

# HUMAN RESOURCE DEVELOPMENT IN TOURISM SECTOR: A CASE STUDY OF ORISSA TOURISM DEVELOPMENT CORPORATION LTD. (OTDC)

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**Abstract** *Skilled, knowledgeable, and competent people are the key resource of any industry, be it manufacturing or a service sector. Higher degree and quality of performance of tasks always require higher degree of skills and knowledge. Human potential in every employee is vast and it can be further enhanced by various interventions like training, job rotation, feedback and counseling, organizational action, etc. that make the organization dynamic and growth oriented. People who are not able to contribute to the organization fully due to reasons beyond their control can also give the best if they are taken care of with more attractive working conditions and better organizational climate. Many services depend on direct personal interaction between customers and firm's employees. Professionalism has become the buzzword in service industries and the corporate world now-a-days is fast realizing the importance of Human Resource Development in the new paradigm of business. This research paper is an attempt to evaluate the state of human resource development as is existent in the Orissa Tourism Development Corporation Ltd, a State – owned public sector undertaking of Orissa operating to provide the desired facilities and services to the tourists visiting the State. While analyzing various HRD aspects of OTDC, focus has been laid on employee training practice and performance appraisal system of the Corporation and suggestions have been given based on findings of the survey conducted for this research.*

**Keywords:** *Personnel, Performance Rating, Redeployment, Motivation, Morale*

## INTRODUCTION

Orissa is second to none in terms of its tourism treasure, though the figure of tourist arrival in the State and its tourism receipts hardly substantiate this statement for which many reasons can be attributed. The land possesses a vast array of tourist products ranging from a long coastline spreading over a lush area of 250 miles with relatively virgin and unexplored beaches to exquisite temples and extraordinary monuments; prolific arts and crafts; fascinating fairs and festivals; and tribal destinations that are stunningly attractive and sufficient to capture the senses of any tourist. The Dept. Of Tourism, Govt. Of Orissa along with the Orissa Tourism Development Corporation and other industry stake holders, is making all efforts to market them with the tag-line “Scenic, Serene, Sublime Orissa; the soul of incredible India”. Orissa Tourism Development Corporation Ltd. (OTDC), a public sector unit and the functional wing of the Department of Tourism, Govt. of Orissa, offers a complete package of services to tourists in a spirit of healthy competition with the private sector. The adjustment to new operating conditions characterized by higher demand in terms of quality and volume of tourism services requires some human resources development activities, such as HR planning; appraisal and

staff performance evaluation; employee training, effective staff communication; reward of initiative and excellence, and empowerment of staff.

This research paper attempts to:

- Examine the way the Human Resource Development (HRD) function is structured in the OTDC,
- Highlight the current HRD practices in the organisation in relation to various HRD systems,
- Measure employees' perception towards the HRD practices, especially training, and performance appraisal system, prevalent in the organisation,
- Suggest for feasible improvements in the field of HRD in OTDC based on findings.

## ROLE OF HRD IN TOURISM INDUSTRY

Human Resource Development helps the organization in stabilizing itself, growing, diversifying, renewing the set up to become more effective, improving its systems and services, changing and becoming more dynamic. HR development issues in tourism have acquired great dimensions in view

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of the complex organization and peculiar characteristics of this industry. Some distinctive features of travel and tourism generally influence both how we attain service excellence and the role that HRD plays within it. Tourism as a service requires more human related skills and competencies than the other sectors of the economy as it is mainly based on human relationships and in most cases, machines cannot substitute human labour. This sector is highly dependent upon the quality of staff and their efficiency in terms of services. A small mistake on the part of a tour guide may damage long years' goodwill of visitors for the travel agency. Unsuccessful handling of guests at the reception counter of a hotel may have long-term impact on the hotel occupancy. Airlines are regularly updating their employees at automation for ticketing and baggage handling to keep pace with the fast changing industry environment.

## ORISSA TOURISM DEVELOPMENT CORPORATION

OTDC Ltd. was incorporated on 3rd Sept 1979 under the Companies Act, 1956. The company is primarily running hotels on commercial line mostly inherited from the Govt. of Orissa, Dept of Tourism, either on owned basis or on lease basis. It is wholly owned by the Govt. of Orissa and has 23 hotels, 2 transport units, and 1 exclusive restaurant under its management at present with the Head Office located at Bhubaneswar. In addition to these, the Corporation is having its Regional Office at New Delhi, Mumbai, Kolkata, and Chennai. All the Units along with Regional Offices directly interact with the tourists to facilitate their comfortable stay and movement inside the State. The major line of business in OTDC is Hoteliering, Tourist Transport both on surface as well as water, income from Supervision Charges and Air Ticketing for domestic as well as international sector. Besides these, the Building & Project Divisions of the Corporation execute project works; both Central & State sponsored projects on cost plus basis.

