# A Benchmarking Study to Enhance the Training Standards at Sesa Goa \*Pooja Lawande Karmali

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#### **Abstract**

Training and development is an integral function in every organization. This study has been conducted by benchmarking Sesa Goa's training module with five mining organizations from Goa. The paper also highlights the importance of training and focuses upon the management's approach in today's corporate world. A qualitative research methodology was used to gain some useful insights with respect to the study. The perspective of five companies was taken into consideration by designing an open ended questionnaire which was divided into four sections, namely: training needs analysis, designing the training, delivery of the training and evaluation of the training. A comparative data analysis was done by identifying the training modules of the respected companies and best practices were suggested to Sesa Goa.

Keywords: Training, Development, Benchmarking, Learning

#### Introduction

Training and development is the field which is concerned with organizational activity aimed at bettering the performance of individuals and groups in organizational settings. Training and development (T&D) encompasses three main activities: training, education, and development. Training process moulds the thinking of employees and leads to quality performance of employees. It is continuous and never ending in nature. Training presents a prime opportunity to expand the knowledge base of all employees, but many employers find the development opportunities expensive. Employees also miss out on work time while attending training sessions, which may delay the completion of projects. Despite the potential drawbacks, training and development provides both the company as a whole and the individual employees with benefits that make the cost and time a worthwhile investment.

Training is given on four basic grounds:

- 1. New candidates who join an organization are given training. This training familiarizes them with the organizational mission, vision, rules and regulations and the working conditions.
- 2. The existing employees are trained to refresh and enhance their knowledge.
- 3. If any updations and amendments take place in technology, training is given to cope up with those changes. For instance, purchasing new equipment, changes in technique of production, computer impartment. The employees are trained about use of new equipments and work methods.
- 4. When promotion and career growth becomes important. Training is given so that employees are prepared to share the responsibilities of the higher level job.

The benefits of training can be summed up as:

- 1. *Improves morale of employees* Training helps the employee to get job security and job satisfaction. The more satisfied the employee is and the greater is his morale, the more he will contribute to organizational success and the lesser will be employee absenteeism and turnover.
- 2. Less supervision- A well trained employee will be well acquainted with the job and will need less of supervision. Thus, there will be less wastage of time and efforts.

- 3. Fewer accidents- Errors are likely to occur if the employees lack knowledge and skills required for doing a particular job. The more trained an employee is, the less are the chances of committing accidents in job and the more proficient the employee becomes.
- 4. Chances of promotion- Employees acquire skills and efficiency during training. They become more eligible for promotion. They become an asset for the organization.
- 5. *Increased productivity* Training improves efficiency and productivity of employees. Well trained employees show both quantity and quality performance. There is less wastage of time, money and resources if employees are properly trained.

# Methods of Training

Training is generally imparted in two ways:

- 1. On the job training- On the job training methods are those which are given to the employees within the everyday working of a concern. The employees are trained in actual working scenario. The motto of such training is "learning by doing." Instances of such on-job training methods are job-rotation, coaching, temporary promotions, etc.
- 2. Off the job training- Off the job training methods are those in which training is provided away from the actual working condition. It is generally used in case of new employees. Instances of off the job training methods are workshops, seminars, conferences, etc. Such method is costly and is effective if and only if large number of employees have to be trained within a short time period.

#### About Sesa Goa Limited

Sesa Goa Limited ('Sesa Ghor' or 'the company'), wholly India-based, is a US\$ 2 billion turnover company and a part of the diversified global metals and mining major Vedanta Resources Plc. Sesa Goa Limited drives the group's ferrous mineral business with a commitment of creating a world class enterprise with high quality assets, low cost production and superior returns to shareholders.

The company is listed in Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) as well. Today, Sesa Goa is India's largest producer and exporter of iron ore in the private sector and is on track to becoming amongst the top four iron ore producing companies in the world. The company is amongst the low cost producers of iron ore in the world and is strategically well placed to serve the growing demand from the Asian countries.

