3.1 Introduction

According to Flippo, ‘policy is a man made rule or predetermined course of action that is established to guide the performance of work towards the organisation objectives. It is a type of standing plan that serves to guide subordinates in the execution of their task’\(^1\). According to Calhoon, “HR policies constitute guides to action. They furnish the general standards or bases on which decisions are reached. Their genesis lies in an organisation’s values, philosophies, concepts and principles”\(^2\).

Every organisation has HR policies and procedures well defined so that all the employees follow the same rule in the company at all locations and the uniformity is maintained in the organisation. This also helps to create a transparency in the organisation and maintain good relationship and satisfaction among employees. Absence of such policies creates lot of confusion in the organisation and among the employees. The HOD’s then misuse their authority for various activities and knowingly or unknowingly the differentiation is created in the organisation. That makes the employees unhappy and unsatisfied. This also creates a political culture in the organisation. Employees who get better facilities and favoritism, feel that this is possible only because of the power of their HOD and this kind of feeling in the employees creates power game among the HOD’s in the organisation. In this process, the malpractices starts in the organisation where employees take unavant advantage of the non-availability of the policies and the company suffers or looses a lot in this process.

The National Industrial Conference Board of the USA is of the view that the following matters should be included in a personnel policy\(^3\).

1) History of the company’s growth.

2) Employment practices and conditions of employment—minimum hiring qualifications, preferred services for recruiting personnel, physical examination, psychological and occupational interest and aptitude test, wage payment methods and pay periods, hours of work, overtime work, shift work and shift relations, the basis of promotion and promotion channels, lay-offs, and rehiring, discharge, voluntary separations, seniority rights, guaranteed employment after attaining a certain length of service and when an employee is considered as a regular employee.

3) Grievance redressel procedure.

4) Safety rules and regulations, and responsibilities of employees while at work.
5) General Practices- employee identification, punching time cards and reporting in and out of the plant or department, checking of tools, purchase from the company usually at a discount, procedure for getting pay, absence, leave of absence, change of address and solicitation on company premises.

6) Mutuality of interest and need for co-operation between management and men.

7) Employees financial aids- savings, loans, credit co-operatives, mutual benefit associations, group insurance, profit sharing, bonus plan, incentive plans, partially or full payment of tuition fees for attendance at professional institutes.

8) Educational opportunities- apprentice training, factory schools, vestibule schools and on-the-job training, training for promotion, provision of training facilities.

9) Employees news sheet and house journals.

10) Communication media and suggestion system.

11) Health and Hospitalization- medical, health and safety services and programmes.

12) Vacation with pay.

13) Sickness, death and maternity benefits or allowances.

14) Freedom for the employees to discuss any item of interest with the management.

15) Company stores.

16) Social security and other kinds of compensation and unemployment and accident compensation, provident fund, pension, gratuity, compensation for employees injured while on duty, invalidism.

17) C.B and recognition of a particular bargaining agency, procedure to be followed in settling grievances or the interpretation of a bargaining contract, and the right of an individual to be heard.

18) Procedures for disseminating information on company policies.

19) Maintenance of discipline and adherence to rules; penalties available.

20) Garnishments

21) Public relations.

22) Labour-management relations and union-management co-operation.

23) Prohibited activities – smoking, gambling, imbibing liquor and soliciting on company premises and during working hours.

The above given policies are prepared and circulated to all the employees in the organisation so that everyone is aware on their eligibility and company practices on various aspects. The same is put in a form of policy manual and it is also given to the
new employee on his joining the organisation so that he also understands the policies and procedures in the organisation and follow the same.

The main benefit of policies and procedure manual is to bring the transparency and openness in the organisation so that unnecessary time is not wasted on discussion on the same for case-to-case basis.

The **HR practices** are required to reflect the management’s intention on various matters. The HRM function is under tremendous pressure to produce more with less, and is ripe for application of new techniques like ‘reengineering organisational climate and culture’, ‘talent management’, ‘stress coping mechanisms’, etc. HRM practices takes place inside companies, whether or not there is a strong and effective HR function. In the process of adding value to organisations (by HR managers) and incorporating HRM into day-to-day job at workplace (by line managers), it is necessary to understand ‘how people management policies and practices can add value to or detract from organisational effectiveness’.

Concerning HR, HR policies provides guidelines regarding recruitment, selecting, promoting, developing, organizing, motivating, or otherwise leading and directing people in the working organisations. It forms an integral part of the entire policy structure of the factory organisation. The importance of the participation and contribution of the employees in the growth of the organisation has been very well understood by sociologist and psychologists. Now employees can enjoy the fruits of their contribution in the form of satisfaction of their needs. Money is considered as an important factor to satisfy man. No doubt, money is the motivator, it is the award for ones needs, and it satisfies so many desires connected with the psychological needs of a man. But to term it ‘cure-all’ would not be correct.