## CORPORATE OBJECTIVES

1. To develop tourism in the State of Orissa.
2. To take over and acquire from the Govt of Orissa all assets belonging to it and situated at any place within or outside the State of Orissa and which were being or are being or can be used in any manner what so ever in connection with any activity or enterprise relating to tourism together with the Liabilities, if any, thereof and in particular to take over all tourist homes, tourist bungalows, holiday camps, traveler bungalows, State guest houses, camping and caravan sites, pavilions & dormitories together with the catering establishments attached there to, tourism information bureaus, youth

hostels, convention centers, electric works & water works, and thereafter to run the same with a view to promoting and developing tourism both internal and international in the State.

3. To acquire and maintain all places of tourist interest like parks, beaches, places of beauties and recreational spots in the State of Orissa.
4. To establish and manage transport units, travel and transport counters, import, purchase, lease, sell and run or otherwise operate cars, cabs, buses, coaches, trucks, launches, ropeways, aircraft, helicopters and other models of transport.
5. To provide entertainment by way of cultural shows, dances, music, concerts, cabarets, ballets film shows sports and games, son-et-lumieres and others.
6. To produce, distribute and sell tourist publicity materials; edit, design, print, publish, sell or otherwise deal with books, magazines, periodicals, folders, inserts, guide maps, pamphlets, bills, posters, picture postcards, diaries, calendars, slides, cinematograph films and other materials for the purpose of giving publicity and developing tourism.

## Human Resource Planning Practices in OTDC

Human Resource Planning in the corporate sector is essential to forecast future manpower requirements and achieve optimum utilization of available human resources through carefully controlled recruitment, redeployment of additional manpower, and placing right kind of persons in the right places. While planning for human resources in tourism, emphasis is normally laid on the components like budgetary provisions, market demand, total workload, government rules and regulations, labour market situations, economic environment, business policy, etc. Then the future workload is estimated and converted into number and type of manpower required basing on estimation and projection.

OTDC was a small establishment with limited operation at the time of its incorporation in 1979 looking after the management and operation of those assets only i.e. Accommodation and Transport units transferred to the Corporation from the Dept. of Tourism, Govt. of Orissa. Around 200 employees both executives and non-executives were sent on deputation from the Dept. during assets transfer to the Corporation, although regular appointments were made later on with increase in the area of its activity and subsequent expansion in the organization structure. OTDC has a Board of Directors as the apex policy making body with a Chairman who happens to be a political person always, appointed by the Govt. He has under him many other functionaries designated as the Managing Director, General

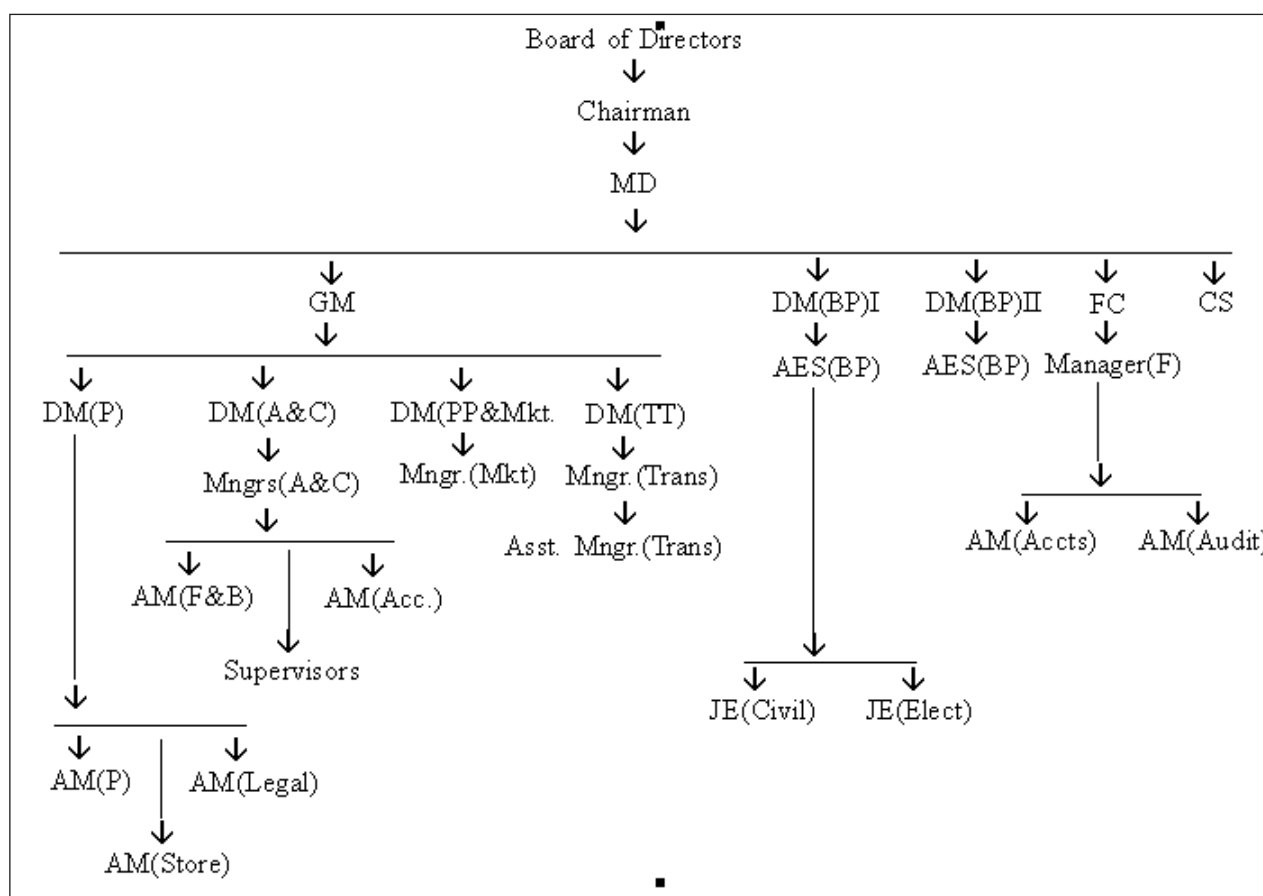
Manger, Divisional Managers of six functional divisions, Financial Controller (FC), and the Company Secretary (CS) assisted by more than 600 permanent and temporary staff required to implement Corporation's plans and programmes. The Managing Director post is ex-officio, since the Director, Govt. Dept. of Tourism acts as the MD and remains in dual charges in the event of a vacancy in the Chairman position. A senior OAS officer deputed by the Govt. usually holds the post of GM to ensure smooth functioning of four Divisions such as Accommodation & Catering; Personnel; Tours and Transport; Printing, Publicity & Marketing. The posts of FC & CS were occupied earlier by one person till a contractual appointment was officially made in the post of CS in 2011 to handle the legal and account matters including all personnel problems as per the Companies Act-1956 and anything assigned to him from time to time. The FC and CS both report directly to the MD relating to all matters coming under their respective jurisdiction.

