



## CONFLICT MANAGEMENT PRACTICES IN NTPC: A STUDY

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### ABSTRACT:

The aim of conflict management is to enhance learning and group outcomes. Conflict can be valuable to groups and organisations. A body of researchers support that a certain degree of conflict is essential to enhance the individual/group or organizational performance. It has been shown to increase group outcome when managed properly. Overall conflict management aims to minimize affective conflict at all levels, attain and maintain a moderate amount of substantive conflict, and use the appropriate conflict management strategy to effectively bring about the goals, and also to match the status and concerns of the two parties in conflict. Thus, this paper focuses on Conflict Management

practices at NTPC.

**KEYWORDS:** Conflict Management, Organisational Performance, Strategy, Training and Development.

### INTRODUCTION:-

The team goal orientation and a conflict management approach moderated the relationship between task conflict and relationship conflict. The positive relationship between task conflict and relationship conflict was weaker under condition of higher team learning orientation and lower team performance orientation. Speakman and Ryals (2010) of found that the behavioural strategies adopted in the management of these conflict is highly complex and determined by a number of influencing factors: and this moves

theory beyond the two dimensional duel concern perspective. In that the adaptable manager dealing with these multiple, simultaneous conflicts will also need to consider the possible implications of their chosen strategy along with the changing micro environment in which they operate. Montes et al. (2012) revealed that effective group statistically differ in their self-reported conflict management styles. Positive moods and feelings have been found to be related to the preference for more cooperative strategies. Fitzpatrick (2007) emphasised the concepts of values, collaboration and conflict and their relationship with one another within organizations; and to provide data that supported or disconfirm value alignment as a proactive approach to conflict management. Parayitam et al. (2010) examined

the moderating role of trust on the effect of agreement seeking behavior and interpersonal conflict on the styles of handling conflict, namely, avoidance, collaboration, and third party intervention. Boonsathom (2007) examined the preferences for conflict management styles of Thais and Americans in multinational corporations in Thailand. Thais compared with Americans, preferred avoiding and obliging conflict management styles and exhibited no differences in preferences for other styles. There was a negative correlation between length of stay abroad for Thais and preference for avoiding and obliging conflict management styles, and a positive correlation between length of stay abroad for Thais and preference for a dominating conflict management style. Fu et al. (2008) found that conflicts in

those TMTs were mostly task-related and integration collaboration was the most frequently used approach to handle conflicts, in contrast to the findings of previous studies with Chinese managers that reported avoidance to be most preferred. Charles and Eberlin (2006) presented two scenarios that illustrate a manager who conducts a performance review and is highly sensitive to organisational justice issues and a manager who conducts a performance review and disregards organisational justice issues. His-An and Susanto (2010) confirmed that integrating style partially mediates the relationship between Emotional Intelligence and job performance. Finally El within public organisations has an impact on job performance similar to that of El within private organisations. It is evident from the reviewed literature that the research on the concerned subject seems to be specific in nature as all types of conflicts viz., individual, interpersonal and group are not examined simultaneously.

### **PUBLIC SECTOR UNDERTAKINGS IN INDIA**

At the time of Independence the Indian economy was basically agrarian with a weak industrial base, low level of saving and investment and near absence of infrastructure facilities. On the eve of first five year plan in 1952, there were 5 Central Public Sector Enterprises with the investment of Rs. 29 crore, which have now increased to 277 enterprises as on 31.03.2013 with investment of Rs 850599 crore.

Central Public Sector Enterprises (CPSEs) have been Set up to serve the broad macro-economic objective of higher economic growth, self-sufficiency in production of goods and services, long term equilibrium in balance of payments and low and stable prices. The CPSEs are leading companies of India with significant market-shares in sectors such as petroleum. (e.g. ONGC, Gail and Indian Oil Corporation), mining (e.g. Coal India Ltd. And NMDC), power generation (e.g. NTPC and NHPC), power transmission (e.g. Power Grid Corporation of India Ltd.), nuclear energy (e.g. Nuclear Power Corporation of India Ltd.) heavy engineering (e.g. BHEL), aviation industry (e.g. Hindustan Aeronautics Ltd. And Air India Ltd.) storage and public distribution system (e.g. Food Corporation of India and Central Warehousing Corporation). Shipping and trading (e.g. Shipping Corporation of India Ltd. And State Trading Corporation of India Ltd.) and telecommunication (e.g. BSNL and MTNL).

With economic liberalization, post-1991, sectors that were the exclusive preserve of the public sector enterprises were opened to the private sector. The CPSEs, therefore, are faced with competition from both domestic private sector companies (some of which have grown very fast) and the large multi-national corporation (MNCs).

The Government, in order to have a strong and effective public Sector, had constituted Board for Reconstruction of Public Sector Enterprises (BRPSE) in December, 2004 as an advisory body to address the task of strengthening, modernizing, reviving and restructuring of Central Public Sector Enterprises (CPSEs) and advise to the Government on strategies, measures and schemes related to them.