In the modern scientific age of industrialization, substantial progress has been made in discovering the psychological factors contributing to effective production. No longer do we accept the tradition and superstitions of industry as it was conceived in the past when human beings were made to adopt to the industry, rather than the reverse. Today, the human factor in industry is being increasing recognized and occupies the centre place in industrial research. The worker is no longer treated as a mere cog in the machine. His personal and social activities influence his job performance in many different ways and in turn his job influences his personal life in many respects. The creative pleasure which the worker derives from his work, the satisfaction he gets from his achievement and the fulfillment of both his immediate
and remote personal and social needs are a part of the labours stake in industry. Business and industrial concerns are becoming increasingly aware of the significance of the psychological values, which encompasses all aspects of the workers life, through carrying little for their implementation.

3.2: Need, Objectives and Importance of HR policies and practices
Over the past two decades, the world saw a complete makeover in the way Human Resource Management in organisations was defined, but in India, the change has been more prominent in the last decade or so, after liberalization. “Companies are increasingly finding that given a lack of adequate HR practices, they have cultivated too little talent to lead the organisation going forward and therefore, may suffer competitively. Many current HR Practices not only fail to keep pace with the business changes, but do not yield enough talent to provide the right amount of leadership or technical skills required by the organisations. Forward looking organisations are intently focused on finding, keeping and engaging the best talent.

Today, managing the expectations and motivations of a skilled workforce has brought with it attendant complexities in terms of the need for robust HR practices and organisational procedures. Earlier considered a support function for any business, HRM today is required to take on a more strategic role in order to align itself with the organisation’s business strategies. Hence, the HR manager is expected to take on the mantle of a business partner along with managers of other line functions, in driving the firm’s strategies. The shift in focus from traditional HRM to strategic HRM was inevitable. Competitive advantage for an organisation lies not just in differentiating a product or service or in becoming the low cost leader but in also being able to tap the company’s special skills or core competencies and rapidly respond to customer’s needs and competitor’s moves. HR management can play a role in identifying and analysing external opportunities and threats that may be crucial to the company’s success. It is in a unique position to supply competitive intelligence that may be useful in the strategic planning process.

The objectives of HR Practices are as follows:
1) To maximize individual development of every personality.
2) To maximize use of human resources to get the best results in time.
3) To promote of sound industrial relations.
4) Every employee should get individual satisfaction.
5) To provide an adequate, competent and trained HR for all levels and types of management.

6) To protect the common interests of all the parties and recognize the role of T.U.s in the organisation.

7) To provide security of employment to workers so that they may be distracted by the uncertainties of their future.

8) To provide an opportunity for growth within the organisation to persons who are willing to learn and undergo training to improve their future prospects.

9) To provide for the payment of fair and adequate wages and salary to workers so their healthy co-operation may be ensured for an efficient working of the undertaking.

10) To recognize the work and accomplishment of the employees by offering non-monitory incentives.

11) To provide such conditions of employment and procedures as will enable all the employees to develop a sincere sense of unity with the enterprise and to carry out their duties in the most willing and effective manner.

12) To create a sense of responsibilities, on the part of these in authority, for the claims of employees as human beings, who should be guaranteed protection of their fundamental rights and afford enough scope for developing their potential.

**HR Policies:** To be effective, policies need to be well communicated. Written policies, in employee handbooks, are a strong defense against complaints of ignorance. Handbooks should be well-organized and readable, and when length justifies it, contain a good index. Even so, when used alone, an employee handbook is impersonal and unlikely to be read. Meetings provide management a chance to encourage and answer questions. The orientation period is a natural time to tell new employees about policies.

Once communicated, policies may do more harm than good if ignored. Policies are reinforced when the employer follows them herself. Reasonable exceptions need not subvert policy if they are kept to a minimum and explained when they occur. Frequent exceptions may reflect a need for explicit policy change. It is much easier to review and update policies periodically than to operate either in violation or without them entirely. To be effective, policies need to be adjusted to meet the changing needs of the organisation.
H.R policies need to be specifically created because of the following reasons\(^7\). The basic need and requirements of both an organisation and its employees require deep thought. The management is required to examine its basics convictions as well as give full consideration to practices in other organisations.

i) Established policies ensure consistent treatment of all H.R throughout an organisation. Favoritism and discrimination are thereby minimized.

ii) A certainty of action is assured even though the top management H.R may change. The tenure of the office of any manager is finite and limited; but the organisation continues, and along with it continuous the policies; and this continuity of policies promotes stability in an organisation.

iii) Because they specify routes towards selected goals, policies serve as standards or measuring yards for evaluating performance. The actual results can be compared with the policies to determine how well the members of an organisation have lived up to their professed intentions.

iv) Sound policies help to build employee enthusiasm and loyalty. This is especially true when they help people to grow within an organisation.

v) They set patterns of behaviour and permit participants to plan with a greater degree of confidence.

vi) Policies are control guide for delegated decision making. They seek to ensure consistency and uniformity in decisions on problems they recur frequently and under similar, but not identical, circumstances.