# Literature Review

In Bramley's (2003) words, training involves learning and educating employee to do something to result in things being done differently. He explains that training is a process that is planned to facilitate learning so that people can become more effective in carrying out aspects of their work. Training is a planned process to modify attitude, knowledge or skill behaviour through learning experience to achieve effective performance' (Wilson, 2006). Employee Development is a process for preparing employees for future job responsibilities. This may include formal and informal training, education, mentoring, coaching etc' (Armstrong, 2008). Effective training is paramount for survival and growth of a business. Training is not just about developing people but helping them to become more confident and capable in their jobs as well as in their lives (Wilson, 2006). It is very necessary for the organization to design the training very carefully (Michael Armstrong, 2000). The design of the training should be according to the needs of the employees (Ginsberg, 1997). Those organizations which develop a good training design according to the need of the employees as well as to the organization always get good results (Partlow, 1996; Tihanyi et al, 2000; Boudreau et al. 2001). It seems that Training design plays a very vital role in the employee as well as organizational

performance, a bad training design is nothing but the loss of time and money (Tsaur and Lin, 2004).

#### Objectives of the Study

- 1. To enumerate the training process followed at Sesa Goa and other mining organizations in Goa.
- 2. To identify the different sources of training needs and understand how the needs are linked to the organizational objectives
- 3. To understand how the training plans are devised in Sesa and the other mining companies in Goa.
- 4. To analyze, compare & evaluate the training module of Sesa and other mining companies from Goa through a benchmarking study.

## Methodology

After identification of the companies to be surveyed, a questionnaire was prepared considering the current requirements of Sesa Goa. The respondents selected for the study were the Training and Development heads from the competitive mining organizations. The sample size taken for the study was 5 companies and simple random sampling method was used. The parameter of interest was to find out the process and best practices followed in training and development module in the companies and what changes Sesa would initiate to enhance their training standards. The questionnaire was divided into four sections namely; Training needs analysis, designing the training program, Delivering the training program and Evaluation of the training program. Besides primary data, secondary data sources such as company website, reports from the Human Resource department and other existing literature was used.

# Findings and Analysis

Training and Development at Sesa Goa

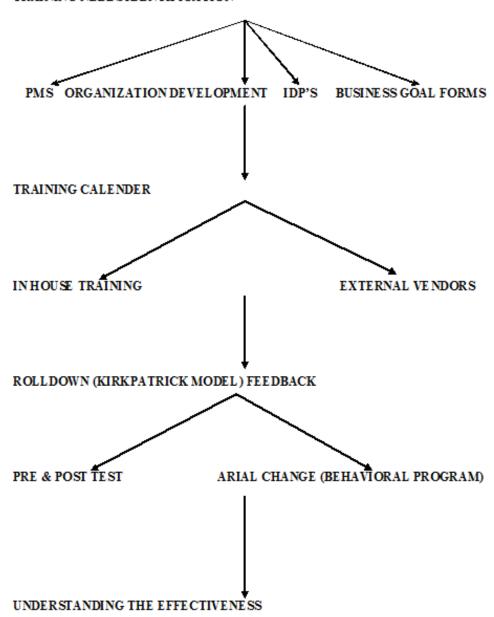
The training and development effort at Sesa Goa is directly linked to the individual as well as the business need. Training needs of all the employees are identified every year, based on which the training calendar is formulated. The continuous learning is critical for the growth and thus the company invests generously in the development of the people. The main focus of the organization is on imparting the training that will enhance employee skill sets, all round grooming, and personality development thus encouraging the positive attitude. Sesa takes immense pride in its Learning and Development initiatives. Some of the major Learning and Development (L&D) activities are given below:

- ✓ Management Development Programs for GETs: Sesa is tied up with a reputed management institute in Goa, one among the top 20 in the country, to equip its young engineers with necessary tools and techniques to be effective frontline managers. Various areas such as communication, team building and project management are covered. Separate modules on various aspects of management and behavioral skills are conducted simultaneously for the remaining executives to take care of skill gaps.
- ✓ Training on Structured Problem Solving Approach: Sesa took an initiative through which it started to equip employees with the tools and techniques of Structured Problem Solving, which, apart from helping them solve chronic problems in their work areas is also expected to help them in identifying improvement opportunities.
- ✓ Proactive Work Ethos and Attitudinal Change Program: The program was targeted at workmen and aimed to motivate them to align their personal values to the organization's values. Inputs were provided on behaviors and attitudes in both personal and professional contexts. The overall objective was to enable employees realize their fullest human potential.

