
Presentation on HR Policies of Eicher Group of Companies

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Overview

- **Eicher Started Operations in Faridabad, New Delhi in 1960.**
- **Manufacturing Tractors was the Prime Business.**
- **Initially the company was running with difficulties and uncertainties.**
- **1974 a study conducted by an reputed external consultant firm**
- **Finding was lake of Professionalism in the company**
- **Massive recruitment of Professionals done to comply this**
- **1980 - 81 company perform well due to favorable Market condition.**
- **1974 - 81 turnover increased more than 23 times**
- **In 1982 the company again struggled a lot to make profit due to change in Government Policy.**

Group Companies of Eicher

- Eicher Tractors Limited (ETL).
- Eicher Motors Limited (EML).
- Eicher Exports Limited.
- Eicher Span Financial Limited.
- Eicher Consultancy Services Limited.
- Capol Farm Equipment Limited (CAFÉ).
- Eicher Research Centre , Faridabad.

Vision Statement

“ It shall be our endeavor by **delighting our customers** by achieving world class **quality** in all that we do, and by the **involvement of each and every member** of the Eicher **family** to become the largest Tractor Manufacturer in India, to treble our share of the commercial vehicle market to reach export of one fifteenth of turnover and to commit to one **new project** at least every three years. ”

Man Power & Hierarchy

- Total Strength - 3700.
- Executives - 444
- Staff - 1567
- Workmen - 1695
- Hierarchy
 - ☞ GM - DGM - Senior Manager - Manager - Deputy manager - Asst. manager - Supervisor.
 - ☞ Grades - 1 to 7

Evolution of HRD in Eicher

- Creation of Role Model by Top Executives of the company.
- Sensitive to HRD
- Emphasis on Development of Employees
- Free culture across the company
- Concept of just Management
- Believe in Professionalism and Quality product.
- Believe in people.

HRD Activities

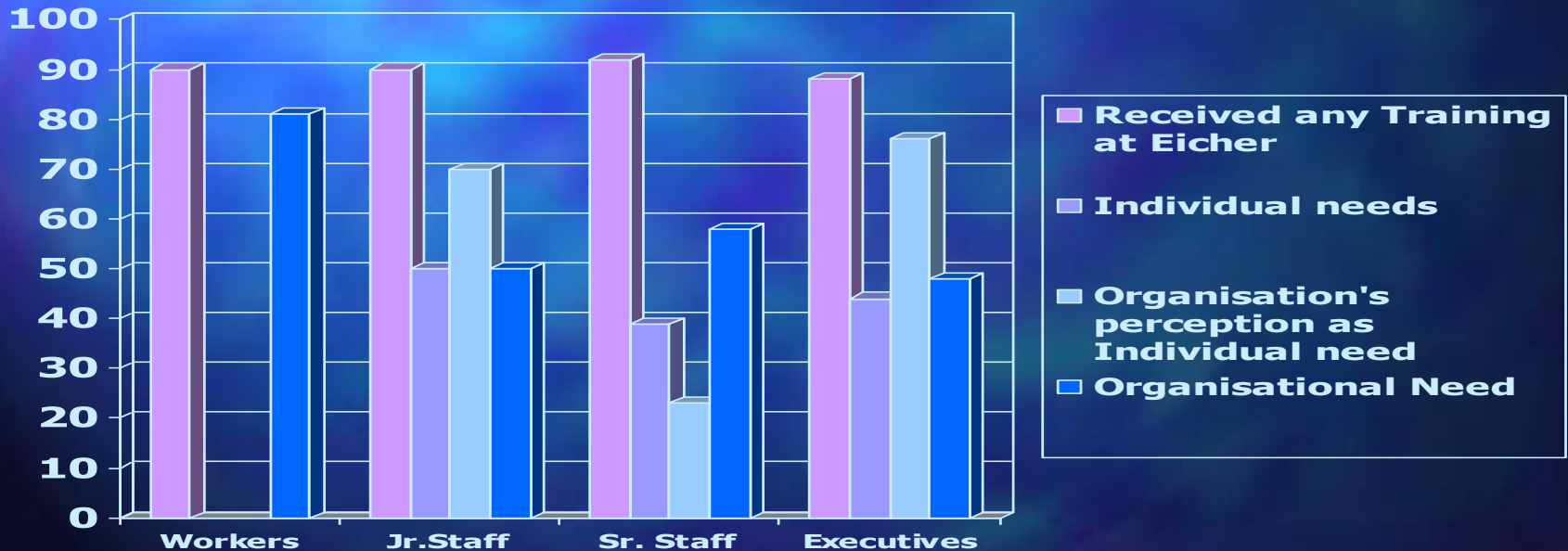
- Training
- Total Quality Management
- Performance Appraisal
- Emphasis on Potential development
- Counseling & Feedback
- Communication Interpersonal Relation
- Decision Making, Team work and Recognition
- Role of Top Management

