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### A STUDY OF PROFICIENCY IMPROVEMENT PROGRAMMES AND THEIR EFFECTS ON AUTOMOTIVE MANUFACTURING INDUSTRIES IN INDIA

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**KEYWORDS:** Proficiency Improvement Programmes & Their Effects on Automotive Manufacturing Industries in India.

#### ABSTRACT

Today more and more organisations are also making their best for developing intellectual capital as a way to gain an advantage over competitors. As a result, organisations are trying to attract, develop and retain knowledge workers. In this context organisations are evolving to become learning organisations that embrace a culture of continuous and lifelong learning, enabling all employees to continually acquire and they share knowledge. Hence, this research will also contribute to the body of knowledge in management faculty by identifying and developing effective improvement / development practices in the Indian organizations engage in automotive sector.

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#### INTRODUCTION

The term "Proficiency Improvement Programme" (PIP) is being interchangeably used for training and development activities / programmes in automotive sector. These are being intensively used for up-gradation of skill, competence and efficiency of technical personnel of automobile industry. As we are witnessing revolutionary changes in automotive sector all over world, Society of Automobile Engineers (SAE), which is working for development of automotive engineering and also skill development of engineers working in this sector, has stressed a need for proficiency improvement of technical personnel. This term is also sometimes used as synonymous to training and development.

This research study will cover various types of proficiency improvement programmes (PIPs) and other interventions planned and executed by various organizations for developing their manpower. It will also focus whether the trainees who have participated in the programmes, have acquired required technical knowledge, skills attitudes, behavior or other outcomes identified in these objectives.

The human factor has inherent capabilities of equipping and enhancing its skills, knowledge and capabilities besides attitude for the long-term sustainability and effectiveness of the organization, creation of conducive environments at different levels and work in a team spirit solely from the organizational point of view.

In nutshell, the proficiency improvement programme in today's ever changing business environment is becoming more and more dynamic. The core function of any Human Resource Development professionals is to bridge the gap between the changing requirements of the job and the abilities that individuals need to perform these tasks such as self-directed leadership, self-motivated teams and self generated creativity to excel in their respective areas of performance.

In view of the above facts, the following issues would need to be addressed: -

1. Larger need for technically competent executives for meeting future challenges of the automotive manufacturing industries.
2. Need for building greater accountability and responsibility in executives.
3. Need for the executives to understand the ever-changing requirements of automotive manufacturing industry and the nation.
4. Need for increasing the Quality consciousness in automotive manufacturing industries.

#### OBJECTIVES

Performance Improvement Programme is widely understood as an intervention directed at a defined population for the purpose of developing skills, competencies, and capabilities. Generally, PIP focus exclusively on what needs to be known for making an organisation effective. Education is a longer-term process that incorporates the goals of PIPs and explains why certain information must be known. Education emphasizes the scientific



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foundation of the material presented. Both training and education induce learning, a process that modifies knowledge and behavior through leaching and experience. Performance Improvement Programmes are mix of training and development and some other interventions and are aimed at overall effectiveness of an organisation. The emerged research model will pertain to both training and education.

Formal proficiency improvement programmes have stated goals, content, and strategies for instruction. An effectiveness research is needed to :-

1. Identify the areas of technology in which more improvement programmes are needed.
2. Identify major variables that influence the learning process, and
3. Optimize resources available for proficiency improvement interventions. Logical and progressive study models are best suited to identify the critical elements and causal relationships that affect effectiveness and efficiency of these programmes.

The study will have the following objectives:

1. To study the necessity of proficiency improvement programme as development strategies in automotive manufacturing industries of India.
2. To study the current proficiency improvement practices and interventions in Indian automotive manufacturing industries with regard to objectives, identification of improvement needs, curriculum, methods, techniques and evaluation.
3. To study the effects of PIP on automotive manufacturing industries
4. To find out the elements and causal relationships those affect the effectiveness of proficiency improvement programme.
5. To study measures which will be appropriate for reorientation of proficiency improvement practices and curriculum to meet the present and future needs Indian automotive manufacturing industries.

### **HYPOTHESIS**

1. Automotive manufacturing industries have adopted Proficiency Improvement Programmes for increasing efficiency.
2. Proficiency Improvement Programmes are working effectively in Indian automotive manufacturing industries.
3. As Proficiency Improvement Programme is expensive, it is affordable to large-scale industries only.