### Organisation Chart of OTDC Ltd

In the beginning, OTDC was running without a Personnel Department and all personnel matters were being dealt with by the Establishment Section then manned by few employees

without any professional qualification in this field. However, a Personnel Division was created in 1990 headed by a Divisional Manager along with 3 Asst. managers and other staff of the Division to look into all HR related matters including HRD.

In the process of offering services to tourists, OTDC's primary concern has been to make them avail of comfortable accommodation and transport facilities at moderate prices. It is worth mentioning here that the Transport and Accommodation units contribute meaningfully to the corporate revenue and account for maximum employment at the executive as well as non-executive level. Four categories of people are found working in the organization such as managerial, supervisory, clerical, and workmen, each category having five different types of employees basing on the modes of their appointment. These are Regular, Departmental, Contractual, NMR and SP (Service Provider) Employees. Though human resource inventory has not been introduced in a systematic way in OTDC, available information on its manpower position reveal it as having a total number of 641 staff engaged in the Head Office and the Field Units – Accommodation and Transport units located at various places of tourist interest in Orissa. Out of the total number of 641 employees, 340 are regular staff, 22



are on deputation from different Depts. of the Government, 29 persons are on contract basis, 26 are NMR employees, and the rest 224 people are engaged through the Service Provider. SP employees are hired by the Corporation through an outside agency namely “MB securities & Investigation Bureau” selected through a process of tender with final approval of the Board. A sizable number of employees at the bottom level jobs are engaged through the Service Provider in OTDC and this practice has been followed here since long, primarily as a cost cutting measure to compensate previous financial losses of the organization. Employment pattern and distribution of manpower in OTDC Ltd. is presented in the table below.

It is found from the survey that there are 82 executive and

559 non-executive staffs having a ratio of 1:7. Regular staff comprise of 6 managerial level personnel, 23 at the supervisory level, 48 clerics, and 263 persons in workmen category. Staff on deputation from the Govt. comprise of 7 managerial level personnel, 3 at supervisory level and 12 in the workmen category. Out of 29 contractual appointments both at the executive and non-executive level, one is in managerial cadre, 26 are supervisory and 2 are clerical staff. Total employment figure of NMR employees in the organization is 25 and all of them are rank and file workers with a numerical distribution of 2 and 23 in clerical and workmen category respectively. Contractual and NMR staffs are normally appointed on a temporary basis, supposed to be regularized after six years of continuous work experience in the organization. Out of 224 SP staff, 16 are working