Training

- Types of Training :
 - Behavioral Training - for all level
 - Functional Training - for all level
 - Potential Related Training - for all level
 - Multi-Skill Training - workmen & Jr. staff
 - Training for Dealers - to deal with customers
 - Training Schools - Skill development
 - International Exposure - Sr. Level Executives to establish TQM

Employees feedback on Training

Details	Workers	Jr.Staff	Sr. Staff	Executives
Received any Training at Eicher	90	90	92	88
Individual needs		50	39	44
Organisation's perception as Individual need		70	23	76
Organisational Need	81	50	58	48



Total Quality Management

- Concept of TQM came to Eicher in 1989 with the following understandings :
 - ☞ Machine can not do miracle, system & software are of equal importance.
 - ☞ Role of human resources are of paramount importance to derive the best out of Machines
- In 1989 to Popularize the concept of TQM an experienced Faculty invited to train the People and later on appointed as adviser to the Chairman.

Motive of Implementation of TQM

- Quest for excellence in Quality - Supported by all level
- Need for Sustained growth - Worker & Jr. Staff
- Need to be competitive - Sr. Staff
- Decision & Initiatives of Top management - Executives

Meaning of TQM in Eicher

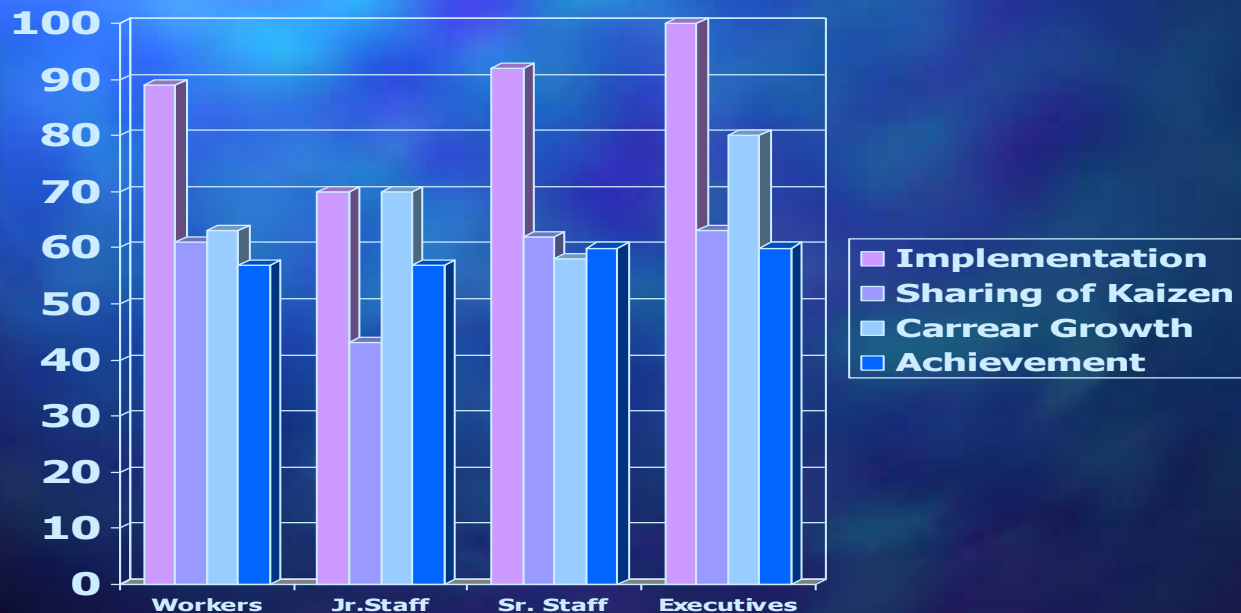
- Customer Delight
- Teamwork & Participation
- Continuous Improvement - "*Kaizen*"
- Quality Consciousness

