

Training Need Identification of Contract Employees of ESSAR Ports Limited

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Abstract

Contract Labor is one of the acute forms of unorganized labor in our country. Under this, the contractors hire people (contract labor) who do the work on the premises of the employer, known as the principal employer; but are not deemed to be the employees of the principal employer. For this reason, these contract employees are often the neglected entities when the organization thinks of sharpening the skills of the employees through training and development interventions. But, a progressive organization can't continue to ignore the need of appropriate training to this category also. This Empirical Paper, utilizing the published theoretical literature and Survey (Communication) Approach of Descriptive Cross-sectional Research Design, highlights the training needs, preferred mode of training and such other issues of the contract employees. Data collected from 86 contract employees, selected through proportionate stratified random sampling, are analyzed using Frequency Analysis and Cross Tabulation only, as the nature of study is interpretative. The analysis reveals that even the contract employees expect and require training in variety of segments. However, many job related problems can be effectively resolved through well designed and documented SOP without treating training as the panacea.

Keywords: Contract Employees, SOP, Training and Development, Training Need Identification

Introduction & Rationale of the Study

Indian labor market is largely dominated by the unorganized labors. Out of this, many work as contract employees. These contract employees are often the 'neglected/ignore done' when the organization thinks of spending for overall development of the workforce, as legally also, they are not the permanent – on-pay-roll direct employees of the principal employer.

In the 2nd Five Year Plan, the Planning Commission also made certain recommendations for undertaking studies to ascertain the extent of problem of contract labor, progressive abolition of the system and improvement of service conditions of contract labor where the abolition was not possible. After thoughtful discussions and brainstorming in various meetings of Tripartite Committees, it was noted that the contract labor system should be abolished wherever possible or practicable; and

in cases where this system can't be abolished altogether, the working conditions of contract labor should be regulated so as to ensure payment of wages and provision of essential amenities.

Consequently, even though, the Contract Labor (Regulation and Abolition) Act, 1970 in India categorically specifies the responsibilities of the Principal Employer towards the contract labor in terms of wage payment, welfare, health & safety, etc., but it is more or less silent about principal employer's obligation for their training &/or development. Under the scheme of the act, the provision and maintenance of certain basic welfare amenities for contract labor like drinking water, first-aid facilities, rest rooms, and canteens have been made obligatory. Even, provisions have been made to guard against delays in the matter of wage payment (Srivastava, 2010). But, training and development of contract employees have not been addressed in the act also.

The system of employment of contract labor lends itself to various abuses, as they are hired/employed through a third party element – labor contractor; and are not directly the employees of the principal employer. The irony is that even though these contract laborers work in the premises of the principal employer for achieving the organizational goals; the principal employer is not bothered about their skill up gradation, proficiency development through training; and such other issues. As a result, these contract employees do not develop a sense of attachment or belongingness to the organization. They do that much only as to save their jobs and earn the wages.

In the light of all these issues and concerns in the air, this empirical study is a hitherto attempt to unearth the training needs of contract employees, and recommend suitable

programmes for them. The study has been undertaken over a period of 3 months at the renowned ESAAR Bulk terminal Limited located at Hazira-Surat in Gujarat.

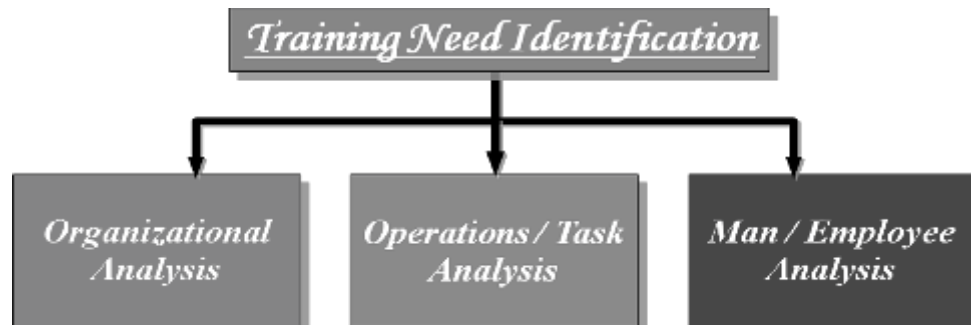
Conceptual Framework of Training Need Identification

Training is considered as costly investment and as the systematic process of acquisition of attitudes, concepts, knowledge, roles, or skills that result in improved performance at work (Goldstein, 1991). The fundamental purpose of training is to help people develop skills and abilities which, when applied at work, enhance their average job performance (Tziner et. al., 1991). Considering the high felt importance of investing in training of employees, organizations are spending heavily on sharpening the skill sets of their employees. But, the success of any training intervention depends heavily on correct identification of training needs.