**Table 1: Distribution of Manpower in OTDC Head Office and the Units as on 31.04.2015**

Sl No	Name of the Unit	Regular	Deptt	Cont	NMR	SP	Total Staff
1	Head Office	55	7	20	0	20	102
2	Air Ticketing Division	9	0	0	0	5	14
3	Bhubaneswar	46	1	1	2	12	62
4	Puri	24	7	0	2	15	48
5	Cuttack	25	0	1	0	6	32
6	Barkul	20	2	1	7	13	43
7	Chandipur	18	0	0	1	7	26
8	Sambalpur	10	2	0	3	7	22
9	Rourkela	17	0	0	1	16	34
10	Konark	0	1	1	0	0	2
11	Gopalpur	5	0	0	0	4	9
12	Rambha	9	1	0	0	7	17
13	Taptapani	2	0	0	2	5	9
14	Nandankanan	7	0	1	0	7	15
15	Y.N Konark	19	0	0	0	15	34
16	Y.N Satpada	8	1	0	2	13	24
17	A.N Lulung	1	0	0	2	2	5
18	T.U BBSR	21	0	1	0	9	31
19	T.U Puri	9	0	0	1	13	23
20	A.N Chandbali	3	0	0	1	5	9
21	Balasore	2	0	0	0	2	4
22	Dhauri	4	0	0	0	2	6
23	Paradeep	3	0	1	0	3	7
24	Dhenkanal	4	0	0	0	7	11
25	Panchalingeswar	5	0	0	1	3	9
26	Chandaneswar	4	0	0	0	11	15
27	Kenajhar	4	0	1	0	7	12
28	Bhattarika	0	0	0	0	1	1
29	Chandrabhaga	1	0	0	1	0	2
30	T.R.C Baripada	1	0	0	1	0	2
31	Koraput	1	0	1	0	0	2
	Total	340	22	29	26	224	641

Source: Official Records of OTDC

Table 2: Manpower Position of OTDC as on 31.04.2015 (Category wise)

Sl No	Name of the Unit	MANAGERIAL					SUPERVISORY					CLERICAL					WORKMAN								
		Reg.	Deptt.	Cont	NMR	SP	Total	Reg.	Deptt.	Cont	NMR	SP	Total	Reg.	Deptt.	Cont	NMR	SP	Total	Reg.	Deptt.	Cont	NMR	SP	
1	Head Office	3	4	1			8	7	3	18		2	30	11		1		15	27	34					3
2	Air Ticketing						0	1					1	6				5	11	2					
3	Bhubaneswar		1				1	2		1		2	5	2			1	1	4	42			1		9
4	Puri		1				1					1	1	6					6	15	6		2		14
5	Cuttack						0	2		1		3	4					4	4	19					6
6	Barkul		1				1			1		1	2					1	1	20	1	7			11
7	Chandipur	1					1					2	2	1				1	2	16			1		4
8	Sambalpur						0						0	1			1	2	9	2	2		2		7
9	Ruorkela	1					1	1				1	1	1				1	2	14			1		15
10	Konark						0			1			1						0		1				
11	Gopalpur	1					1						0					1	1	4					3
12	Rambha						0	1					1						0	8	1				7
13	Taptapani						0					0		1					1	1			2		5
14	Nandankanan						0			1			1	2					2	5					7
15	Y.N Konark						0	1				3	4	1				1	2	17					11
16	Y.N Satapada						0	1				1	2					1	1	7	1		2		11
17	A.N Lulung						0						0	1					1					2	2
18	T.U BBSR						0					1	1	3		1			4	18					8
19	T.U Puri						0					1	1	4				2	6	5			1		10
20	A.N Chandabali						0	1					1					0	2				1		5
21	Balasore						0						0					1	1	2					1
22	Dhuli						0	1				1							0	3					2
23	Paradeep						0			1			1	1					1	2					3
24	Dhenkanal						0	1					1	1				1	2	2					6
25	Panchalingeswar						0	1				1	2					0	4				1		2
26	Chandaneswar						0					1	1	1					1	3					10
27	Keonjhar						0	1		1			2					2	2	3					5
28	Bhatarika						0						0						0						1
29	Chandrabhanga						0	1					1	1					1	3					7
30	TRC Baripada						0	1		1		2							0						
31	Koraput						0	1			1		2						0						
	Total	6	7	1	0	0	14	23	3	26	0	16	68	48	0	2	2	33	85	263	12	0	23		176

Source: Official Records of OTDC



as supervisors, 33 as clerks and 175 as workmen. Table -2 presented below contains the details of manpower position of OTDC category wise.