Thus, Personnel Policies serve as a road map for managers\(^8\), as it refer to principles and rules of conduct which “formulate, redefine, break into details and decide a number of actions that govern the relationship with employees.

The personnel policies are:

A] The key stone in the arch of management and the life-blood for the successful functioning of the H.R management because without these, there cannot be any lasting improvements in labour management relations

B] The statements of intention indicating an agreement to a general course of action, indicating specifically what the organisation proposes to do and, thus, suggests the values and viewpoints which dominate the organisations action: and

C] A positive declaration and a command to an organisation. They translate the goals of an organisation into selected routes and provide general guidelines that both prescribe and proscribe programmes which, in turn, dictate practices and procedures.
Aims and Objectives of H.R Policies

Management’s personal policies should have two type of objective, general and specific. The statement of general objective should express the top management’s basic philosophy of human resources and reflect its deep underline convictions as to the importance of people in an organisation and of the management activity which deals with people, i.e. personal administration. The management must formulate and develop a basic creed, which should contain a clear cut statement of the company’s general objectives of the personal management’s major responsibility. The statement of specific objectives should refer to the various activities of personal administration connected with staffing, training, developing, wages and salary administration, motivation, employee services and benefits, employee records, labour relations and personal research.

The aims of HR policies are:

1) To enable an organisation to fulfill or carry out the main items which have been laid down as the desirable minima of general employment policy.

2) To ensure that its employees are informed of these items of policy and to secure their cooperation for their attainment.

3) To provide such conditions of emplacement and procedures as will enable all the employees to develop a sincere sense of unity with the enterprise and to carry out their duties in the most willing and effective manner.

4) To provide an adequate, competent and trained personal for all levels and types of management.

5) To protect the common interest of all the parties and recognize the role of T.U.s in the organisation.

6) To provide for a consultative participation by employees in the management of an organisation and the framing of conditions for this participation, which, however, shall not take place in technical, financial or trading policy?

7) To provide an efficient consultative service which aims at creating mutual faith among those who work in the enterprise:

a) By developing management leadership which is bold and imaginative and guided by moral values.

b) By effectively delegating the human relations aspects of H.R functions of line managers.
c) By enforcing discipline on the basis of cooperative understanding and a humane application of rules and regulations and also by providing happy relationship at all levels.

8) To establish the conditions for mutual confidence and avoid confusion and misunderstanding between the management and the workers, by developing suggestions plans, joint management councils, works committees, etc., and by performance appraisal discussions.

9) To provide security of employment to workers so that they may not be distracted by the uncertainties of their future.

10) To provide an opportunity for growth within the organisation to persons who are willing to learn and undergo training to improve their future prospects.

11) To provide for the payment of fair and adequate wages and salary to workers so that their healthy cooperation may be ensured for an efficient working of the undertaking.

12) To recognize the work accomplishments of the employees, by offering non-monetary incentives and,

13) To create a sense of responsibility, on the part of those in authority, for the claims of employees as human beings, who should be guaranteed protection of their fundamental rights and offered enough scope for developing their potential.

In brief, H.R policies should respect human dignity and personal integrity, ensure fair treatment for all, irrespective of caste, creed, or color, and offer reasonable social and economic security to employees. They should be so designed as to ensure that work and accomplishment are properly recognized, that safe and healthy conditions of work are created, that common interests are promoted and employees participation is encouraged, that the role of T.U.s is recognized and their functions and responsibilities are respected, and that the employees satisfaction and motivation and their development as individuals are properly looked after.

Peter Ducker has rightly said: “The management must gear its policies and objectives in such a fashion that the employees perform their work and do their assigned tasks. It implies a consideration of human being as a resource, i.e., as something having peculiar psychological properties, abilities and limitations that require the same amount of engineering attention as the properties of any other resources, e.g. copper. It implies also a consideration of the human resources as having, unlike any other resources, personality, citizenship, control over whether they work, how much and how well, and thus requiring motivation, participation,
satisfaction, incentives and rewards, leadership, status and functions. And it is management, and management alone, that can satisfy these requirements. They must be satisfied through work and through the job within the enterprise, and management is the activating organ of the enterprise^9.

