in the in-house training programs for its E1-E3 executives are emotional intelligence, basic computers, health & nutrition, management of stress, work-study, and productivity techniques. On the other hand, the topics covered for its senior executives or E-4 and above cadre are the basic computers, modern office management, management of stress and new techniques of management. It is to be noted that the training period varies from cadre to cadre. For instance, junior executives who fall in the E1, E2 and E3 cadre undergo in-house training for a period of two weeks in a year while middle level executives undergo in-house training for a period of one week in two years. Senior Executives on the other hand undergo in-house training programs one week in a year. The number of executives who underwent in-house training programs stood at 1,484 in 2002-03. In the



succeeding year, the number of executives who underwent in-house training declined to a low of 599. After that executives who underwent in-house training have increased year after year and stood at 1,915 in 2006-07. Though a decline is noticed in 2007-08, again the number of executives who underwent in-house training has increased for two years and stood at 2,309 in 2009-10. The number of executives who underwent in-house training programs during the period under consideration fluctuated between a low of (-) 59.64 per cent in 2003-04 and a high of 120.70 per cent in 2004-05. Table-1 presents the details.

Table-1
In-house Training Programs for Executives

Year	No of executives trained	% of change over previous year
2002-03	1,484	-
2003-04	599	(-) 59.64
2004-05	1,322	120.70
2005-06	1,593	20.50
2006-07	1,915	20.21
2007-08	1,117	(-) 41.67
2008-09	1,776	59.00
2009-10	2,309	30.01

Source: In-house publications of SCCL

In-House Training Programs for Non-Executives

SCCL undertakes in-house training programs for its non-executives and the topics covered in the in-house training programs are literacy,



emotional intelligence, management of stress & neuronal empowerment, health & nutrition, savings & terminal benefits. It also covers areas like basic computer training, modern office management and secretarial practice. The company during 2003-04 trained 1,007 non-executives in its in-house training institutes. After that the number of non-executives who underwent in-house training programs fluctuated heavily and stood at 923 in 2009-10. It is to be noted that the number of non-executives who underwent in-house training programs varied between a low of (-) 79.25 per cent in 2004-05 and a high of 267.46 per cent in 2005-06. Table-2 is indicative of the same.

Table-2
In-house Training Programs for Non-Executives

Year	No of non-executives trained	% of change over previous year
2003-04	1,007	-
2004-05	209	(-) 79.25
2005-06	768	267.46
2006-07	1,072	39.58
2007-08	792	(-) 26.12
2008-09	1,532	93.43
2009-10	923	(-) 39.75

Source: In-house publications of SCCL

External training programs within the country for executives

SCCL deputed its executives to various external training institutes within the country so as to develop them. In this regard, the number of



executives who have been deputed to various external training programs has been presented in Table-3. The table shows that executives who have been deputed to various external training programs have increased continuously from 452 in 2002-03 to 749 in 2005-06. Subsequently, executives who have been deputed to external training programs have declined for two years and stood at 584 in 2007-08. Since then, executives who underwent external training programs have increased for two years and stood at 915 in 2009-10. The number of executives who underwent training in the external training institutes within the country fluctuated between a low of (-) 18.44 per cent in 2007-08 and high of 53.01percent in 2009-10.

Table-3
External training programs within the country for Executives

Year	No. of Executives trained	% of change over previous year
2002-03	452	-
2003-04	641	41.81
2004-05	669	4.37
2005-06	749	11.96
2006-07	716	(-) 4.41
2007-08	584	(-) 18.44
2008-09	598	2.40
2009-10	915	53.01

Source: In-house publications of SCCL



External Training Programs within the country for Non-Executives

SCCL deputed its non-executives to various external training institutes within the country so as to develop their skills and knowledge. In this regard, the number of non-executives who underwent training programs in various external training institutes has been presented in Table-4. The table shows that the number of non-executives who underwent training programs in external training institutes has increased from 366 in 2002-03 to 806 in 2009-10 barring the fluctuations during the period under consideration. The per cent of change in the number of non-executives who underwent external training programs within the country is erratic and varied between a low of (-) 30.22 per cent in 2007-08 and a high of 45.10 per cent in 2005-06.