The concerned administrative Ministries/Department prepares appropriate proposals in this regard for BRPSE's consideration and recommendation to the Government. The Board has given its recommendations to Government in respect of 64 CPSEs till May, 2014. Based on the recommendations of the BRPSE, revs al packages of 48 CPSEs and closure of 4 CPSEs have been approved by the Government of India/holding companies envisaging total fund/non-fund based assistance of Rs. 39,790 crore (cahs assistance of Rs. 10,953 crore and non-cash assistance of Rs. 28,837 crore).

Out of the 48 CPSEs approved for revival, 19 CPSEs have been declared "turnaround" as in March, 2013 as they posted profits consecutively for 3 years or more after assistance by the Government.

### **MAHARATNA SCHEME**

The Government has introduced the Maharatna scheme in February, 2010 with the objective to delegate enhanced powers to the Boards of identified large sizes Navratna CPSEs so as to facilitate expansion of their operations, both in domestic as well as global markets. The Maharatna CPSEs in addition to having Navratha powers, have been delegated additional powers in the area of investment in joint ventures/subsidiaries and human resources development. The Maharatna CPSEs can invest Rs.

5000 crores in one project and create below Board level posts E-9 level (i.e., upto Executive Director level). The Government has conferred Maharatna status to 7 CPSEs namely,

- i. Bharat Heavy Electricals,
- ii. Coal India Ltd.
- iii. GAIL India Ltd.
- iv. Indian Oil Corporation Limited,.
- v. NTPC Limited,
- vi. Oil & Natural Gas Corporation Limited and
- vii. Steel Authority of India Limited.

### NAVRATNA SCHEME

The Government had introduced the Navratna scheme in 1997 in order to identify public sector companies that have comparative advantages and support them in their drive to become global giants. The Navratna CPSEs have been given/enhanced autonomy and delegation of powers to incur capital expenditure to enter into technology joint ventures/strategic alliances, to effect organizational / restructuring, to create posts up to E-6 level and wind up posts up to Board level /7 and to raise capital from domestic and international markets. Presently there are 16 Navratna CPSEs viz.,

- (i) Bharat Electronics Limited,
- (ii) Bharat Petroleum Corporation Limited,
- (iii) Engineers India Limited,
- (iv) Hindustan Aeronautics Limited
- (v) Hindustan Petroleum Corporation Limited,
- (vi) Mahanagar Telephone Nigam Limited,
- (vii) National Aluminium company Limited,
- (viii) National Building Construction Limited,
- (ix) Neyveli Lignite Corporation Ltd.,
- (x) NMDC Limited,
- (xi) Oil India Ltd.,
- (xii) Power Finance Corporation Limited,
- (xiii) Power Grid Corporation of India Limited,
- (xiv) Rashtriya Ispat Nigam Limited.
- (xv) Rural Electrification Corporation of India Limited and
- (xvi) Shipping Corporation of India Limited.

### MINIRATNA SCHEME

The Government had introduced the Miniratna scheme in 1997 in pursuance of the objective to make the public sector more efficient and competitive and to grant enhanced autonomy and delegation of powers to the profit making public sector enterprises. The enhanced powers given to Miniratna CPSEs include the power to (i) incur capital expenditure, (ii) enter joint ventures, (iii) set up technological and strategic alliances and (iv) formulate schemes of human resources management. The concerned administrative Ministries are empowered to declare a CPSE as a Miniratna if it fulfills the eligibility conditions. Presently, there 71 Miniratna CPSEs (53 category -I and 18 category-II).

### Other Profit making CPSEs

The other profit making CPSEs, i.e., those which have shown a profit in each of the 3 preceding accounting years and have a positive net worth have also been delegated enhanced powers in the area of capital expenditure.

## National Thermal Power Corporation

NTPC is India's largest energy conglomerate with roots planted way back in 1975 to accelerate power development in India. Since then it has established itself as the dominant power major with presence in the entire value chain of the power generation business. From fossil fuels it has forayed into generating electricity via hydro, nuclear and renewable energy sources. This foray will play a major role in lowering its carbon footprint by reducing green house gas emissions. To strengthen its core business, the corporation has diversified into the fields of consultancy, power trading, training of power professionals, rural electrification, ash utilization and coal mining as well.

NTPC became a Maharatna company in May 2010, one of the only four companies to be awarded this status. NTPC was ranked 400<sup>th</sup> in the '2016, Forbes Global 2000' ranking of the World's biggest companies.

The total installed capacity of the company is 51,410 MW (including JVs) with 20 coal based, 7 gas based stations, 1 Hydro based station and 1 Wind based station. 9 Joint Venture stations are coal based and 10 Solar PV projects. The capacity will have a diversified fuel mix and by 2032, non fossil fuel based generation capacity shall make up nearly 30% of NTPC's portfolio.