**Principles of H.R Policies:**

While designing H.R policies, the management must balance the needs, goals, objectives and values of both the employer and the employees^10. Here are some of the H.R policies which are to be followed by the organisations:

a) Achieving better results by using reliable H.R selection procedures based on estimating candidates competence.

b) Talent search to be conducted in every possible direction, such independent search, executive search, cooperation with recruiting agencies.

c) Promoting organisational and professional learning, encouraging self learning with the aid of a personal development plan.

d) By boosting loyalty by analyzing abilities of loyal employees, spreading information about the company’s values and giving encouragement to those who follow them.

e) Increasing motivation by analyzing achievements of highly motivated employees and granting them opportunity to learn.

f) Achieving better results by using reliable H.R selection procedures based on estimating candidates competence.

g) Talent search to be conducted in every possible direction, such independent search, executive search, cooperation with recruiting agencies.

h) Promoting organisational and professional learning, encouraging self learning with the aid of a personal development plan.

i) By boosting loyalty by analyzing abilities of loyal employees, spreading information about the company’s values and giving encouragement to those who follow them.

j) Increasing motivation by analyzing achievements of highly motivated employees and granting them opportunity to learn.

HR practices are naturally influenced by many factors: Trading in the particular industry, technological developments, competition, social approval, the prevailing attitude of organized labours, government regulations, ideas of the management etc these factors should be considered.
Essential Characteristics of HR Policies.

The main features of a good H.R policy are:

1. The statement of any policy should be definite, positive, clear and easily understood by everyone in the organisation so that what it proposes to achieve is evident.

2. It should be written in order to preserve it against loss, to stimulate careful consideration before its formulation and to prevent the promulgation of numerous, differing and temporary oral policies from multiple sources.

3. It must be reasonably stable but not rigid, i.e., it should be periodically reviewed, evaluated, assessed and revised and should, therefore, be in tune with the challenge of changes in the environment and should have a built-in resilience for adjustment from time to time.

4. It must be supplementary to the overall policy of an organisation, for if departmental policy is such as come into conflict with and violate company policy, it would be tantamount to insubordination. Peter Drucker has observed: “The policy of an enterprise have to be balanced with the kind of reputation an enterprise wants to build up with special reference to the social and human needs, objectives and values.”

5. It should indicate that the management knows that workers prefer to deal with the management on an individual basis.

6. It should recognise the desire of many workers for recognition as groups in many of their relationships.

7. It should be formulated with due regard for the interests of all the concerned parties- the employers, the employees and the public.

8. It should be the result of a careful analysis of all the available facts.

9. It must provide a two-way communication system between the management and the employees so that the latter are kept informed of the latest developments in the organisation and the employers are aware of the actions and reactions of the employees on particular issues.

10. It should be consistent with public policy, i.e., with the spirit rather than the letter of the law, so that the intentions and settled course of an organisation are appreciated in terms of public opinion from the standpoint of national, economic and social justice for the employees and for the community at large.

11. It should be generally known to all the interested parties.
12. It must have not only the support of the management but the cooperation of employees at the shop floor level and in the office.

13. Before evolving such a policy, T.U.s should be consulted in matters of industrial relations; and the role of T.U.s should be restricted only to this area.

14. It should be progressive and enlightened, and must be consistent with professional practice and philosophy.

15. It must have a measurable impact, which can be evaluated and qualified for the guidance of all concerned, especially in the field of the three ‘R’s of H.R management, viz., recruitment, retention and retirement. It should be uniform throughout the organisation, though, in the light of local conditions, slight variations may be permitted in special policies relating to staffing, compensation, benefits and services.

16. It should have a sound base in appropriate theory and should be translatable into practices, terms and peculiarities of every department of an enterprise.

17. Except in rare cases, policies should not prescribe detailed procedures. According to Calhoon, such a policy, being a guide for management decisions, should include these features:

   a) It should affirm the long-range purposes of H.R relations. At best, such purposes are derived from well throughout principles of philosophy, sociology, and ethics. Thus, they reflect mature social principles or ideals in human relations.

   b) It should indicate the scope for discretion when a long term purpose is interpreted in a variety of specific situations and over a period of time.

3.3: Philosophies of HR Practices

In deciding upon a philosophy which will guide all HR practices a choice has to be made from amongst four alternatives:

1] The commodity approach: In commodity approach the labours were treated as a machine and the Human Resource aspect was not concern by the industrialists.

2] The benevolent approach: This approach is associated with a particular managerial style which is often described as autocratic.

