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## **Human Resource Practices in Tamil Nadu Public Sector Undertakings – An Overview**

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### **Introduction**

Public Sector Undertakings (PSUs) in Tamil Nadu play a pivotal role in the state's socio-economic development by providing essential services and employment opportunities. These include large-scale entities like the Tamil Nadu State Transport Corporation (TNSTC), TANGEDCO (Tamil Nadu Generation and Distribution Corporation), Tamil Nadu Newsprint and Papers Ltd (TNPL), SIDCO, TIIC, TAMIN, TANCEM and others serve as the backbone of public service delivery and employment generation. The effectiveness and competitiveness of these organizations rely heavily on how well they develop and manage their human resources. Human Resource Development (HRD) is a strategic approach aimed at enhancing employees' capabilities through training, career development, performance management, and continuous learning. In the context of Tamil Nadu's PSUs, HRD is not just about employee training -it is about fostering a work culture that encourages productivity, accountability, innovation, and commitment. Effective HRD practices in these organizations are essential for improving productivity, building employee competencies and achieving long-term organizational goals. This paper explains the concept, current HRD practices and challenges in Tamil Nadu's PSUs along with recommendations for development.

### **Concept of Human Resource Development**

HRD refers to a structured and ongoing process of developing the skills, knowledge, capabilities, and attitudes of employees for both personal growth and organizational effectiveness. It includes training, career planning, performance management, organizational development, and employee engagement (Rao, 2001). In the context of PSUs, HRD is expected to go beyond basic training and include talent management, succession planning, leadership development, and creating a learning culture (Pareek & Rao, 1992).

## **Review of Literature**

Several studies have explored Human Resource Development practices in Indian and Tamil Nadu PSUs:

Rao (2001) identified Human Resource Development as a catalyst for organizational transformation, especially in rigid bureaucratic structures. Kesavan (2020) studied Human Resource Management in TNSTC (Pudukottai division) and observed that while training is provided regularly, its impact on employee motivation and productivity is not systematically measured.

Swaminathan & Karthiga (2021) found that performance appraisal and welfare initiatives in transport corporations contribute positively to employee satisfaction, but career planning mechanisms are underutilized. Pareek (1999) emphasized the importance of building HRD competencies at every organizational level to ensure long-term effectiveness.

These studies highlight the gap between policy and practice, particularly in linking HRD with long-term organizational goals.

Further, the Human Resource Development systems in Indian Public Sector Undertakings (PSUs) have evolved slowly compared to private enterprises. Researchers such as Rao (2001) and Pareek (1999) emphasize the need for integrated HRD mechanisms including performance appraisal, potential development, and organizational development. Studies in Tamil Nadu's PSUs, especially in TNSTC and TANGEDCO, have highlighted gaps between policy and practice. While welfare and training exist, they often lack strategic integration or follow-up assessment.

**Furthermore, several scholars have studied HRD in public sector organizations in India and Tamil Nadu:**

Rao (2001) described HRD as a means to build organizational capability and individual potential. Pareek and Rao (1992) emphasized

that PSUs require integrated HRD systems to stay responsive and competitive. Karthiga and Swaminathan (2021) identified that though performance appraisals and welfare schemes are in place in PSUs, career development and succession planning are underutilized.

Overall, the literature highlights a strong structural presence of HRD mechanisms in Tamil Nadu PSUs but weak implementation and alignment with strategic goals.

## **Objectives of the Study**

- To examine the HRD practices in selected PSUs in Tamil Nadu.
- To assess the effectiveness of training and development programs.
- To identify challenges in implementing HRD strategies.
- To provide recommendations for improving HRD systems in Tamil Nadu's public sector.

## **Human Resource Practices in Tamil Nadu PSUs**

The following practices are adopted in Public Sector Undertakings

### **Training and Development**

Training is one of the most emphasized HRD functions in Tamil Nadu PSUs. For example, TNSTC and TANGEDCO conduct induction and technical training programs for new recruits and in-service employees. However, these programs often lack follow-up assessments to determine learning outcomes or performance improvements.

### **Performance Appraisal**

Annual appraisals are commonly practiced using confidential reports. However, many organizations do not link performance appraisals to training needs, career advancement, or financial rewards. As a result, they are often viewed as routine rather than developmental.