Identification of training needs is the first and the most important step of the entire training process, as however good the trainer may be, however interesting the training subject maybe; if the training needs are not identified correctly, all efforts will go in vein. So, it is the first and the most critical element in the training, as success of the training function depends greatly on correct identification of training needs (Singh, 2006).

Conceptually, Training Need Identification simply means identifying the gap between standard performance and actual performance in terms of knowledge, skills, abilities and attitudinal requirements on the part of employees. This crucial step of training process tells us who needs to be trained and in what areas / domains. Such identification can happen at three levels, as shown in Figure 1 below.

Figure 1: Levels of Analysis for Training Need Identification



- **Organizational Analysis:** This primarily focuses on the organization's goals, objectives and the macro level training needs by looking at the present state of organizational working, which can be met by developing a mass centric training programme.
- **Operations / Task Analysis:** This primarily focuses on the operations / tasks / job to be performed regardless of the employee doing the job. It includes the determination of the tasks that the employees must do – the specific employee behaviors required – if the job is to be performed effectively.
- **Man / Employee / Person Analysis:** This primarily focuses on the concerned employee who is putting his/her best to perform the job successfully. It reviews the knowledge, skills and attitudinal requirements of the job incumbent in each position and determines what knowledge, skills, attitudes he/she must possess/acquire, and what alterations he/she must make in his/her behavior to perform the assigned job successfully and contribute satisfactorily to the attainment of organizational objectives. A very important aspect of person analysis is to determine which necessary knowledge, skills, abilities and attitudes have already been learnt by the prospective trainee, so that precious training time is not wasted in repeating what has already been acquired (Aswathappa, 2010). This is the level of analysis which the employees find much more worthy, as it specifically identifies who will undergo training and in what areas /domains.

This empirical study focuses on the 3rd level of analysis of training need identification, that is, it primarily focuses on identifying the knowledge, skill and attitudinal requirements for the contract employees of ESAAR Bulk Terminal Limited; and based on the same, suggesting relevant training programmes for sharpening the skill sets of contract employees, boosting their morale, making them feel a sort of value addition, and also developing their sense of belongingness/attachment to the organization.

Research Methodology:

Research Problem Statement:

The research topic is “Training Need Identification of

Contract Employees”. The study attempts to assess the training needs of contract employees in regard to who needs to be trained and in what area/domain, finding out the preferred mode and method of training and suggesting specific training modules for sharpening the skill sets of these employees.

Specifically, this study is focused on the following research question:

“How to improve the work effectiveness (performance) of contract employees through training?”

Sub-questions of this overarching research query were as follows:

- Whether contract employees require / need any sort of training?
- What is the preferred mode and method of training for the employees?
- What are the specific training needs of the contract employees?
- Here, the Operational Definitions of various constructs are as follows:
 - **Training:** Herein, “Training” refers to the systematic, well planned short-term process by which employees (in this study – contract employees) learn the job related skills.
 - **Training Need Identification:** This refers to the first and the most important step of the entire training process, concerned with identifying who needs to be trained and in what areas/domains.
 - **Contract Employees:** This refers to the employees who are not the permanent and on pay roll direct employees of an industrial establishment. It includes such employees who are hired by the contractors to do the work on the premises of the employer, known as the principal employer; but are not deemed to be the employees of the principal employer. As per the Contract Labor (Regulation and Abolition) Act, 1970;

“A workman shall be deemed to be employed as “contract labor” when he/she is hired in or in connection with the work of the principal employer, by or through a contractor.”

Herein, in this study, such contract employees have been surveyed and studied whose name appears in the Contract Employees Record Book of Essar Ports Limited, Hazira-Suratin South Gujarat.

Research Objectives:

- To study the contract employees“workingat ESSAR BulkTerminalLimited,Hazira- Surat.
- To study the need for training for contract employees at Essar Ports Limited, Hazira-Surat.
- Degree of Association of Training Need Identification and its Perceived Outcome Across the Contract Employees of Different Working Area.
- To analyze the opinions/viewpoints of these contract employees regarding the preferred mode and method of training to make the training more result oriented.
- To find out specific training needs of contract employees at Essar Ports Limited, Hazira-Surat.
- To suggest various training modules for improving the working of contract employees at Essar Ports Limited, Hazira-Surat.