Kaizen - Continuous Improvement

- To ensure Zero Defects Products
- Suggestion from Employees to improve their initiative
- Recognition for better suggestions
- Implementation of Suggestions
- Sharing of Kaizen experiences with seniors and peer groups

Employee's Feedback on Kaizen

What Employees Think of Kaizen				
Details	Workers	Jr. Staff	Sr. Staff	Executives
Implementation	89	70	92	100
Sharing of Kaizen	61	43	62	63
Carrear Growth	63	70	58	80
Achievement	57	57	60	60



Performance Appraisal - An Overview

- **Introduced in 1977 and Reviewed in 1979, 1981,1984, 1986 & 1991**
- **Executives :**
 - ☞ **Reviewed by Career Development Groups (CDG)**
 - ☞ **Under Annual Development Review (ADR) Process**
- **Features of Present Appraisal System for Executives :**
 - ☞ **Customer Orientation**
 - **Expectations of internal & external Customers**
 - **Review will be based on on the job and off the job development requirement.**
 - ☞ **Emphasis on Potential development**
 - **Acceptances of more responsibilities**
 - **Individual Potentiality**

Performance Appraisal - An Overview

■ Non Executives :

☞ 6 Points Rating Factors :

- Sincerity and Willing to work
- Intelligence and Grasping power
- Knowledge
- Presentation & Clarity of expression
- Dynamism, Association, Attendance & Initiative
- Discipline

■ Assessment Centre

☞ Started in 1984 to undertake promoting staff to executive positions.

Employee's feedback on Appraisal Systems

- More than 60% employees are agreeing to have more Responsibilities.
- More than 70 % executives are agreed discrepancies between Appraiser and Appraise
- Less than 40% of Workers and Sr. Staff and more than 60% of Jr. staff are saying that superior are discussing with them about the rating and accept suggestions.
- Average 60% of workers, Jr. Staff & Sr. Staff are accepting the secrecy of Appraisal Systems.

Counseling & Feedback

- Based on Carl Roger's Model of Person Centered Approach
- Personal Improvement will be paramount importance
- Appreciation of Counseling approach in the development process
- Developing an understanding of the core conditions / Philosophy of the counseling process.
- Exploring one's Style in counseling and its impact.

Communication & Interpersonal Relations

- Communication has given top priority in Eicher
- Improvement on Communication done through:
 - ☞ Meetings
 - ☞ Workshops & Training Programs
 - ☞ Brain Storming Session
 - ☞ Presentation
 - ☞ Media - In house journals " Footsteps"

Decision Making, Team work and recognition

- Persistent effort by Management to improve Team work
- People are trained as Team leader and facilitator.
- Manifestation of Team work :
 - ☞ Understanding the goals of employees
 - ☞ Contribution to new ideas
 - ☞ Maintaining Transparency
 - ☞ Average 70% of employees appreciate the work culture and treatment of the employees in Eicher.

Role of top Management

- Achieve excellence in Quality
- Delegation of Authority and Responsibility
- Developing Ownership among the employees.
- Involvement and commitment of development of employees.
- Freedom to take initiative

Eicher - a learning Source

- Believe about people are shared by all levels of Managerial hierarchy
- CEO was seen as a Role Model
- Personal Practices are development oriented
- Employees are serious about training
- Authentic communication and consultation helped to develop positive outlook

Thank U