Over 300 employees of the Sesa Resources Mines units were covered under this initiative, along with workmen from the existing Sesa units.

- ✓ Communities of Practice: Sesa Goa has created a Community of Practice in Mining for its employees as an effort towards shared learning, specifically for employees who have an educational background in Mining and are involved in Mining Operations (including Exploration, Mine Planning and Logistics). The forum is entirely professional and is used to share experiences and knowledge, discuss new trends, solve work-related problems, learn and share best practices and develop members' skills.
- ✓ Self Nomination:To ensure that employees are given a chance to direct their own learning and development, Sesa started an initiative whereby each Staff member could nominate themselves for various training programs by sending a mail directly to Corporate Human Resources. This allowed each employee to plan their training in advance keeping in mind their work schedules, thus also improving participation and overall effectiveness of the programs.

#### TRAINING NEEDSIDENTIFICATION



#### **Training Needs Identification**

The training needs shall be identified by employees for themselves in the annual appraisal form which is then reviewed by the supervisor and the functional head by the 31st March.

The Training Needs Identification is done through the following sources:

- ✓ Performance Management system (PMS) i.e. through the performance appraisal.
- ✓ Organization development needs.
- ✓ Head of Department's (HOD's).
- ✓ Individual Development Plan (IDP)
- ✓ Business Goal Form.

With respect to the organizational objective, the training needs are linked to the Key Result Area (KRA) which is defined from the business goals. The company does not have competencies defined for all their employees. Once the training needs from all the sources are received, they are bucketed into different categories such as Functional/ Technical, Behavioral, Safety, 5 S etc and then the company plans a quarterly calendar. The supervisors and functional heads may also recommend specific technical/ statutory trainings based on departmental business plan/ goals/ Individual development requirements. communication is sent by the HR unit to all the department heads in the unit for the training purpose. The departments head shall fill up the Departmental Training Needs form and send it back to the unit HR by the 15th of March.

# **Departmental Training Requirements**

DEPARTMENT LOCATION: \_\_\_\_\_

	Sr. no	Training program proposed	Reason for requirement	. <del>*</del>	_	Suggested institute/ consultant	Dept. goal that the training may be linked with.

DEPARTMENT HEAD: \_\_\_\_

#### **Designing the Training Program**

Training needs from assessment centers for the participating employees is incorporated into the Training Needs Identified. In order to identify the development areas/ training needs of high performers, the Individual Development Plans of stars are prepared. Sesa Goa provides unlimited growth opportunities to high performers. Employees are tested through a series of evaluation cycles and the best performers are designated as Stars of Business. These 'Stars' are considered as Group Resource and are put on Fast Track Growth with the aim of grooming them to take up higher responsibilities and eventually take up key positions across the Group. Individual Development Plans (IDPs) are prepared for these Stars outlining their short term, medium term and long-term career paths. They are groomed and are assigned a mentor, who ensures that the IDP is followed & the person moves as per the career plan.

Sesa takes an immediate feedback from the participants and ask them to give a detailed note on their expectations so that the training objectives are met while designing the training

module. The in-house training is provided to educate, develop and improve the technical and soft skills of the employees whereas in the case of external vendors the training is designed as per the requirement.

#### **Delivery of Training**

There is no practice of peer to peer learning or learning transfer process in place in the company.

The types of trainings delivered in the organization are as follows:

### ✓ Induction training.

Induction is a type of training given as an initial preparation upon taking up a post. To help new staff get to work initially after joining a firm, a brief program of this training is delivered as a way to help integrate the new staff, both as a productive part of the business and socially among other employees. It contains information dealing with the layout of the firm's operating facility, health and safety measures and security systems. The new staff is formally introduced in the team and the group activities. The induction program is conducted for 7-8 days which indeed helps the newly recruited staff to get an idea about the overall functioning of the organization. The induction training thus provides a really good opportunity to socialize and brief the newcomer on the company's overall strategy, performance standards, etc.