3] The Human Relations approach: The philosophy based on Human Relations is difficult to define. The responsibility for usering in a policy of treating the
workers as human beings and not a commodities largely rests with the personnel man. The aim seems to be to produce maximum employee satisfaction on the assumption that this leads to increasing efficiency. This approach is associated with a particular managerial style which is usually described as democratic or participatory. However there does not seem to be any evidence that there is a positive correlation between employee satisfaction and increased productivity.

4] The Human Resources approach: The Human Resource approach affirms that people working in an organization are a valuable resource whose talents have to be developed and utilized for the achievement of the organizational objectives. The intention is to give the men and women working in a company their appropriate place of importance as being essential for its proper functioning, growth and survival.13

3.4: Factors influencing HR Practices
The following factors will influence determining of HR policies of an organization:
1] Law of country: The various laws of labour legislation govern the various aspects of personnel matters. Policies should be in conformity with the laws of the country.
2] Social values and customs: There are codes of behavior of any community which should be taken into account in framing policies.
3] Management philosophy and values: Management cannot work together for any length of time without clear broad philosophy and set of values which influence their actions on matters concerning the workforce.
4] State of development: all changes such as size of operations, scale of technology, innovations, fluctuations in the composition of workforce, decentralization of authority and change in financial structure influence the adoption of HR policies.
5] Financial position of the firm: The HR policies cost money, which will be reflected in the price of the product. So, prices set the absolute limit to organizations HR policies.
6] Type of workforce: The assessment of the characteristics of workforce and what is acceptable to them is the responsibility of the effective personnel staff. A policy which is not appropriated is hardly worth implementation.
7] Union objectives and practices: How well the employees are organized ? What is their bargaining capacity? What are their pressure technique? All these factors are responsible to HR policy.14

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3.5 Operative HR Practices

**HR Practices:** Many organisations are redefining the role played by the human resource function. Human resources is being asked to broaden its focus from HR administration to human capital management. This creates an enormous opportunity for the enterprise, as people may be the last and potentially best source of sustainable competitive advantage in marketplace. Many obstacles must be overcome before the human resources function can fully transition into this new strategic role. Some of the key challenges faced by human resource management are:

1. Enhancing the ability to attract and retain a talented workforce by implementing policies, programs and practices that will distinguish the enterprise as an “employer of choice.”
2. Building a high-performance workforce that is prepared, ready and able to contribute as needed.
3. Gaining credibility with internal customers and executive management by aligning the human resource function with overall business goals and priorities and organizing for effective service delivery.
4. Increasing accountability by demonstrating that human resource services provide value – for - cost.
5. Leveraging emerging technologies to reduce the burden of administrative work and enable more collaborative business processes.
6. Making the networking of internal and external human resource service providers seamless to the organisation.
7. Attracting, retaining and developing human resource professionals that possess a solid mix of business and human resource expertise and have excellent analytical and consulting skills.

The vast scope of HRM in relation to business organisation can be described as under:

- A coordinational worker management relationship would be possible.
- Management would be able to understand their people better.
- A situation would be created in the organisation for the employees to enjoy their work and gain substantial job satisfaction.
- Management would be able to get better cooperation from its workers.
Employees would be able to gain a greater sense of accomplishment through their work.

- **Operative Functions of H.R.**

  The following are the H.R. Operative functions:

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Modern HR Practices:-
e.g.: 1) Quality Circle
   2) Total Quality Management
**Introduction:** The HR department is entrusted with the task of performing HR functions. HR functions are commonly identified as human resource planning, recruitment, selection, training and development, compensating employees, labour relation management, and HR research. These functions are broadly put as procurement, development, maintenance, and utilization of the HRM department. The purpose of the HRM department is to develop strategies and practices to ensure the successful functioning of an organization. Detailed conceptual frameworks of some of the HRM practices are discussed below:

**I. EMPLOYMENT:**

1) **Job Analysis:** It is the procedure, by which pertinent information is obtained about a job, i.e., it is a detailed and systematic study of information relating to the operations and responsibilities of a specific job. Job analysis produces information used for writing job descriptions (a list of what the job entails) and job specifications (what kind of people to hire for the job).

   **Job Description:** It is a written record of the duties, responsibilities, and requirements of a particular job. It “is concerned with the job itself and not with the work” 16. It is a statement describing the job in terms of its title, location, duties, working conditions, and hazards. In other words, it tells us ‘what is to be done’ and ‘how it is to be done’ and ‘why’.

   **Job Specification:** It is a standard of personnel and designates the qualities required for an acceptable performance. It is a written record of the requirements sought in an individual worker for a given job. In other words, it refers to a summary of the personal characteristics required for a job. It is a statement of the minimum acceptable human qualities necessary for the proper performance of a job.