## **Career Planning and Succession Management**

Most PSUs follow seniority-based promotion, with limited scope for structured career planning. The absence of defined career paths and leadership development programs reduces employee motivation and readiness for higher roles.

## **Welfare and Engagement Initiatives**

Tamil Nadu PSUs provide substantial welfare measures such as housing, healthcare, and educational support. These initiatives contribute to employee satisfaction but are not always integrated into HRD strategies. Moreover, engagement programs such as employee feedback systems and participatory decision-making are rarely institutionalized.

## **Use of Technology in HRD**

Digital tools for learning management and employee self-service are slowly being adopted, particularly in TNPL and some urban transport divisions. But rural PSUs still lag in adopting digital HRD platforms.

## **Human Resource Department in Tamil Nadu PSUs**

The Human Resource Department (HRD) in PSUs functions as a centralized unit responsible for:

- Recruitment and on boarding
- Training and development coordination
- Personnel administration
- Employee grievance redressal
- Industrial relations management

In Tamil Nadu, the Department of Human Resources Management (formerly Personnel and Administrative Reforms Department) supervises overall HR policies and standards across state PSUs. However, the effectiveness of HR departments varies widely across organizations depending on leadership,

resource allocation, and autonomy.

## **Role of the Human Resource Department**

The HR department in Tamil Nadu PSUs oversees recruitment, training coordination, performance appraisals, grievance redressal, and industrial relations. Despite having a defined structure, HR departments face several limitations:

- Lack of strategic autonomy
- Inadequate digital HR systems
- Limited training in modern HR practices
- Budget constraints

The Department of Human Resources Management, Government of Tamil Nadu, supervises HR policy implementation across PSUs, but individual organizations vary significantly in execution quality (Government of Tamil Nadu, 2021). Progressive PSUs such as TNPL and Chennai Metro Rail Ltd. have started adopting digital HR platforms and ERP-based HR systems, showcasing the potential for modernization.

## **Challenges in Human Resource Development Implementation**

- ♦ Lack of Strategic Vision: HRD is often approached as an administrative function rather than as a strategic driver of organizational success.
- ♦ Inadequate Training Assessment: Most PSUs do not measure the impact of training on job performance.
- ♦ Resistance to Change: Employees and managers alike may resist new systems, particularly performance-linked development.
- ♦ Limited Budget Allocation: HRD departments in many PSUs operate with tight budgets, limiting their ability to innovate or scale training programs.
- ♦ Centralized Decision Making: Rigid hier-

archies hinder participative management and bottom-up feedback.

### **Recommendations**

- ♦ Strategic Integration of HRD: Align HRD initiatives with organizational goals and employee career planning.
- ♦ Competency-Based Training: Design training modules that match specific job competencies and measure outcomes through performance metrics.
- ♦ Revamp Performance Appraisal: Introduce 360-degree feedback, link appraisals to learning and promotion, and ensure transparency.
- ♦ Digital HRD Platforms: Use e-learning and digital HR systems to increase accessibility and tracking of HRD activities.
- ♦ Leadership Development: Introduce structured leadership and mentoring programs to prepare the next generation of PSU managers.

### **Conclusion**

Human Resource Development in Tamil Nadu's Public Sector Undertakings is gradually evolving from a traditional administrative focus to a more development-oriented approach. While there are significant efforts in training and welfare, key HRD components like performance-linked development, career planning, leadership grooming, and strategic workforce planning require strengthening. By aligning HRD initiatives with organizational goals, leveraging technology, and empowering HR departments with modern tools and autonomy, Tamil Nadu's PSUs can unlock their human capital potential. Future HRD strategies must prioritize continuous learning, innovation, and participative management to ensure efficient public service delivery and employee satisfaction. Human Resource Development in Tamil Nadu's Public Sector Undertakings is at a crossroads. While struc-

tures for training, performance review and welfare exist, they need modernization, strategic alignment and employee - centric implementation. With the right investment in people, processes, and technology, Tamil Nadu's PSUs can build a high-performing workforce that is not only competent but also committed to public service excellence.

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