Table-4

External training programs within the country for Non-Executives

Year	No. of non-Executives trained	% of change over previous year
2002-03	366	-
2003-04	507	38.52
2004-05	501	(-) 1.18
2005-06	727	45.10
2006-07	943	29.71
2007-08	658	(-) 30.22
2008-09	586	(-) 10.94
2009-10	806	37.54

Source: In-house publications of SCCL



Training Programs outside the country for Executives

The company aims at improving professionalism among employees. In view of this, it deputs its executives to foreign training programs so as to make the latter know the latest improvements in the fields of mining, management skills, and also to learn the operation and maintenance of latest equipment. The objective of the company is to achieve global standards of excellence. After the completion of the training in abroad, executives have to submit training reports within 45 days of joining duty. The company also pays all the allowances to executives, which are in force from time to time. Further, they will be covered by “Overseas Medical Insurance” for the period of visit. In this regard, the number of executives who have been deputed to abroad for undergoing training has been presented in Table-5. The table shows that the number of executives who have been deputed to abroad for undergoing training programs has increased from 23 in 2002-03 to 43 in 2009-10 barring the huge fluctuations during the period under consideration. The percent of change in the number of executives who underwent training in abroad is highly erratic and varied between a low of (-) 60.87 per cent in 2003-04 and a high of 111.11 per cent in 2004-05.



Table-5
Training outside the country for Executives

Year	No. of executives trained	% of change over previous year
2002-03	23	-
2003-04	9	(-) 60.87
2004-05	19	111.11
2005-06	19	-
2006-07	37	94.74
2007-08	30	(-) 18.92
2008-09	54	80.00
2009-10	43	(-) 20.37

Source: In-house publications of SCCL

Training outside the country for Non-Executives

SCCL also deputed its non-executives to abroad for undergoing training programs. In this regard, the number of non-executives who have been deputed to abroad for undergoing training programs has been presented in Table-6. The table shows that the company has not shown much interest to depute its non-executives to abroad for undergoing training programs between 2002-03 and 2007-08 as evident from the fact that the company deputed few non-executives only in 2006-07. From 2008-09 onwards, it started deputing non-executives to abroad and the number of non-executives who have been deputed has increased from 12 in 2008-09 to 19 in 2009-10.



Table-6

Training outside the country for Non-Executives

Year	No. of Non-executives trained	% of change over previous year
2002-03	-	-
2003-04	-	-
2004-05	-	-
2005-06	-	-
2006-07	5	-
2007-08	-	-
2008-09	12	-
2009-10	19	58.3

Source: In-house publications of SCCL

Training in Information Technology

The mission of the HRD is to achieve 100 per cent computer literacy among all the executives and non-executives. In view of this, it allocates separate budget each year for computer training. It is to be noted that the General Managers of the Areas concerned organize training programs either departmentally or by outsourcing. These training programs are conducted after office hours during working days. The training programs cover topics like - MS-Word, MS-Excel, MS-Power Point, MS-Access, MIS and Internet. The company also organizes advanced training programs subject to the condition that employees have basic knowledge in computers.



4.HRD BUDGET

The company spends huge amount of money on human resource development. For instance, during 2000-01, it spent Rs. 4.58 crore on HRD. Since then, the HRD budget has increased continuously year after year and stood at Rs. 17.06 crores during 2009-10. The annual growth rate of the HRD budget fluctuated between a low of 4.33 per cent in 2009-10 and a high of 38.57 per cent in 2007-08. It appears that the percentage of increase in HRD budget is quite low after 2007-08. Table-7 presents the details of the same.

Table-7
HRD budget of SCCL

Year	HRD budget (Rs. in crores)	Annual growth (Per cent)
2000-01	4.58	-
2001-02	5.67	23.80
2002-03	6.82	20.28
2003-04	7.88	15.54
2004-05	9.01	14.34
2005-06	11.06	22.75
2006-07	11.64	5.24
2007-08	16.13	38.57
2008-09	16.83	4.34
2009-10	17.56	4.33

Source: HRD Manuals of the company



SCCL undertakes various training and development programs continuously for its different cadres of employees. The importance of training needs no further emphasis as it helps in achieving organizational stability besides increasing the production and productivity. In view of the above, an attempt is made to assess the impact of training and development programs on the performance of SCCL in terms of production, productivity, sales and profits. However, it is cautioned that training is one of the key factors among a host of factors that help organizations to improve their performance.

5.COAL PRODUCTION

The performance of SCCL as mentioned above can be measured in terms of coal production. In view of this, the coal production particulars of the company for the period from 2000-01 to 2009-10 has been presented in table-8. The table shows that the coal production has increased continuously during the period under consideration from 302.74 lakh tones in 2000-01 to 504 lakh tones in 2009-10. The annual growth rate of coal production is positive and it varied between a low of 1.77 percent in 2001-02 and a high of 13.35 per cent in 2009-10.