   **Job Design:** It is the division of the total task to be performed into manageable and efficient units, positions, departments, and divisions, and to provide for their proper integration.

   The purpose of Job Analysis is to establish and document the 'job relatedness' of employment procedures such as training, selection, compensation, and performance appraisal.

2) **H.R. Planning/Manpower Planning:**

   “Manpower Planning” and “Human Resource Planning” are synonymous. In the past, the phrase MPP was widely used. But now the emphasis is on HRP which is more broad-based. Human resource or MPP is “the process by which a management
determines how an organisation should move from its current manpower position to its desired manpower position. Through planning, a management strives to have the right number and the right kind of people at the right place, at the right time.

According to Wickstrom, human resource planning consist of a series of activities, viz.,

a) Forecasting future manpower requirements, either in terms of mathematical projections of trends in the economic environment and development in industry, or in terms of judgmental estimates based upon the specific plans of a company.

b) Making an inventory of present manpower resources and assessing the extent to which these resources are employed optimally.

c) Anticipating manpower problems by projecting present resources into the future and comparing them with the forecast of requirements to determine their adequacy, both quantitatively and qualitatively.

d) Planning the necessary programmes of requirement, selection, training, development, utilization, transfer, promotion, motivation and compensation to ensure that future manpower requirements are properly met.

Thus, it will be noted that manpower planning consists in projecting future manpower requirements and developing manpower plans for the implementation of projections. This planning cannot be rigid or static; it is amenable to modification, review and adjustments in accordance with the needs of an organisation or the changing circumstances.

HRP is a double-edged weapon. If used properly, it leads to the maximum utilization of human resources, which reduces excessive labour turnover and high absenteeism, improves productivity and aids in achieving the objectives of an organisation.

3) Recruitment: In simple terms, recruitment is understood as the process of searching for and obtaining applicants for jobs, from among whom the right people can be selected. A formal definition of recruitment is, “It is the process of finding and attracting capable applicants for employment. The process begins when new recruits are sought and ends when their applications are submitted. The result is a pool of applicants from which new employees are selected.

The general purpose of recruitment is to provide a pool of potentially qualified job candidates. Specifically, the purposes are:

Determine the present and future requirements of the organisation in conjunction with its personnel-planning and job analysis activities.
a) Increase the pool of job candidates at minimum cost.
b) Help increase the success rate of the selection process by reducing the number of visibly, under-qualified or overqualified job applicants.
c) Help to reduce the probability that job applicants, once recruited and selected, will leave the organisation only after a short period of time.
d) Meet the organisations legal and social obligations regarding the composition of its work-force.
e) Being identifying and preparing potential job applicants who will be appropriate candidates.
f) Increase organisational and individual effectiveness in the short term and long term.
g) Evaluate the effectiveness of various recruiting techniques and sources for all type of job applicants.

4) **Selection**: Selection is the process of picking individuals (out of the pool of job applicants) with requisite qualifications and competence to fill jobs in the organisation. A formal definition of selection is “it is the process of differentiating between applicants in order to identify (and hire) those with a greater likelihood of success in a job”.

Recruitment and selection are the two crucial steps in the HR process and are often used interchangeably. There is, however, a fine distinction between the two steps. While recruitment refers to the process of identifying and encouraging prospective employees to apply for jobs, selection is concerned with picking the right candidates from a pool of applicants. Recruitment is said to be positive in its approach as it seeks to attract as many candidates as possible. Selection, on the other hand, is negative in its application in as much as it seeks to eliminate as many unqualified applicants as possible in order to identify the right candidates.

Various organisations follow different procedure for selection. Some organisations conduct aptitude test even for executive positions, while some conduct only interviews. To generalize, a few steps can be suggested viz:

i) Application screening and elimination

ii) A written test, evaluating and elimination

iii) An in-depth selection interview

iv) A physical examination, only for positions of physical fitness.

v) A reference to some referees in selected cases of requirement.

vi) Selection induction and probation and,
vii) Final selection or confirmation.

For lower level, junior and operative positions, these steps can be followed. However, for senior positions, steps 1, 3, 5, and 7 need to be followed.

5) Placement: After the orientation programme is over, the new employees are placed at the jobs which fit with them. Thus, placement is essentially a process of matching jobs and individuals and placement occurs when a job is assigned to an individual. Pigors and Myers have defined placement more elaborately which is as follows, “Placement is the determination of the job to which an accepted candidate is to be assigned and his assignment to that job. It is a matching of what the supervisor has reason to think he can do with the job demand; it is a matching of what he imposes in terms of strain, working conditions, etc., and what he offers in the form of payroll, companionship with others, promotional possibilities, etc.”. Placement of an individual employee may be at two stages; initial placement after the selection and orientation or in the form of internal mobility-promotion, demotion, transfer, separation, and turnover.