#### ✓ Behavioral training.

Behavior refers to the attitude in which an employee presents himself in the working environment. Behavioral training basically helps in refining the skills such as communication skills, interpersonal skills, presentation skills, and creativeness of the employee, effective planning and leadership qualities. Behavior-based safety training is conducted by Sesa; to build a safety culture in the organization reinforcing safety behavior and its need

# ✓ Functional/ Technical training.

To accelerate the learning and derive maximum synergies from the young professionals spread across the Company; Sesa has started an initiative to provide modular training on the various technical aspects of the business to all professionals in the company with less than 5 years of experience. The training covers the basics of mining, pig iron and met coke business, and the sessions are delivered by the Company's in-house technical experts. All new joinees hired as freshers from various campuses are given this training as a part of their induction program.

#### ✓ Instructor led training.

Instructor-led training is any kind of training that occurs in a training room, typically in an office or a conference room. This form of training can have one or more instructors; and they teach skills or material to another person or group through lectures, presentations, demonstrations, and discussions. ILT is an effective means of delivering information, as it allows for real-time feedback, questions and answers; manipulation and changeable delivery to suit the needs of learners in a real-time environment. Currently Sesa Goa gives 10 percent weightage on the Instructor led training.

## ✓ On the job training.

On the job training is one of the oldest forms of job training that occurs in the workplace. The new staff learns the job while doing it and earning his/her pay. One can gain useful skills to use from one job to another and specific skills to use at a particular job. The Company's 90 percent of the focus is on "On the job training". Sesa Goa follows an 'unstructured on the job training' method thus there is no set OJT techniques.

#### ✓ Interactive workshops.

At Sesa, lots of interactive workshops are done. An interactive workshop engages the participants actively in learning new information or techniques. The workshop facilitator makes it possible for audience members to participate actively thus helping them apply new information to their teaching and helping them analyze the difficulties in order to figure out the solutions.

#### ✓ Safety training.

Sesa Goa believes in a world-class working environment which cannot be achieved at the cost of compromising on the health and safety of our employees. With a clear safety mission that starts at the top of the organization and guiding actions right down to the operational level. With its whole hearted commitment to safety, the top management of Sesa guides the Company's sustainable development endeavors, sets annual targets and benchmarks progress in line with the HSE and social policies with a focus on integrating HSE in decision making process. Through these endeavors and initiatives, the company strives hard to prove that mining can be a safe haven for work conditions. Safety is a priority at Sesa and safety training is a primary and integral part of the operations. Sesa Goa's entire workforce is represented in formal joint management worker health and safety committees that help monitor safety at the work place. Emphasis on safe production processes is laid down in the formal agreements with employee unions. Since most of the units of Sesa are OHSAS 18001 certified, the company has adopted a reporting system based on OHSAS 18001, for recording and reporting all occupational accidents and diseases in the Units as per the provisions of The Factories Act, 1948, The Mines Act, 1952, and Goa Factory Rules. All injuries are also reported in the prescribed format with information on department, section, nature of injury, time and date of accident, probable cause and unfit period. Sesa Goa's long effort on safety has created a safe and healthy workplace for all its employees and contract workmen's. The aim has always been to operate with zero injuries or zero accidents and thus the company believes that any workrelated injury is preventable. Sesa is continuously seeking to achieve the same by creating a 'zero mindset'. This means 100% elimination of accidents and injury is the ultimate goal. If an incident or accident occurs, it should never happen again.

#### ✓ 5 S training.

There are five primary 5S phases: sorting, setting in order, systematic cleaning, standardizing, and sustaining.

Sorting - Eliminate all unnecessary tools, parts. Go through all tools, materials, and so forth in the plant and work area. Keep only essential items and eliminate what is not required, prioritizing things per requirements and keeping them in easily-accessible places. Everything else is stored or discarded.

Setting in Order- Setting in order states arranging the work, workers, equipment, parts, and instructions in such a way that the work flows free of waste through the value added tasks with a division of labor necessary to meet demand. This step eliminates the majority of the non-value-added time and allows the rest of the zero defect philosophy to be enabled.

Shine - Shine is cleaning the workspace and all equipment, and keep it clean, tidy and organized. At the end of each shift, clean the work area and be sure everything is restored to its place. This step ensures that the workstation is ready for the next user and that order is sustained.