Table-8
Coal production of SCCL

Year	Production (in lakh tonnes)	Annual growth (Per cent)
2000-01	302.74	-
2001-02	308.10	1.77
2002-03	332.56	7.94
2003-04	338.54	1.80
2004-05	353.02	4.28
2005-06	361.38	2.37
2006-07	377.07	4.34
2007-08	406.04	7.68
2008-09	444.66	9.51
2009-10	504.00	13.35

Source: www.scclmines.com

6.COAL PRODUCTIVITY

Productivity is a performance measure, which includes effectiveness and efficiency. An organization is productive, if it achieves its goals and does so by converting inputs into output at the lowest cost. An organization is effective, if it successfully meets its targets. It is efficient when it can do so at the lowest cost. The productive performance of SCCL in terms of output per man shift (OMS) in overall mines and departments for the period from 2000-01 to 2009-10 has been presented in table-9. The table shows that the output per man shift rose continuously from 1.22 tonnes in 2000-01 to 1.51 tonnes in 2002-03. Though it declined to 1.47 tonnes in 2003-04, again it has increased



continuously and stood at 2.73 tonnes in 2009-10. The annual growth rate of coal productivity is highly erratic and it varied between a low of (-) 2.65 per cent in 2003-04 and a high of 15.24 per cent in 2008-09.

Table-9
Coal productivity (Output per man shift)

Year	Overall mines & departments (in tonnes)	Annual growth (Per cent)
2000-01	1.22	-
2001-02	1.34	9.84
2002-03	1.51	12.69
2003-04	1.47	(-) 2.65
2004-05	1.62	10.20
2005-06	1.74	7.41
2006-07	1.91	9.77
2007-08	2.10	9.95
2008-09	2.42	15.24
2009-10	2.73	12.81

Source: www.scclmines.com

7.SALES PERFORMANCE

The performance of SCCL can also be measured in terms of its sales. This is because, sales generate revenue to organizations, which can be used for expansion and other developmental activities. In view of this, the sales performance of the company during the period under consideration has been



presented in table-10. The table shows that the sales of the company has increased continuously from Rs. 2,743.63 crores in 2000-01 to Rs. 6,853.84 crores in 2009-10 and the annual growth rate fluctuated between a low of 1.17 per cent in 2003-04 and a high of 24.61 per cent in 2009-10. It is also found that the annual growth rate of sales was quite low between 2000-01 and 2006-07. However, the annual growth rate of sales was quite impressive between 2007-08 and 2009-10.

Table-10
Sales performance of SCCL

Year	Sales (In Crores)	Annual growth (%)
2000-01	2743.63	-
2001-02	2949.02	7.49
2002-03	3141.83	6.54
2003-04	3178.65	1.17
2004-05	3413.73	7.40
2005-06	3629.10	6.31
2006-07	3790.55	4.45
2007-08	4,499.68	18.71
2008-09	5,500.40	22.24
2009-10	6,853.84	24.61

Source: www.scclmines.com



8.PROFITS MADE BY SCCL

The profit performance of the company had been quite alarming for quite a long time due to the fact that it was referred to Board for Industrial and Financial Reconstruction (BIFR) in the early 1990's. As a matter of fact, the company had a huge accumulated loss of Rs.1,219 crores by the end of financial year 1997-98. After that, the company started making profits continuously. In this regard, the profit performance of the company during the period under consideration has been presented in table-11. The table shows that the profits made by the company have undergone fluctuations during the period under consideration. For instance, profits have increased from Rs. 81.02 crores in 2000-01 to Rs. 417.64 crores in 2002-03. After that the profits made by the company have undergone fluctuations and stood at Rs. 268.11 crores in 2009-10. The annual growth rate of profits is highly erratic and varied between a low of (-) 65.44 per cent in 2006-07 and a high of 276.66 percent in 2001-02.

Table-11
Profits made by SCCL

Year	Profits earned (Rs. in crores)	Annual growth (Per cent)
2000-01	81.02	-
2001-02	305.17	276.66
2002-03	417.64	36.85
2003-04	145.47	(-) 65.17
2004-05	361.26	148.34



2005-06	184.63	(-) 48.90
2006-07	63.80	(-) 65.44
2007-08	176.13	176.07
2008-09	132.83	(-) 24.58
2009-10	268.11	101.84

Source: www.scclmines.com

9.CONCLUSION

SCCL has conducted various training and development programs to its employees. It also spent a huge amount of Rs. 17.56 crore during 2009-10 on human resource development. Due to these employee development measures, the performance of the company in terms of production, productivity and sales have increased phenomenally. Though the company made profits during the period under consideration, the profits have not grown steadily. To overcome this problem, the company has to undertake cost control measures. To sum up, the training and development practices helped the company to improve its performance.

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