6) Induction: Induction and orientation are the techniques by which a new employee is rehabilitated in the changed surrounding and introduced to the practices, policies, purposes and people etc., of the organisation.

a) Acquaint the employee with the company philosophy, objectives, policies, career planning and development, opportunities, product, market share, company history, culture etc.

b) Mould the employee attitude by orienting him to the new working and social environment.

II. HUMAN RESOURCE DEVELOPMENT:

1) Training and Development: T and D constitute the most important factor for developing people at all levels. Training means conscious effects directed towards the improvement or increase of a person’s power, skills and understanding and development of his beliefs and values.

“Training is short term process utilizing a systematic and organized procedure by which non-managerial personnel learn technical knowledge and skills for a definite purpose. While Development is a long-term educational process utilizing a systematic and organized procedure by which managerial personnel learn conceptual and theoretical knowledge for general purpose.”

Importance of development men can well be highlighted from the following saying: “If you wish to plan for a year sow seeds, if you wish to plan for ten years plant trees,
if you wish to plan for a life-time develop men.” So, it can also strengthen interpersonal relationship, increase teamwork and collaboration and reduce wastage. Training also improves productivity and efficiency with the help of improved quality and high moral.

Training plays an effective and important role in improving the performance of trust as under:

A Training must help create and attitudinal change by creating awareness of the overall process, the role of different section of employees. It is the managerial responsibility and the importance of communication and participation.

B It must enhance skills in organisational and managerial areas.

C It must make redevelopment possible by providing the training to an employee to move to a new job in a new environment

D It must orient new entrants in the organisation to the discipline and culture requirement of the organisation.

E Proper orientation and trading should be given to new entrants.

Training tends to improve the performance of employees by narrowing the distance between expectations and achievements. Because of its significant role, it is essential to have effective training programme in the organisation. An effective training programme should possess the following characteristics:

A training programme should be chalked out after identifying need or goals. It should have relevance to the job requirements.

B An effective training programme should be flexible. It should make due allowance for the difference among the individuals in regard to ability, aptitude, learning capacity, emotional makeup etc.

C A good training program should prepare the trainees mentally before they are imparted any job knowledge or skill.

D Training programme should be conducted by well qualified and experienced trainer.

E Effective training programme should have the top management support. Top management can greatly influence the quality of trainee in the organisation by the policies it adopts and the extent to which is supports training and programme should be supported by critical appraisal of the outcome of the training efforts.

2) Performance Appraisal: Once the employee has been selected, trained and motivated, he is then appraised for his performance. P.A is the step where the
management finds out how effective it has been at hiring and placing employees. If any problems are identified, steps are taken to communicate the employee and to remedy them. A P.A is a process of evaluating an employees performance of a job in terms of its requirements\textsuperscript{23}. P.A has been considered as a most significant and indispensable tool for an organisation, for the information it provides is highly useful in making decisions regarding various personal aspects such as promotions and merit increases. Performance measures also link information gathering and decision-making processes which provide a basis for judging the effectiveness of personnel sub-divisions such as recruiting, selection, training and compensation. Accurate information plays a vital role in the organisation as a whole. They help pinpoint weak areas in the primary systems (e.g.: marketing, finance and production). It is easier for managers to see which employees need training or counseling, as jobs are grouped by categories (e.g.: production foreman, sales manager, etc) these categories can be broken into smaller and smaller groups, if necessary. If valid performance data are available, timely, accurate, objective, standardized and relevant, management can maintain consistent promotion and compensation policies throughout the total system.\textsuperscript{24} McGregor says: “Formal performance appraisal plans are designed to meet three needs, one of the organisation and other two of the individual, namely:

i) They provide systematic judgments to back up salary increases, transfers, demotions or terminations.

ii) They are means of telling a subordinate how he is doing, and suggesting needed changes in his behaviour, attitude, skills or job knowledge. They let him know where he stands with the joss.

iii) They are used as a base for coaching and counselling the individual by the superior\textsuperscript{25}.

3) Career Planning and Development: It is the planning of one’s career and implementation of career plans by means of education, training, job search and acquisition of work experiences. It includes internal and external mobility.

- **Internal Mobility:** It includes vertical and horizontal movement of an employee within an organisation. It consists of transfer, promotion and demotion.