Research Design:

Descriptive-Cross Sectional Research Design is used in this study as it describes the views/opinions of contract employees regarding various areas / domains in which they required training (Descriptive) at a specific point of time (Cross Sectional). Initial exploration stage focused on careful review of relevant literature and in-depth interviews and discussions with the key informants like labor contractors, HR Executives of respective departments wherein contract employees are mostly employed, contract employees, labor law consultants and even with some notable academic personalities who have studied the working issues of contract employees. The focus of this exploration was to understand the working of contract employees, the issues that they face at the workplace, the present state of affairs, the views of these employees regarding various aspects of working, the concern areas etc., and also to have inputs for structuring the contents of the questionnaire by including the relevant issues.

Data Collection:

- Primary Data:** The study is mainly based on Primary Data collected from the respondents – the contract employees working in various sections of Essar Ports Limited, Hazira- Surat – by way of a structured questionnaire, framed in English as well as in Gujarati (the local language). For framing the relevant items/statements for determining the specific training needs of these contract employees, a “self-assessment form” approach has been followed. Based on the insights from the in-depth interviews and discussions with the key informants during the initial exploration; specific aspects related to training needs have been included in this data collection instrument. Finally, before administering it to the respondents, it was pilot tested with 15 respondents.
- Secondary Data:** Secondary data have been collected from books, journals, periodicals, and electronic databases. Published and unpublished documents of ESSAR Bulk Terminal Ltd., at Hazira-Surat have also been studied and analyzed to develop an understanding of various aspects of working of contract employees.

Sampling Design:

As updated sampling frame was available, the researchers have preferred to use probability sampling method for choosing the sample of respondents. By using Proportionate Stratified Random Sampling method of Probability Sampling, 86 respondents – the contract employees working in various sections of ESSAR Bulk Terminal Ltd., at Hazira-Surat were selected and surveyed.

- **Sampling Frame:** Contract Employees Record Book of ESSAR Ports Limited, at Hazira-Surat
- **Population Size:** 172 Contract Employees of ESSAR Bulk Terminal Ltd., at Hazira-Surat
- **Sample Size:** 86 Contract Employees of ESSAR Bulk Terminal Ltd., at Hazira-Surat
- **Sampling Technique:** Proportionate Stratified Random Sampling

DATA ANALYSIS AND INTERPRETATION:

Demographic Profile of the Respondents:

Table 1: Classification of respondents based on demographic particulars

Demographic Particulars	No. of Respondents (N = 86)
<u>Age Group</u>	
< 20 years	07
21 – 30 years	36
31 – 40 years	36
41 – 50 years	07
<u>Working Area</u>	
Business Process Office	31
Mooring	25
Electrician	06
Rigger	16
Crane Operator	08
<u>Experience</u>	
< 1 Year	24
1 – 3 years	59
3 – 5 years	03
<u>Gender</u>	
Male	78
Female	08

Source: Primary Data

In terms of Age Profile, ESSAR Bulk Terminal Ltd. at Hazira-Surat seems to have a major proportion of young and energetic group of contract employees with the highest number of respondents – 41.86% belonging to the age group of 21-30 years and 31-40 years. In total, 91.9% contract employees are of below 40 years of age. In terms of Work Experience, it seems that the respondents are less experienced ones as 27.9% respondents have less than 1 year of experience, 68.6% have 1-3 years' experience, and only 3.5% respondents have 3-5 years' experience. The 78 Male and 8 Female contract employees are majorly working in 5 different areas namely Business Process Office, Mooring, Rigger, Electrician and Crane Operations. In and all, the contract employees of ESSAR Bulk Terminal Ltd., Hazira-Surat presents diversity in terms of their demographic particulars.

Frequency Analysis and Chi Square Test for Perceived Outcomes regarding Training Needs Identification:

Some findings based on Frequency Analysis are as follows:

- 47 out of 86 contract employees (54.7%) spend most of

their working time in standing posture, while 39 (45.3%) of them mostly work in sitting posture.

- In response to a question whether any sort of training is attended by the respondents, the findings reveal that 83 out of 86 (93.5%) have not gone through any sort of training earlier to joining as contract employee, forget about attending training at ESSAR.
- These contract employees seem to be enthusiastic and willing to take on additional responsibilities and new roles also. In response to a question on what sorts of additional roles they would like to perform, the findings are encouraging, as 56 out of 86 (65.1%) contract employees are really willing to assume additional responsibilities in different areas as shown in Table 2 and Table 3.

