

# A STUDY ON ROYAL ENFIELD WITH REFERENCE TO EFFECTIVENESS OF TRAINING AND DEVELOPMENT OF THE EMPLOYEES

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**Abstract** - The paper describes the effectiveness of training and development of employees for the Royal Enfield. Focusing on the main agenda, this paper revolves around the market size, different approaches of training and its data analysis on the Indian two-wheeler automobile segment in Royal Enfield. The data shows points such as working hours of employees, training objectives of employees, satisfactory level of employees, effects of training and personal growth of the employees in Royal Enfield. The paper talks about the motivation levels of employees, their skills they have learned and enhanced after training and also the different type of trainings available to the employees. The study shows the importance of technical skills of employees. It shows how employee - employer relations can be turned out positive after such training and development exercises in the company. The study also looks through the importance of feedback in inside activities of an organization and how such feedbacks helps the companies to grow internally first and then externally. Job training method turns out to be a great hit and success in the company of Royal Enfield.

**Key Words:** Royal Enfield, Training and development, Automobile, Employee, Effectiveness, Employer-employee relationship.

## INTRODUCTION

### INDUSTRY OVERVIEW (AUTOMOBILE INDUSTRY)

The automobile industry in India is the largest in the world with an annual production of 29.08 million vehicles in FY 2018-19, following a growth of 14.8 per cent over the last year. The automobile industry represents 7.1 per cent of the country's gross domestic product (GDP). The Two Wheelers segment, with 81 per cent share in the market, is the sole leader of the Indian Automobile market, pleasing the growing middle class and young population. Moreover, the growing interest of companies to expand the business in rural areas has helped the overall growth of the sector. The overall Passenger Vehicle (PV) segment has 13 per cent share in the market.

India has also become a promising exporter of this sector and the exports are expected to increase in the upcoming financial years. Last year automobile exports grew by 15 per cent. Additionally, several initiatives by the Government of

India and the major automobile players in the Indian market are expected to make India a leader in the Two Wheeler (2W) and Four Wheeler (4W) market in the world by 2021.

### MARKET SIZE

India's annual production has been 29.08 million vehicles in 2018 as compared to 25.33 million in 2017, indicating a healthy growth of 14.8%. The industry is expected to reach \$135 billion by 2020 and \$300 billion by 2026 at a CAGR of 15%. In April-March 2019, overall automobile exports grew by 14.50%.

Overall domestic automobiles sales increased at 6.71 per cent CAGR between FY13-19 with 26.27 million vehicles getting sold in FY19. Domestic automobile production increased at 6.96 per cent CAGR between FY13-19 with 30.92 million vehicles manufactured in the country in FY19.

In FY19, annual growth in domestic sales among all the categories was seen in commercial vehicles at 17.55 per cent followed by 10.27 per cent year-on-year growth in the sales of three-wheelers. Automobile exports grew 14.50 per cent year-on-year during FY19, while during April-December 2019, overall export increased by 3.9 per cent.

Premium motorbike sales in India recorded seven-fold jump in domestic sales reaching 13,982 units during April-September 2019. The sale of luxury cars stood between 15,000 to 17,000 in first six months of 2019. Sales of electric two-wheelers were estimated to have crossed 55,000 vehicles in 2017-18.

### INDIAN TWO WHEELER MARKET

Indian Two-Wheeler Market is noticing a continuous increase in demand and resulting in growing production and sales volume. This is explained by a lot to the launching of new attractive models at affordable prices, design innovations made from youths' perspective and latest technology utilized in manufacturing of vehicles. The sale of two-wheeler products has increased substantially. The sales volumes in the two-wheeler sector saw a downfall in domestic growth by 18% but the exports shot up by 7.33% in the FY 2018-2019.

A considerable expansion was seen in the sales volume of the export segment during 2018-19 as far as the two-wheelers were concerned. In the past 2-3 years, around a dozen new scooter brands have been launched in India. But the motorcycle segment falls behind in this regard. This is due to the fact that the recently launched gearless scooters cater to the needs of both men and women.

The growth momentum is also propelled by the fact that the two-wheeler manufacturers in India have understood the market's needs and have been able to deliver as expected. At the end of 2014, the global business involving two-wheeler designing, manufacturing, engineering and selling was at an average of US\$ 3.5 billion per manufacturer. However, India's Hero MotoCorp - the world's largest two-wheeler manufacturer and seller clocked an average of US\$ 15 billion on the same.