## Selection and Recruitment

There has been no recruitment of regular staff in OTDC for the last 10 years due to resource crunch, nor any internal promotion made to fill the higher positions since 1992. Earlier, recruitment to all posts whether managerial, supervisory or clerical was done through direct advertisements in the print media by inviting application from the eligible candidates. All applications were then scrutinized to be shortlisted and placed before the Selection Committee for final selection and recruitment. Some other posts were filled up on the basis of deputation from different Departments of the Government. Asst. Directors and Engineers are deputed from the Govt. to act as Divisional Managers and Govt. Tourist Officers as Asst. Managers/Managers of OTDC Accommodation Units. In the engineering divisions of Building & Projects, the Divisional Managers including the AEs & JEs of the Divisions are also deputed employees of the Govt. They draw their salary from the Govt. /parent departments directly without putting much pressure on corporate finances. Some vacancies were being filled up before through internal promotion also basing on incumbent's merit, ability and work experience in the organization. In the recent past, few contractual appointments have been made through direct advertisement in the media on recommendation and approval of the "Selection Committee" which is constituted as and when required by the Govt. for this purpose, consisting of the Chairman, M.D and C.S for recruitment to executive cadre. The GM, Divisional manager of the concerned Division, and the CS generally form a committee to make selection for base level recruitment in a Division. Workers are normally hired to work on a temporary basis and in due course their services are supposed to be regularized. Some people, on retirement from the Dept. of Tourism, are also invited to join OTDC on a contract basis to render their valuable services to the company's success. In the recent years, contractual appointment is given to Management Trainees selected through the Committee to be regularized subsequently on the basis of their performance as Asst. Managers/Managers of OTDC Accommodation Units.

Restriction imposed on recruitment and promotion as part of the bureaucratic decision to compensate company's financial losses in the eighties has resulted in many vacancies. The Tour and Transport Division, Personnel Division, PP & Marketing Division go without a Divisional manager and the FC post also goes unmanned giving way to a number of acting appointments, where the subordinates are placed in higher positions discharging dual responsibilities. HR outsourcing through the Service Provider has long been

in practice in OTDC that has proved very useful ensuring low cost and better performance of employees. As many as 224 employees have been engaged through the Service Provider and they do not draw their salary directly from the Corporation. Monthly salary payment of all SP staff is made to the Agency for disbursement in keeping with the terms and conditions of their appointments laid down by the Agency. MD is empowered by the Company to appoint NMR employees directly for a maximum duration of 45 days subject to extension of the period depending on the requirement and performance of individual employee. A separate attendance register was being maintained for the NMR staff to be submitted by each Division at the end of every month. Attendance report so collected by the Personnel Division was used for calculation of monthly remuneration and payment to those staff. But now-a-days biometric system of maintaining employee attendance record is used for all staff members working in the Corporation.

## Training and Development

It is said that the most valuable of all capital is that invested in human beings. The quality of human resources affects the quality of tourist services and the competitiveness of the tourism sector, also that the quality of human resources depends on the perceived level of employees' education and training. Training can lead to higher production, lower mistakes, greater job satisfaction and less employee turnover. On realizing the effectiveness of training, OTDC took initiative for skill up-gradation of its employees as back as in 1987 with funding from DFID. But Intensive employee training effort has been made in the organization since 2007 through the aid and advice of Price Water House Coopers. As revealed from the official sources of OTDC, a small budgetary allocation up to 1 lakh rupees is being earmarked by the Corporate Management for employee training and the State Dept. of Tourism also provides annual financial assistance to OTDC for this purpose.

The Personnel Division discharges the vital function of supporting its staff by inducting them into various training programmes from time to time with the objective of competency enhancement and skill up-gradation of allofficers and staff. Both in-house and external training programmes have been conducted for which some reputed professional institutes of the State like XIMB, IITM, IHMCT, and the School of Hotel Management (ITER) etc. were identified as the place of training. In-house training programmes are organized sporadically in the Convention Hall of Bhuhubaneswar Panthanivas, an accommodation unit of OTDC adjacent to the Administrative building. There is provision for sponsorship by the organization for outside training of executives as well as non-executives to learn managerial and technical skills including the soft

skills that help improve employee's job performance and contribute meaningfully to the growth and development of the organization.

Training is arranged to cover different aspects – Technical, managerial, behavioral - depending on the rank held by the employee and the nature of his work in the organization. These are short- term training programmes for professional knowledge and on-the-job skills acquisition. Room boys, waiters, cooks and helpers are usually trained in IHMCT, Bhubaneswar for skill acquisition in the areas of housekeeping, F&B services etc. Training is provided to all categories of employee, whether regular, contractual, NMR, or the staff on deputation from the Govt. Besides these, the executives are also sponsored to join "Training the Trainers Programme" conducted outside the State. Official records of OTDC reveal that training opportunity has been provided to 550 people of the organization over a period of 7 years from 1<sup>st</sup> May 2007 to 31<sup>st</sup> April 2015.