Standardize - It ensures uniform procedures and setups throughout the operation to promote interchangeability.

Sustain - Sustain ensures disciplined adherence to rules and procedures to prevent backsliding.

#### **Evaluation of the Training Program**

In order to determine the effectiveness of the training, Sesa follows level 1 and level 2 of the 'Kirkpatrick model' i.e. reaction and learning. The business goal forms play a vital role in the evaluation process. An immediate is feedback is tracked in the SAP's. Once the feedback is recorded a pre & post test is conducted for all the key trainings identified and for those conducted by external trainees to capture the learning of the participants. The behavioral changes of the participants are determined within two months after a particular training. An evaluation form is to be filled by the participant himself and the duty of his supervisor is to note down the improvements shown by the candidate in his day to day performance/activities.

# **External Training**

External training needs are to be identified for those training needs which are not catered internally. The recommending authority has to fill up an enclosed form (annexure 2) and the candidate is expected to submit the documents to the concerned unit HR within two days of returning after the program, subject to which the bills are cleared by the Finance department.

#### **Presentation**

The trained employee has to prepare a presentation to his entire department within a week from his return. The presentation shall cover the following aspects:

- ✓ Major learnings.
- ✓ Applicability in one's particular function/ area.
- ✓ Action plan to incorporate the learning's in one's current work process.

The trainings do not have any weightage in the performance appraisal and there is no set limit as such to the number of trainings provided to an individual. The company does believe in carrying out lot of Organization Development workshops.

# **Comparative Data Analysis**

The analysis of the data was done after studying and understanding the training and development process followed in different organizations. A questionnaire on T & D module was designed for the benchmarking purpose which helped me in gaining a useful insight. Findings from the survey on training and development of other mining companies in Goa are as follows:

# TRAINING NEEDS ANALYSIS

	Sesa Goa	Bandekar Brothers pvt ltd	V.M Salgaocar & Bro. pvt. ltd	Timblo Limited	Damodar Mangalji Mines	Chowgule And Company Private Limited
Sources of TNA identification	Performance appraisal, OD needs, HOD's, Business goal forms, IDP's.	Annual appraisal process	Training needs are identified from HOD's, HOD-HR, MD's & employee himself	Observations, interviews, performance analysis.	Individual survey with department heads. Assessment workshops.	Training is provided to the newly hired and to the need based veteran employees in consultation with the HODs.
Training needs with linkage to the Organizational objective	Training needs are linked to KRA which are decided from the business goals.	Individual employee is given KPA/KRA. Based on which the strengths & weaknesses are assessed.	By providing appropriate training for awareness, competency development to meet the quality & environmental objectives of the company & customer satisfaction	Assessment of the organizational performance depends upon the skills, knowledge & abilities of the employees. To sharpen these training is provided.	Through PMS system which is linked to organization goals & objectives	Training is linked to ensure that employees keep abreast of changes and develop their skills to improve productivity.
Competencies	No. The competencies are not designed for all the employees.	Competencies are defined for all the employees. To improve the competency level training is provided.	Yes. In the competency matrix, the competencies available & those required are reviewed once in a year to meet demands of process improvement. Those employees needing training are identified for skill development, awareness & competency.	No.	Competencies are defined for all the employees. For individual growth plan, their competencies need to match up to next level of competency, where in the training can fill up the needed gap.	No.
How are training plans devised?	Once the training needs are received from all the sources they are bucketed into the categories like functional, behavioral etc & a quarterly calendar is planned.	Annual training calendar is prepared as per the TNI by the departmental heads.	On the basis of training needs identified for growth of organization and individual competency development.	Individual development plan (IDP's) is designed, to help employees reach short & long term career goals thus improving their current job performance.	Based on completion of identification of training needs, a yearly calendar emerges for training on annual basis.	For operative and technical staff the training plans are devised during off or lean season & for others any time on the recommendation of the HODs

# DESIGNING THE TRAINING PROGRAM

	Sesa Goa	Bandekar Brothers pvt ltd	V.M Salgaocar & Bro. pvt. ltd	Timblo Limited	Damodar Mangalji Mines	Chowgule And Company Private Limited.
How do you ensure your training objectives are met while designing the training module?	Immediate feedbacks from the participants are tracked and they are asked to give a detail note of their expectations.	Training modules are prepared as per the training identification	Concerned HOD's are consulted while setting the content of training programs, including discussions with concerned employees	After training a questionnaire is given to the trainee that consist questions based on training topic. On the job performance is assessed & if any discrepancies are found, retraining is provided.	training topics with training requirement.	Objectives are looked at macro level because training modules are primarily based on training seminars and workshops.