Though, further growth in Indian Two-Wheeler Industry will depend heavily on people's personal disposable incomes that rely on India's economic growth in days to come, but exports are sure to rise with each year.

## **TRAINING AND DEVELOPMENT**

Training and development refers to a variety of educational and learning-based activities that are used to inculcate knowledge or skills needed by an employee to perform effectively on the present job. Training activities can vary in complexity - a classroom seminar, computer-based learning, an in-house executive course, individual coaching and mentoring. Training and development has become an essential part of orientation in most organizations for a number of reasons:

From an organizational perspective, training provides the means to maintain the organization's competitive advantage by attracting and retaining its employees. For example, the Gartner Group has discovered that those organizations spending over four percent of their salary budget on training and development for informatics staff tend to retain twice as many employees as those who spend less. The competition for staff is so rigid in certain areas that the willingness of an organization to provide the commitment to develop and train its staff provides a powerful incentive to remain. Training and development is an indispensable strategy that helps facilitate the achievement of an organization's mission or to successfully complete any large-scale change.

The focus of organizational functioning has changed from the traditional rules-based approach to a more decentralized

and empowered mode of operation. Employees must use their skills, abilities and creativity to the best of their abilities to solve problems, work in teams and resolve conflicts. With training and development, employees can improve the quality of their work, make fewer mistakes, evolve toward more progressive responsibilities and serve their clients more effectively. In the future, levels of training and development will likely increase as change accelerates with new personal productivity tools and different ways of communicating and coordinating activities.

## **A NEW APPROACH TO MEASURING TRAINING AND DEVELOPMENT**

Measuring the effectiveness of training and development is often an informal and unsophisticated practice, despite the large amounts of the salary budget allocated to it. Often assessment consists of completing a one or two page evaluation form at the culmination of a training course. The quality of this information to make effective strategic decisions regarding training and development is of minimal value. Without such information, budgetary decisions does not ensure an adequate return on the investment of training and development funds. The full potential for training and development to support critical organizational change and to promote improved employee growth/job satisfaction is minimized.

The course management index (CMI) is a new and innovative instrument used to measure the effectiveness of training events from a lifecycle point of view. The lifecycle approach ensures that measurement tracks the progress of a training event from the initial perceptions of participants (baseline measures), through their reaction to its content and delivery (design/delivery measures). Further, it assesses the degree to which participants acquired the desired knowledge and/or skill (knowledge acquisition/skill development measures) and the degree to which the participant applied these abilities on the job (learning application measures). The CMI also tracks the cost of developing and delivering the training event (financial measures).

By using an index approach, the CMI allows the combination of qualitative and quantitative information yet provides the ability to quantify both so that an overall score can be obtained for each training event. Quantitative measures include financial measures. Qualitative measures include design and delivery measures, knowledge acquisition and learning application measures. The use of an index allows these measures to be easily adapted to the unique requirements of each training environment. These

dimensions of the CMI can be expanded or decreased in response to changing conditions/experience or the complexity of information required about each training event or particular training environment.

**ROYAL ENFIELD LTD INDIA**

Royal Enfield is a prestigious automobile company that primarily deals in manufacturing of motor cycles and cycles. Additionally, it produces lawnmowers, stationery engines and rifles. The company's motto, "Made Like A Gun", reflects its weapon making legacy. Royal Enfield is a company based in India with its headquarters in Chennai. The company was founded as Enfield Manufacturing Company Limited in 1890. It produced its first ever bike under the brand name of 'Royal Enfield' in the same year in Redditch, Worcestershire, England. Albert Eadie and Robert Walker Smith were the founders of Enfield Manufacturing Company Limited that ceased to exist after 1971.

**COMPANY PROFILE**

Although Enfield sold its first bike in India in 1949, it was not before 1955 that India's own Royal Enfield manufacturing establishment came into existence. In 1955, Redditch Company and Madras Motors became partners and formed Enfield India, which is currently based in Chennai. The present day Royal Enfield Company is a subsidiary of the Indian automobile stalwart Eicher Motors Limited.

Dr. Venki Padmanabhan is the CEO of Royal Enfield India. Royal Enfield has been the most trusted high capacity bike and the most favorite of the Indian government for the past six decades. The Government of India had a requirement of a powerful, high capacity, strong and reliable vehicle for the Indian Army and Indian Police for patrolling purposes. Royal Enfield was the name the Indian government counted on. In 1965, 800 350cc Royal Enfield Bullet model units were ordered by the Government of India. The original Enfield Manufacturing Company Limited went defunct in 1971; however, Enfield India just kept on growing in stature.