## Performance Appraisal

Organisations always depend on employees' performance appraisal reports to take important HR decisions such as giving promotion, increment and incentives; identifying training needs of employees; transfer, punishment, etc. In OTDC, the same traditional but common practice of maintaining CCR (Confidential Character Report) is followed to evaluate performance of the Regular employees only wherein the impressions regarding the performance and general conduct of employees are recorded by their superiors to be submitted at the end of every year for use by the Management. The prescribed CCR format contains some subjective assessment criteria as attendance, discipline, promptness in carrying out instructions, performance in duties, sincerity and integrity, etc. All appraisal formats duly filled in by the Reporting authority (manager) of the Division finally reach the MD, the virtual accepting authority with remarks from the countersigning officer (Divisional Manager) and the reviewing officer (General Manager) through the personnel Division. The Chairman happens to be the appellate authority to hear employee grievances relating to any decision taken on the basis of CCR. Contractual employees have not been brought into the ambit of performance appraisal so far. The executives on deputation are rated through a self-appraisal system of performance evaluation applicable to all Govt employees of the State. The Govt. prescribed format called PAR for Gr. A & B officials available on Govt. website is filled in by these employees and submitted to the MD for his/her remarks and onward movement to the GA Dept of the Govt for consideration of promotion and increment sanction of the appraisee at the Govt. level. CCR of Class IV employees are written by the Manager of the concerned Division alone for which a separate format is used. There is

no potential appraisal; mention in Performance Appraisal is made through recommendations for potential development of employees.

## Organisation Development

HRD practice in terms of Organisation Development (OD) activities in OTDC is quite progressive. Annual Performance Plan (APP), Memorandums of Understanding (MOUs), computerization of accounts, designing, developing and updating organisation's own website, grievance handling mechanism, etc. are examples of successful OD interventions in the organization. MOUs are signed with the Govt. Depts., especially with the Dept. of Tourism every year as part of corporate governance relating to support needed for infrastructure development, publicity, energy conservation and many other purposes. OTDC enters into MOUs with Tourism Corporations of other States in the areas of reciprocal booking arrangements, familiarisation tours, product promotion, and transfer of knowledge. MOUs are also signed with IRCTC and tourism industry stake holders, i.e. tour operators and travel agents for volume growth in business. Corporate decision making is an executive exercise and all proposals are finally approved by the MD and submitted to the Chairman for information before being executed.

## Research Method and Data Analysis:

Survey method has been used to collect opinions of corporation's employees on a random sampling basis through written questionnaire and personal interviews on various dimensions of human resource development function and efforts of the organization. Respondents have been chosen to represent different categories of personnel such as the managerial, supervisory, and workmen. The questionnaire had statements rated on a five-point scale to extract employees' perception regarding the utility and effectiveness of the training programmes as a performance booster, method of performance appraisal and its purpose. Initially 150 questionnaires were administered out of which 100 returned. So the survey was conducted with a sample size of 100 representing 16 % of the population. Documentary research method is also adopted to collect data from OTDC Statute, Corporation's official records and Memorandums of Understanding (MOUs) that constitute reliable sources of evidence relating to the subject under study.

Analysis of Variance and Duncan's Multiple Range test have been conducted on the dataset with two dependent variables using SPSS package to ascertain significance of response variation, and homogeneity of the groups formed on the basis of some demographic factors as shown in Table- 3.1.

Outputs of the ANOVA Table: 3.1 given above indicate that respondents' perception towards 'Employee Training' for the age and designation factors differ significantly and 'F' values in both the cases are found to be 6.128 and 9.976 respectively, significant at 5% level. In order to determine the locations of mean differences within the groups, Duncan's Post-hoc test was done. Results of the Duncan test

Table: 3.2 reveal significance of variation between the age group of 41-45 and above 45. Similarly, in respect of the designation group, although the managerial and workmen category do not differ from each other, they are found to differ significantly from the supervisors in their response to the existing employee training practices in OTDC.

**Table 3.1: Analysis of Variance (ANOVA) on the Responses Towards 'Employee Training' in Respect of Different Identified Factors**

Factors	Sources of Variation	Sum of Squares	Degree of Freedom	Mean Sum of Squares	F
Age	Between Age	7.231	3	2.410	6.128*
	Within Age	37.759	96	.393	
	Total	44.990	99		
Designation	Between Designation	7.675	2	3.838	9.976*
	Within Designation	37.315	97	.385	
	Total	44.990	99		
Gender	Between Gender	.168	1	.168	.368 NS
	Within Gender	44.822	98	.457	
	Total	44.990	99		
Monthly Income	Between Income	1.583	2	.791	1.768NS
	Within Income	43.407	97	.447	
	Total	44.990	99		
Qualification	Between Qualification	.684	2	.342	.749 NS
	Within Qualification	44.306	97	.457	
	Total	44.990	99		
Marital Status	Between Marital Status	.017	1	.017	.037 NS
	Within Marital Status	44.973	98	.459	
	Total	44.990	99		

\* Significant at 5% level (P<0.05) NS - Not Significant

**Table -3. 2: Duncan's Post-Hoc Test for Average Response on 'Employee Training' in Respect of Different Identified Factors**

Factors	Category	Average	Factors	Category	Average
Age	31 – 35	2.0625 AB	Income	<20000	1.9195
	36 – 40	1.9250 AB		20001- 30000	2.2019
	41 – 45	2.4327 B		30001-40000	1.9000
	Above 45	1.8042 A			
Designation	Managerial	1.6750 H	Qualification	Under Grad	2.1667
	Supervisory	2.5417 I		Graduate	1.9043
	Workmen	1.9315 H		Professional	2.0600
Sex	Male	1.9741	Marital Status	Unmarried	2.0417
	Female	2.0962		Married	1.9867

Superscripts A – D, E-G, H – J, K-M run over the factors Age, Income, Designation, and Qualification respectively. Same superscripts for the average responses within a factor indicate that they are similar and not significantly different from each other (P>0.05). Conversely, different superscripts for the average responses within a factor indicate that they are significantly different from each other (P<0.05).