Table 2: Willingness to perform additional roles

Willingness	No. of Respondents	Percentage
YES	56	65.1%
NO	30	34.9%

Table 3: Additional roles

Additional Role Domain	No. of Respondents	Percentage
Typing	8	9.3%
Administration & Documentation	7	8.1%
Computer Hardware Maintenance	8	9.3%
Computer Animation	1	1.2%
Tally For Book Keeping	5	5.8%
Instruments Calibration	4	4.7%
Telephone Line Problem Handling	2	2.3%
Crane Operating Skill	2	2.3%
Fabrication	3	3.5%
Forklift Operating	10	11.6%
Welding	3	3.5%
Heavy Weight Vehicle Driver	3	3.5%

- This clearly shows that these contract employees are really committed and enthusiastic about their work. The organization can really be benefited by providing them training and boosting their sense of belongingness to the organization.
- Majority of these contract employees – 72 out of 86 (83.7%) – prefer to be trained through on-the-job training method, while 14 of them (16.3%) are in favour of off-the-job training method.
- Further, the contract employees mostly prefer to get trained through the Internal Trainers only, which is also a welcome sign for the organization in terms of cost, scheduling and healthy interpersonal relationships at the work place. However, 91.9% of them do not want to pay / bare any sort of cost for getting trained.

Table 4: Degree of Association of Training Need Identification and Its Perceived Outcome Across the Employees Of Different Working Area

	Working Area wise classification of Respondents					
	Crane Operator	Rigger	Mooring	Electrician	Business Process Office	Total
Enhance Individual Competency	6	16	25	4	7	58
Better Productivity	8	13	17	6	5	49
Improved Morale	6	8	9	5	6	34
Enhanced Reputation	4	5	4	5	5	23
Reduced Stress	4	7	6	5	5	27
Total Count	28	49	61	25	28	191
Chi-squared test, (χ^2)=26.296 at 5% level of significance and 16 DF						

From the above table, it is seen that the Chi- Square test statistic (χ^2) = 26.296 with 16 degree of freedom and 5% level of confidence. As the calculated value is greater than the critical value, the null hypothesis is rejected. Thus, the survey reveals that there is association of Contract Employees perceived outcome of training need

identification across the employees' different working area.

- Based on the responses of these contract employees, the following training needs have been identified for them based on their working domains. This specifies the general training needs as well as specific training needs:

Table 5: General and Specific Training Needs Identified

Working Domain	General Training Need	Specific Training Need
Business Process Office	Computer Training	MS Office, Internet Connection, General Computer Operation & Time management Training
Mooring	No General Training Required	Effective Mooring Training
Electrician	Technical & Safety Training	Operation & Maintenance of Micro Circuit & Programmable Logic Controller Training
Rigger	Technical & Safety Training	Mathematical Formula for Load Calculation & Effective Rigging Training
Crane Operator	Safety Training	No Training Required

Conclusion:

All said and done, despite the fact that the contract employees make significant contributions to the organizational goals achievement, their skill up gradation, development and such other related aspects are not given due importance by the organizations. This empirical study specifically reveals that even these contract employees expect the organizations (principal employers) to think of their development through training interventions and it also unearths some of the basic training needs, which should be met by the organizations, to make the contract employees more fruitful to the organizations. Hence, instead of escaping from the responsibilities towards the contract employees by quoting the provisions of the age old Contract Labor (Regulation and Abolition) Act of 1970; progressive organizations interested in creating high performance work places must make efforts to come up with relevant training programmes to meet the training of these contract employees.

Recommendations:

- (1) As it has been found that the contract employees place greater importance on being trained and they also expect their principal employers to spend for their training; the higher ups of the organizations need to acknowledge this surprising, unpalatable; but certainly promising, positive and true finding.
- (2) The findings of this study suggest that the contract employees need training on computers, safety and technical aspects. Specific topics in these three domains have also been outlined in the findings section. So, the HR department of the organization should act on this and device suitable training programmes for these contract employees.
- (3) 54.7% contract employees work in standing posture only, which is a cause of physical as well as mental stress and fatigue, tiredness and lack of concentration. So, the organization must make provision for giving them relaxation by adjusting the number and

frequency of rest breaks in such a way that they are not required to work in the standing posture for long time continuously.

- (4) To avoid physical fatigue, the organization can think of conducting “Yoga Classes” for these contract employees, so that they can feel relaxed as well as their concentration will also increase.
- (5) Some employees are facing such problems in their activity domain, which can't be solved through training. To solve these types of problems and making them feel hazel-free in their activity domain, the organization should prepare “Standard Operating Procedures (SOP)” document for particular activity and circulate it to the contract employees, so they can resolve problem on their own and feel more confident and involved.

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