**DATA ANALYSIS & FINDINGS**

The data has been collected with the help of a questionnaire and the research is limited to the city of Ambala, Ludhiana and Durgapur.

**TABLE - 1**

Table showing since how long employees are working at Royal Enfield.

Duration (years)	Number of respondent	Percentage %
Less than 10	8	40
10-15	5	25
15-20	3	15
More than 20	4	20
<b>TOTAL</b>	<b>20</b>	<b>100%</b>

**Analysis:** From the above table it is clear that the 40% of the employees are working from less than 10 years, 25% of the employees are working within the period of 10-15 years ,15% of the employees are working within the period of 15 - 20 years and 20% of the employees are working for more than 20 years respectively.

**TABLE - 2**

Table showing the objectives of the employees to attend the training program

Objectives	Number of respondent	Percentage
Knowledge-up	3	15
Skilled-up	6	30
Promotion & transfer	10	50
Other reasons	1	5
<b>Total</b>	<b>20</b>	<b>100%</b>

**Analysis:**

From the table it can be shown clearly that 50% of the employees have common objectives to attend the training program that is promotion and transfer and rest have different objectives, 30% of the employees have an objective of skill development, 15% of the employees finds training full of knowledge and rest 5% have their different opinion on training.

**TABLE - 3**

Table showing the satisfactory level of the duration of the training programme

Reactions	Number of respondent	Percentage
Strongly agree	12	60
Agree	5	25
Disagree	3	15
<b>Total</b>	<b>20</b>	<b>100</b>

**Analysis:**

From the above table it can be analyzed that 60% of the employees are extremely satisfied with the duration of the training programme, 15 % disagree with the duration and 25% are moderate in their opinion.

**TABLE - 4**

Table showing whether the training helps to improve employees – employer relationship

Employee’s opinion	Number of respondent	Percentage
Yes	13	65
No	7	35
<b>Total</b>	<b>20</b>	<b>100</b>

**Analysis:**

It can be concluded from the above table that 65% of the employees think that training helps to improve employees-employer relationship, but 35% of the employees don’t think that it will improve their relationship.

**TABLE - 5**

Table showing whether the training program is helpful in personal growth

Employees Opinion	Number of respondent	Percentage%
Yes	10	50
No	10	50
<b>Total</b>	<b>20</b>	<b>100</b>

**Analysis:**

From the above table we can conclude that training program is helpful in personal growth but only for some employees in the firm .We can see in the table that employees had given equal percentage to both the opinion.

**TABLE - 6**

Table showing opinion of the employees on present training system

Employees opinion	Number of respondent	Percentage
Excellent	5	25
Good	7	35
Average	6	30
Below Average	2	10
<b>Total</b>	<b>20</b>	<b>100</b>

**Analysis:**

When the response was observed to evaluate 25% of the employees find the present training system excellent,35%of the employees find it good, 30% given average and 10% given below average .We can say that most of the people like the company’s training system.

**TABLE - 7**

Table showing whether the trainer responds to the trainee's doubts

Employees Opinion	Number of respondent	Percentage%
Strongly Agrees	12	60
Agrees	4	20
Neither Agree nor disagree	2	10
Disagree	2	10
<b>Total</b>	<b>20</b>	<b>100</b>

**Analysis:**

From the above table we can see that 60% of the employees strongly agree with the statement and 10% of the only employees disagree.

**TABLE - 8**

Table showing which kind of training method does employees prefer in the company.

Methods	Number of respondent	Percentage
On job training	11	55
Off job training	6	30
Both	3	15
<b>Total</b>	<b>20</b>	<b>100</b>

**Analysis:**

From the above data it is inferred that majority of the employees prefer on-job training method in the company, 30% of the employees prefer off-job training method and rest 15% are moderate in their opinion.

**TABLE - 9**

Table showing how often training program conducted in the organization

Duration	Number of respondent	Percentage
Every Month	1	5
Every quarter	8	40
Half- yearly	10	50
Yearly	1	5
<b>Total</b>	<b>20</b>	<b>100</b>

**Analysis:**

From the above data it can be concluded that 50% of employees want training program half-yearly and 40% of the employees want training program quarterly and rest 10% want either yearly or monthly.

**TABLE - 10**

Table showing different types of training method for employees

Method	Number of respondent	Percentage
Coaching	9	45
Mentoring	4	20
Audio-visuals	6	30
Lecture	1	5
<b>Total</b>	<b>20</b>	<b>100</b>

**Analysis:**

From the above table it was shown majority of the employees are getting coaching training in the organization. 30% are getting audio visuals, 20% are getting mentoring and only 5% are getting lectures.

