

## Effect of Human Resource Development on Small-Scale Industry Performance: A Study of Training Interventions in Chandrapur

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### Abstract

HRD in small-scale industries is mainly concerned with the building up of conditions that are favourable to the productivity of labour. This study focuses on how the HRD interventions like workforce training have affected SSIs operational outputs and productivity in Chandrapur. The comprehensive study discusses various training programs, employee enhancement programs, and business growth right from comparison to correlation, establishing the need and effectiveness of structured HRD initiatives. This research utilizes qualitative and quantitative methods to investigate the challenges faced by SSIs in implementing training programs along with best practice insights for sustainable workforce development. The results depict considerable association of HRD plans and enhanced organizational performance while suggesting need of policy support and collaborative industry framework to leverage more the effect of HRD for organizations.

**Keywords:** Human Resource Development, Small-Scale Industries, Training Interventions, Workforce Development, Organizational Performance, Skill Enhancement, Chandrapur

### Introduction

Small Scale Industries (SSIs) are the backbone of economy. Skill development of the workforce is one of the biggest challenges before the SSIs, that ultimately is the primary driver of their productivity and competitiveness. Structured training and capacity-building programs make Human Resource Development (HRD) as a critical pillar for maintaining a skilled workforce that is equipped to meet the demands of shifting industries.

The situation in Chandrapur is not very different; the small scale sector is an integral part of the local economy, however the adoption of HRD initiatives in these enterprises is inconsistent owing to financial limitations, unavailability of skilled trainers, and limited access to modern training methodologies. Yet organizations that have dedicated resources to HRD have seen payoffs in efficiency, innovation, and performance. The present study attempts to study the impact of various HRD interventions (mainly Training program) which will help improve the performance of SSIs in Chandrapur. It will analyze through various training methods and their hurdles in an organization to establish their effect on significant business performance metrics like productivity, employee efficiency and profits.

### Literature Review

HRD concerns activities associated with improvement of personnel competency and knowledge. Becker (1993) Human Capital Theory states that investing in employee training will result in excellent productivity and overall benefits of business. In addition, Noe (2020) supports and corroborates the idea that systematic training programs are beneficial to organizational efficiency and workforce adaptability, especially in the case of small enterprises. According to previous studies, properly constructed training modules have a positive impact on employee efficiency and in turn the overall organization (Khan & Singh, 2019). Such as workshops, e-learning, and mentorship programs, small enterprises can enhance efficiency and minimize employee turnover. The success of their initiatives, however, relies heavily on resources and the commitment of top management (Gupta & Sharma, 2020).

Bhatia & Jain (2021) found that SSIs that hold training sessions regularly report 20-30 percent increase in workforce efficiency compared to those that don't. The same holds for government-supported skill development initiatives, which has been associated with improved sustainability (and competitiveness) for businesses (World Bank, 2022).

The Resource-Based View (RBV) theory provides a theoretical framework for this study and asserts that companies can achieve a competitive edge by fostering internal capabilities, such

as workforce skills and HRD programs (Barney, 1991). SSIs can integrate HRD strategies along with organizational objectives to maximize productivity and productivity in the long run.

### Objectives of the Study

1. To identify the challenges faced by small-scale industries in implementing HRD programs.
2. To assess the relationship between employee skill enhancement and organizational performance.
3. To explore the role of government policies and support in promoting workforce development.

### Hypothesis

**H<sub>0</sub> (Null Hypothesis):** There is no significant relationship between employee skill enhancement and organizational performance in small-scale industries of Chandrapur.

**H<sub>1</sub> (Alternative Hypothesis):** There is a significant relationship between employee skill enhancement and organizational performance in small-scale industries of Chandrapur.

**Table: Descriptive Statistics on Employee Skill Enhancement and Organizational Performance**

Variable	Mean	Standard Deviation	Minimum	Maximum	Percentage of Respondents Agreeing (%)
Employee Training Effectiveness	4.18	0.85	2.00	5.00	81%
Skill Enhancement through Training	4.12	0.88	2.00	5.00	79%
Productivity Improvement	4.25	0.83	2.00	5.00	83%
Employee Job Satisfaction	3.95	0.92	1.00	5.00	75%
Organizational Growth and Performance	4.30	0.80	2.00	5.00	85%

### Analysis of Descriptive Statistics

The descriptive statistics portray the significant impact of employee training and skills enhancement on organizational performance of small scale industries of Chandrapur. All of the mean values of variables are above mean 3.9, you can say that the responses are in the range of strongly agree for the benefits of training and development initiative (TD). Of them, Employee Training Effectiveness scored an average of 4.18, with a 81% agreement that training programs help improve skills and with it, workplace efficiency. Likewise Skill Enhancement through Training had a mean of 4.12, suggesting the role of guided learning in building competencies within the workforce.

The mean value of 4.25 regarding Productivity Improvement, showed that an increase in the aspect of skill will invariably help boost and improve the efficiency of work of employees. Moreover, Organizational Growth and Performance had the highest agreement percentage (85%) with a mean score (4.30), implying that improved skills of employees have a positive effect on overall business performance. Conversely, while you contemplate on the concept of Employee Job Satisfaction, it has a lower mean value (3.95) but a much higher standard deviation(0.92) signifying the fact that employee experiences and perceptions surrounding taught job satisfaction themes was yet remained heterogeneous even after training programs. This suggests that improving training is helpful but not always sufficient when it comes to job performance, and may instead suggest that other factors, such as the work environment and incentives may play a role in overall job satisfaction. In this research, it is evident that these skill enhancement programs have played a pivotal role in supporting the infrastructure

required for growth in the context of small scale industries.

**Table: Pearson Correlation Analysis (SPSS Output)**

Variables	Employee Skill Enhancement	Organizational Performance
Employee Skill Enhancement	1.000	0.782** (p < 0.01)
Organizational Performance	0.782** (p < 0.01)	1.000

Correlation is significant at the 0.01 level (2-tailed).

### Interpretation:

Pearson correlation coefficient: The Pearson correlation coefficient for employee skill enhancement and organizational performance in small-scale industries of Chandrapur is  $r=0.782$ . The positive value in the  $r$  indicates the strong positive relationship between two variables. The outcome of the  $p$ -value is less than 0.01. Hence, the result is statistically significant at the 1% significance level, providing strong evidence for the rejection from the null hypothesis in favor of the alternative hypothesis. So, there is a major scope of evidence that as the skill enhancement offered to employees through training and development increases, organizational performance also increases significantly. Conclusion: The objective of the study is to find the relationship between employee skill enhancement and organizational performance in the small-scale industries of Chandrapur.

### Conclusion

The study's outcome covered touching points with testing on training and development which significantly develops employee skill and performs over the organizational efficiency enlargement in the positive side. Both the measures of descriptive statistics show the agreement by the employees on the factor of same training and development for employee skill enabling factor towards enhancement in organizational productivity. The Pearson correlation shows that it has a strong and significant positive relationship 0.782 with  $p$ -value less than 0.01 that the predictor for skill enhancement over organizational performance; this means that the organizations, when invest in training employees, grow fast and perform well with job satisfaction. Therefore the ruling hypothesis for workforce development over organizational performance, without which industrial development would not perform well, and even small-scale industries must have scheduled skill development methodologies. However, some set-backs hold grounds in this study, like low investment on training and development by small-scale industries, and lack of skilled faculties and modernized training provision areas.

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