### **SCOPE**

India has become a destination of choice for design and manufacture of automotive vehicles and components. Society of Indian Automobile Manufacturers (SIAM) is the apex Industry body representing 46 leading automotive vehicle and automotive engine manufacturers in India. SIAM is an important channel of communication for the Automobile Industry with the Government, National and International organisations working in the field of automotive technology. This Society works closely with all the concerned stake holders and actively participates in formulation of rules, regulations and policies related to the Automobile Industry. All major giants of this sector such as TATA Motors, Volkswagen, General Motors, Mahindra & Mahindra, Bajaj Auto, Force Motors, FIAT, BMW, Piaggio Vehicles Pvt. Ttd., are members of SIAM. This research will be conducted in the member organizations of SIAM, which are engaged in manufacturing of automotive vehicles and engines. PIP and associated activities undertaken for enhancing skills, competence and capabilities of technical manpower will only be the subject matter of study.

There are only 46 organisations, which are true leaders of this sector, members of SIAM. This study will be conducted in the organisations employing maximum number of personnel in the segment. There are approximately 1,23,000 personnel are working in these organizations. 750 respondents will be selected on stratified sampling basis for administering questionnaires and interview techniques for primary data.

Out of these 46 automotive manufacturing industries majority of industries are located in Pune, Chennai and National Capital Region (Delhi). Pune is emerging major hub center of automotive manufacturing and design. More and more manufacturing industries are setting their manufacturing plants in and round Pune. Same phenomenon is visible in Chennai and NCR. Research will be conducted in Automotive manufacturing industries located in these three places.



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### RESEARCH METHODOLOGY

There are two different types of sources that need to be established in order to conduct a good analysis. The first type is a primary source which is the initial material that is collected during the research process. Secondary data analysis is commonly known as second-hand analysis. It is simply the analysis of preexisting data in a different way or to answer a different question than originally intended. Secondary data analysis utilizes the data that was collected by someone else in order to further a study that you are interested in completing.

Primary data is the data that the researcher is collecting themselves using methods such as questionnaire, surveys, direct observations, interviews, as well as logs (objective data sources). Primary data is a reliable way to collect data because the researcher will know where it came from and how it was collected and analyzed since they did it themselves.

In contrast to secondary data, primary data comes from observations made by the researchers themselves. This often creates credibility issues that do not arise with secondary data.

### SAMPLING PLAN

Criteria for choosing organisations for this study

Organization which are members of STAIVI will be population for this research. A sample of 15 organisations will be selected based on the following criteria:-

- (a) Located in India.
- (b) Member of Society of Indian Automotive Manufacturers
- (c) Engaged in manufacturing of automotive vehicles and engines.

**Sample size:** There are 46 organisations, which are members of SIAM and fulfill the requirement of selection criteria. A sample size of 15 (30 % of population) organisations which are true representatives of automotive industries will be selected for study. Out of which 10 four wheeler manufacturers, 01 three wheeler manufacturer, 03 two wheeler manufacturers and 01 from engine manufacturers will be studied. In all 750 respondents from different categories will be covered for collection of data for this research.

### LIMITATIONS

1. The study is limited to organisations engaged in manufacturing of automotive vehicles and engines and which are members of SIAM.
2. The study will cover the data for only five years from 2006 to 2011. This is because the Government of India has launched two major initiatives firstly the 10 years Automotive Mission Plan adopted in 2006 and secondly National Automotive Testing and R & D Infrastructure Project launched in the year 2005.
3. Proficiency improvement Programme is a long -term developmental process, the measurement of effectiveness of this process immediately, may not reflect the overall impact of it.
4. The study is limited to the contribution of Proficiency Improvement Programmes in overall development of technical personnel of automotive manufacturing industries.
5. Conclusions will be based on data made available by organisations and their representatives.

### FINDINGS & CONCLUSIONS

1. Proficiency Improvement Programmes are useful for increasing efficiency of automotive manufacturing industries.
2. The study will help quantitatively and qualitatively for understanding the critical components involved in the effectiveness of Proficiency Improvement Programmes .
3. New methods and techniques for Proficiency Improvement Programmes will be suggested.
4. New areas in which Performance Improvement Programmes may be designed as per the requirements of organisation

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