**TABLE - 11**

Table showing whether training of employees helps to increase the motivational level of the employees.

Employees opinion	Number of respondent	Percentage
Yes	17	85
No	3	15
<b>Total</b>	<b>20</b>	<b>100</b>

**Analysis:**

From the above table it is clearly shown that majority of the employees feels that it helps in increase the motivational level and only 15% of the employees disagree.

**TABLE - 12**

Table showing whether the training focuses on developing leadership and team work.

Employees opinion	Number of respondent	Percentage
Yes	13	65
No	7	35
<b>Total</b>	<b>20</b>	<b>100</b>

**Analysis:**

From the above data it can be analyzed that majority of the people think that training focuses on developing leadership and team work and only 35% of the employees feel that training doesn't focus on developing leadership and teamwork.

**TABLE - 13**

Table showing the ideal time to evaluate the training program in the organization.

Duration	Number of respondent	Percentage
Immediate after the training	8	40
After 15 days	3	15
After a month	7	35
Can't say	2	10
<b>Total</b>	<b>20</b>	<b>100</b>

**Analysis:**

From the above data it can be inferred that 40% of the employees thinks that best time to evaluate is immediate after training .35% of employees thinks it is after the month and 15% of employees says after 15 day.

**TABLE - 14**

Table showing the tools used by the faculties during the training programme

Tools used in training process	Number of respondent	Percentage
Case studies	6	30
Lecture presentation	3	15
Simulations	5	25
Group Discussion	6	30
<b>Total</b>	<b>20</b>	<b>100</b>

**Analysis:**

From the above data it can be concluded that the faculties is using different types of tools in training process. Majority of the tools used is case studies and group discussion, 15% of employees says that they use lecture presentation and 25 % says that they uses simulations in the training process.

**TABLE - 15**

Table showing different types of training program in the company.

Types of training program	Number of respondent	Percentage
Management guidelines	3	15
Performance Report	2	10
Technological change	10	50
Analysis of job required	5	25
<b>Total</b>	<b>20</b>	<b>100</b>

**Analysis:**

From the above table it is clear that majority of the employees are offered technological change type of training method which is useful for automobile industry.25% of the employee are offered analysis of job required ,10 % of the employees offered performance report and rest are offered management guidelines.

**SUMMARY OF FINDINGS:**

From the above study, it is found that the training programme attended by the trainee's was more technical based.

From the above study, it is found that the case studies and group discussion are an important tools used during the training .Lecture Presentation is a two way communication and it is used rarely in the training program of the Royal Enfield.

From the above study, it has been found that many employees felt that the training programme helped them to great extent and very few employees felt that the training programme was less effective.

From the above study it has been found that the employees were happy with their present training system that were conducted and the facilities that were provided during the training.

From the above study, it has been found that the majority of the employees rated their training program as good and very less number of employees rated it below average.

From the above study, it has been found that the faculty involvement,

[www.wikipedia.com/royalenfield](http://www.wikipedia.com/royalenfield)

Participant's involvement, reading material are being provided during the training programme was effective to great extent.

[www.google.com/royalenfield](http://www.google.com/royalenfield)

[www.royalenfield.com](http://www.royalenfield.com)

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From the above study, it has been found that the feedback is one of the most important tools in the evaluation, it helps in analyzing the effectiveness of the training program, if the respondent does not get the feedback about the training, the company can never be able to identify its effectiveness and incorporate the improvement.

From the above study, it has been concluded that majority of the employee's feels that training helps in improving employees – employer relationship in the long term.

From the above study, it has been found that majority of the employees prefer on job training method in the training process as compare to other methods of training programme.

## CONCLUSION

The study entitled "A study on effectiveness of training and development on employees" has enabled me in understanding the human resources, training, functions of training, its importance etc. Certain factors are crucial in ensuring its effectiveness. Assessing the training needs a company is a critical part of the process. Organizations must identify their training needs, which may include new software application, business process, installation processes, and assembly processes. The training process requires proper planning and preparation to avoid wasting valuable employees time and investment in training resources.

Given the vast range of skills and other competencies, which can be developed in employees, a training and development plan must prioritize training. Training must focus on the company operational areas, which provide the best benefits or returns on investment. Prioritization typically concentrates on organizational performance, along with the needs of teams and individuals.

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