As is evident from the ANOVA Table: 4.1, 'Performance Appraisal' as a major intervening variable has resulted in significant differences among the respondent groups formed on the basis of age, designation, income, qualification, and the 'F' statistics in these cases are found to be 8.840, 14.462, 10.793, and 7.785 respectively. Results of the Duncan test Table: 4.2 point to the fact that the age group under category 36-40 differs significantly from the category 41-45, and

above 45. Similarly, age group under category 41-45 varies significantly from the category 31-35 and 36-40. Each designation group is found to differ from the other groups in its perception towards this particular dimension. It is also revealed that respondents with an income level of 20001-30000 differ significantly from the two other levels, and the undergraduate respondents markedly differ in their views from the graduates and professionals.

**Table-4.1: Analysis of Variance (ANOVA) on the Responses Towards 'Performance Appraisal' in Respect of Different Identified Factors.**

Factors	Sources of Variation	Sum of Squares	Degree of Freedom	Mean Sum of Squares	F
Age	Between Age	27.519	3	9.173	8.840*
	Within Age	99.613	96	1.038	
	Total	127.132	99		
Designation	Between Designation	29.202	2	14.601	14.462*
	Within Designation	97.930	97	1.010	
	Total	127.132	99		
Gender	Between Gender	2.292	1	2.292	1.799NS
	Within Gender	124.840	98	1.274	
	Total	127.132	99		
Monthly Income	Between Income	23.142	2	11.571	10.793*
	Within Income	103.990	97	1.072	
	Total	127.132	99		
Qualification	Between Qualification	17.583	2	8.792	7.785*
	Within Qualification	109.549	97	1.129	
	Total	127.132	99		
Marital Status	Between Marital Status	1.277	1	1.277	.994 NS
	Within Marital Status	125.85	98	1.284	
	Total	127.132	99		

\*-Significant at 5% level ( $P < 0.05$ ) NS-Not Significant

**Table 4.2: Duncan's Post-Hoc Test For average Response on 'Performance Appraisal' in Respect of Different Identified Factors**

Factors	Category	Average	Factors	Category	Average
Age	31 – 35	2.7917 AB	Income	< 20000	3.6356 F
	36 – 40	2.0000 A		20001- 30000	2.5064 E
	41 – 45	3.9038 C		30001- 40000	3.1889 F
	Above 45	3.2472 BC			
Designation	Managerial	2.2917 H	Qualification	Under Grad	1.6667 K
	Supervisory	3.0556 I		Graduate	3.6489 L
	Workmen	3.6559 J		Professional	3.0200 L
Sex	Male	3.2162	Marital Status	Unmarried	3.7222
	Female	3.6667		Married	3.2465

Superscripts A – D, H – J run over the factors Age and Designation respectively. Same superscripts for the average responses within a factor indicate that they are similar and not significantly different from each other ( $P > 0.05$ ). Conversely, different superscripts for the average responses within a factor indicate that they are significantly different from each other ( $P < 0.05$ ).

## Findings and Conclusion:

Employees should get the scope to discover what the company needs, then develop the necessary skills to meet these needs as defined by the market place. Basically, the primary tie that binds an employee to the company and vice versa is mutual success resulting in performance that adds value to the organization. Each Individual should always be doing something that contributes significant, positive change at his work place. Based on the exploration and analyses of data collected from both primary and secondary sources, it is found that HRD has not been recognized as an important human resource function in OTDC so far. HRD activities here are convenience based and as a result, various sub-systems of HRD do not get the attention they deserve. Human Resource Planning in OTDC has become a neglected area having no specific HR plans. Human Resource Inventory System is inadequate to assess the demand and supply of required manpower and to determine the manpower gap in the organization.

Training as an essential HRD intervention has been used in OTDC as a maintenance function rather than a strategic one. Budget allocation for training is inadequate. Training needs of individual employees are decided by the concerned Dept. Heads instead of identifying those needs through the method of performance appraisal. However, OTDC is making all efforts now for skill up-gradation of its employees by organizing in-house and external training programmes, even outside the State. As observed from the ANOVA Table- 3.1 and the Duncan Multiple Range Test conducted to measure the influence of different factors on the dependent variable 'Employee training', there is significant variation in case of age, and designation groups, but training practices do not vary as a function for gender, income, marital status and qualification. Respondents of 31-35 and 36-40 age groups reflect homogeneity with regard to the training practices prevalent in OTDC.