NTPC has been operating its plants at high efficiency levels. Although the company has 17.73% of the total national capacity, it contributes 24% of total power generation due to its focus on high efficiency.

In October 2004, NTPC launched its Initial Public Offering (IPO) consisting of 5.25% as fresh issue and 5.25% as offer for sale by the Government of India. NTPC thus became a listed company in November 2004 with the Government holding 89.5% of the equity share capital. In February 2010, the Shareholding of Government of India was reduced from 89.5% to 84.5% through a further public offer. Government of India has further divested 9.5% shares through OFS route in February 2013. With this, GOI's holding in NTPC has reduced from 84.5% to 75%. The rest is held by Institutional Investors, banks and Public. NTPC is not only the foremost power generator; it is also among the great places to work. The company is guided by the "People before Plant Load Factor" mantra which is the template for all its human resource related policies. NTPC has been ranked as "6<sup>th</sup> Best Company to work for in India" among the Public Sector Undertakings and Large Enterprises for the year 2014, by the Great Places to Work Institute, India Chapter in collaboration with The Economic Times.

## Human Resources

At NTPC, it begins and ends with people. The company is deeply passionate about ensuring the holistic development of all its employees as distinct individuals and good citizens. We currently employ approximately 23,133 Employees including employees in JVs and subsidiary companies. Competence building, Commitment building, Culture building and Systems building are the four pillars on which our HR systems are based. Man MW ratio improved to 0.54 in FY 2015-16 from 0.59 in 2014-15. HR Vision of NTPC is to enable our people to be a family of committed world class professionals, making NTPC a learning organization.

NTPC believes in the philosophy of 'Grow your own timber'. Its 'Executive Trainee' programme was introduced in 1977 with the objective of raising a cadre of home grown professionals. First Division Post Graduates and Graduate Engineers are hired through nation-wide open competitive examinations and campus recruitments. Hiring is followed by 52 weeks of fully paid induction training consisting of theoretical input, on job training, personality development & management modules.

The organization has a well established talent management system in place to ensure that it fulfill on its promise of meaningful growth and relevant challenges for its employees. Its talent management system comprises performance management, career paths and leadership development.

The organization recognizes the role played by rewards & recognitions in motivating its employees. To this end, it has created a culture of rewards and appreciation through celebration of various achievements and recognizing contributions behind such success.

The organization has introduced numerous initiatives which seek to enhance the creativity, innovation, functional aptitude and teamwork of its employees. These initiatives include the National

Open Competition for Executive Talent (NOCET), Professional Circles, Quality Circles, Business Minds and Medha Pratiyogita (a quiz for its employees). A management journal called "Horizon" is published quarterly to enable the employees to share their ideas and experiences across the Company.

### Quality of Work-Life

NTPC is committed to provide the best available work life for its employees. In addition to ensuring safe and aesthetically pleasing work places, NTPC actively encourages a culture of mutual respect and trust amongst peers, superiors and subordinates.

Far removed from the buzz of cities, our townships are the epitome of serenity, natural beauty and close community living. A range of welfare and recreation facilities including schools, hospitals and social clubs are provided at the townships to enhance the quality of life & the well being of employees and their families. An entire gamut of benefits, from child care leave to post retirement medical benefits are extended to employees to meet any exigency that may arise in a person's life.

### Knowledge Management in NTPC

To meet its ultimate objective of becoming a learning organization, an integrated Knowledge Management System has been developed, which facilitates tacit knowledge in the form of learning and experiences of employees to be captured and recognizing for future reference.

### Training & Development

NTPC subscribes to the belief that efficiency, effectiveness and success of the organization, depends largely on the skills abilities and commitment of the employees who constitute the most important asset of the company. It has developed its own comprehensive training infrastructure.

### CONCLUSION:

'When you upgrade your employee's skills, upgrade your company', NTPC actively motivates its academically inclined employees to pursue higher studies which are in consonance with the needs of the recognizing. NTPC has tie-ups with leading institutions like MDI, Gurgaon; IIT Delhi; BITS Pilani, etc on this end. NTPC sponsors batches of employees who are inducted into their courses based on their performance rating in the company and their performance in the entrance exam conducted by the respective institutes. Unlike other study leave and sabbaticals, employees undergoing these courses do not forego their salary or growth during the during of the course.

Recognising that a dialogue is a two way street, NTPC actively seeks and employee feedback to ensure that its HR interventions and practices remain relevant and meaningful. The organization regularly conduct Employee Satisfaction and Organisational Climate Surveys.

Over the years, NTPC has received numerous awards and recognitions that reinforce its HR Philosophy and practices. They are reminders that the organization is on the right path and are milestones on HR journey.

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