## DELIVERY OF THE TRAINING PROGRAM

	Sesa Goa	Bandekar Brothers pvt ltd	V.M Salgaocar & Bro. pvt. ltd	Timblo Limited	Damodar Mangalji Mines	Chowgule And Company Private Limited
Training methods	Interactive workshops, Instructor led training, On the job training, 5 S training, Functional/ technical training, Behavioral training, Safety training, Induction training.	Interactive workshops, instructor led training, one to one training.	Interactive workshops, instructor led training, one to one training.	Instructor led training & On the job training	Interactive workshops, instructor led training, one to one training, outboard training.	Interactive workshops, instructor led training.
Practice of peer to peer learning/ learning transfer process.	No.	Yes. The process of learning transfer in place. Thus on the job training/shop floor training is provided.	Yes	Yes	Yes. The process of learning transfer is followed in Crompton Greaves.	Yes.

# **EVALUATION OF THE TRAINING PROGRAM**

	Sesa Goa	Bandekar Brothers pvt ltd	V.M Salgaocar & Bro. pvt. ltd	Timblo Limited	Damodar Mangalji Mines	Chowgule And Company Private Limited
Training evaluation model	Sesa follows a Kirkpatrick model, level 1 & level 2. Immediate feedback & managers perspective is tracked in the SAP's.	Do not have a firm evaluation mechanism but evaluation is done through work quality, behavior, attitude & development of new skills within the employees.	HOD's to forward the quarterly report of training effectiveness on assessment of effectiveness by way of on the job performance, conducting tests or interviews.	Training is evaluated by asking the questions related to the training program held, interactive sessions and group discussions.	Interviews with departmental heads & leaders, subordinate interviews etc.	Training evaluation and review is done by observing the performance improvement and feedback from superiors.
Weightage on performance appraisal	No weightage is given on the performance appraisal.	No weightage on performance appraisal.	No weightage on performance appraisal.	No weightage on performance appraisal.	10% weightage on performance appraisal.	10% weightage is given on performance appraisal.
Number of trainings provided to an individual.	The training is provided as per the requirement of the employees.	Training provided based on the need and requirement.	The target is one day training to each employee.	Every month at least one training (in house on the job) is provided.	2 trainings are provided for an individual per year.	Training provided based on the need.
Unique/ best practice followed in T&D vertical.	OD workshops.	Interactive workshops.	Mentoring	On the job evaluation	Assessment workshops.	On the job training by the peer
Other details	<del>-</del>	-	Trainings are scheduled during June to August only. As mining activity is down during monsoons and employees can be relieved by HOD's, training calendar & budget is pre planned.	Some of the staffs are taken on contract basis	We see to it that the identified training needs help in the employee promotion and growth.	-

#### Conclusion

At Sesa Goa, training needs of all the employees are identified every year, based on which the training calendar is formulated. The continuous learning is critical for the growth and thus the company invests generously in the development. The main focus of the organization is on imparting the training that will enhance employee skill sets, all round grooming, and personality development. The company does not have competencies defined for all their employees. Currently it focuses more on 'On the job' training which is unstructured with a percentile weightage of 90%. One of the major conclusions which can be drawn from the benchmarking study conducted, is that majority of the organizations have focused on providing the instructor led training, one to one training and interactive workshops to their employees. Sesa has a well furnished plan of achieving the third level of Kirkpatrick model i.e. behavior' in future for the training evaluation purpose. As of now the training effectiveness is measured based on the level 1 i.e. Reaction and level 2 i.e. Learning. At present the current focus of the company is on internal training and all the external trainings have been ceased due to the mining issue.

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