The practice of employing deputed Govt. personnel is being followed to establish financial, technical, and administrative coordination between OTDC and the Dept. of Tourism Govt. of Orissa. It has helped reduce the expenditure on salary head. Recruitment of surplus manpower has also been controlled to a large extent.

The appraisal system of OTDC is found to have some major shortcomings. Appraisal criteria are highly subjective for which the reliability and validity of the system is questionable. No targets are fixed for the employees keeping the organisation's objectives and goals in view which makes it difficult to evaluate individual employee's accomplishments at the end. Moreover, performance appraisal is conducted here as a routine matter only and the appraisal results are never used to serve the primary purpose of performance appraisal resulting in unproductive exercises

by the executives towards a mechanical compliance of the corporate norms.

It is found from the ANOVA Table 4.1 and the DMRT conducted to measure the influence of different factors on the dependent variable 'Performance Appraisal' that gender and marital status are two insignificant factors for the dependent variable 'Performance Appraisal' and the differences among the group means may not be due to chance only. The respondents of 36-40 and 41-45 age groups differ significantly and marked differences also exist among the three designation groups in this regard. However, homogeneity is reflected among the respondents with less than 20000 income per month and 30000-40000 category as well as among the graduates and professionals with almost similar responses towards performance appraisal as practiced in OTDC.

So far as Organisation Development (OD) activity is concerned, a marked change is being observed now in the attitude of employees, in the organization culture, its system and methods due to various OD efforts of the organisation.

## Suggestions

Business houses often look to carry out new strategies, fuel growth and make changes for long term success. OTDC needs to plan for smooth career advancement to motivate the employees to maintain a high level of performance. It would be nice to see when the management gives some staff members an opportunity to do something different that may provide an interesting challenge for them. Executives may be more empowered in the organization to take decisions independently in organizational interest without the feeling of any apprehension or fear. The following measures, if taken meticulously, would go a long way contributing to better organizational climate and culture, greatest employee satisfaction and motivation and above all, a steady growth of the organization.

- OTDC should have a well spelt out personnel policy with service rules containing terms and conditions for each category of personnel employed in the organization.
- HR Planning Committee may be constituted to formulate HR plans and HR inventory system be introduced and updated regularly for ready references. HR data bank may be created instead of filing system of maintaining personnel records.
- While recruiting, focus is never laid on the quality of intake in OTDC. Being a service sector organization it ought to be characterized by professionalism and people with requisite skills should be recruited. It not only projects the Company as a better employer to attract good talents but also helps in retaining the pool

for a longer period to help the organization grow into a huge profit making concern.

- Too many posts have been created in the organization perhaps with the intention to avoid the ORV Act which has resulted in problems in establishing fixed criteria to be followed for selection, recruitment and promotion of employees. These need to be streamlined and sorted out at the top management level.
- The Organisation should develop a work culture imbued with team spirit, openness and risk taking abilities of employees.
- An effective evaluation system can inculcate confidence in the employees about the process. The current appraisal method of OTDC cannot eliminate the factors of favouritism and prejudice, thus making the whole process doubtful. Objective elements may be added to the contents of CCR for correct performance rating and reducing employee grievances.
- Potential appraisal need to be introduced for optimum utilization of peoples' skill, knowledge and competency that is considered a key to organizational success.
- Performance feedback may be used to identify individual training needs of employees to place them in suitable training packages and bridge up the performance gap.
- As revealed from the study, very few female employees are working in the organization compared to their male counterparts having a ratio of 1:30. It is believed that women are better suited to the nature of work in service sectors than men. Striking a gender balance would help improve organizational performance and drive greater operating results.
- It is said that the most valuable of all capital is that invested in human beings. Hence, more financial allocation may be made in the annual budget for training and development of employees, a training calendar be designed to make the process more systematic.

- There should be an effective system in the Organisation for tracking employee satisfaction.
- Acting appointments in the organization should not exceed one year. If at all it exceeds the duration, after three months of discharging responsibility in a higher position the person may be given officiating allowance i.e. the minimum of the salary range of the acting position to be given as an incentive to boost up employee motivation and morale.

Employee competencies need to be sharpened and developed as organizations operate in environments that keep changing, requiring people to have new competencies with the right mixture of initiative and skills. Failure of the organization is commonly attributed to inadequate system and facilities, when the central problem is lack of professionalism. It is, therefore, imperative now for any corporate establishment in the service sector to be as focused in its approach to human resource development as in the areas of product development and marketing, because it needs people with the necessary skills to react to shifting market trends. OTDC can effectively plan for, procure, train and empower its employees for attainment of service excellence in the organization. For that a separate HRD Cell need to be created in the Personnel Division equipped with qualified staffs on a regular basis to carry out human resource development functions more effectively.

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