- **Transfer:** Transfer is one form of internal mobility of human resources which involves movement of an employee from one section to another section of the same department, one department to another department, one unit to another unit, one
place to another place, or one function to another function in the form of job rotation without any change in the employee status, responsibility and pay. Flippo has defined transfer which involves “a change in the job of an employee without a change in responsibilities or remuneration”\(^{26}\).

- **Promotion:** According to Scott and Clothier “promotion is the transfer of an employee to a job that pays more money or one that enjoys some preferred status”\(^{27}\).” It involves reassignment of an employee to a position having higher pay, increased responsibility more privileged, increased benefits and greater potential. The purpose of a promotion is to provide a vacancy which in general, is worth more to the organisation than the incumbent’s present position.

A sound promotion policy must satisfy the following criteria\(^ {28}\):

It should enjoy consistency, i.e. it will be applied irrespective of the persons concerned. Consistency demands that the policy should be so correlated to career planning that there should not be a sudden spurt of promotion in the organisation conferring premature benefits on a number of persons, followed by a long period of absence of promotion.

a) It should be fair and impartial i.e. the management should be able to remove all suspicion of arbitrariness, adhocism, improvisation to suit particular individuals, nepotism, etc.

b) Promotion should be planned activity, i.e., the management should make a correct assessment of the requirements or opportunities of promotion within the organisation so that there is no phenomena of ‘bunching’ or no period of ‘promotional drought’, i.e. no over-estimation or under-estimation.

The line of promotion should be clear so that every employee knows where the possibilities of promotion lie. Management must also decide how promotions are to be handled. A concrete promotion policy should be based on the following aspects.

a) Encouragement of promotion within the organisations, instead of looking outside to fill vacancies in higher posts.

b) An understanding that ability as well as seniority will be taken into account in making promotions.

c) Drawing up an organisation chart to make to all the ladders of promotion.

d) All promotions should be for a trail period. Normally during this trail period the employee draws the pay of the higher post, but it should be clearly understood that if “he does not make the grade” he will be reverted to his former post.
**Demotion:** Demotion has been defined as “the assignment of an individual to a job of lower rank and pay usually involving lower level of difficulty and responsibility.” Demotions serve a useful purpose in the sense that they keep the employees alert and alive to their responsibilities and duties. As well demotion should never be made as a penalty for a violation of the rules of conduct, poor attendance record, or insubordination because such action will not improve the performance of the individual. It is better to discharge the employees rather than face the problems arising from demotion.

4) **Organisation Development:** O.D is both an educational strategy and an implemented course of action or technique which focuses attention on the whole culture of an organisation in order to bring about a planned change. Bennis has stated that “OD is a response to change, a complex educational strategy intended to change the beliefs, attitudes, values and structure of organisations so that they can better adapt themselves to new technologies, markets and challenges and the dizzying rate of change itself. It aims at developing the organisation into an organic system as contrasted to the mechanical systems.”

**Characteristics of O.D:** The chief characteristics of OD are:

i) It is an educational strategy which attempts to bring about a planned change.

ii) It relates to real organisational problems instead of hypothetical classroom cases.

iii) It uses sensitivity training methods and emphasizes the importance of experimental based training.

iv) Their changes agents are almost external consultants outside of the organisation.

v) External change agents and internal organisation executives establish a collaborative relationship involving mutual trust and influence, and jointly determining goals.

vi) External change agents are humanists seeking to establish a social and altruistic philosophy within an organisation.

vii) The goals that the change agent seeks to accomplish through OD tend to reflect “Theory Y,” he aims for better conflict resolution, increased understanding, and more considerable leadership.

viii) The organisational changes sought are usually the result of some “exigency or outside problem”.

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III. COMPENSATION:

Compensation has been an extremely important issue for both, the employer and the employees. This is because money is a crucial incentive and directly or indirectly related with fulfillment of all human needs. Employees sell their hands and brain in order to fulfill their primary needs and employer hire them to achieve their organisational objectives. Therefore, the employers and employees perspectives vary on matter concerning compensation. The employers objective is concerned with primarily productivity, the employees emphasis may be on higher compensation to offset their increased cost of living and perhaps the price his skill will fetch in the competitive job market. Compensation, therefore, remains one of the most strategic and important functions of human resource management.

“Compensation includes direct cash payments, indirect payments in the form of employee benefits and incentives to motivate employees to strive for higher levels of productivity.”

1) Job Evaluation:

Job evaluation is the output provided by job analysis. As seen earlier, job analysis describes the duties of the job, authority, relationship, skill required, conditions of work, and additional relevant information. Job evaluation on the other hand, uses the information of job analysis to evaluate the each job—valuing its components and ascertaining relative job worth. It involves, in other words, a formal and systematic comparison of jobs in order to determine the worth of one job relative to another, so that a wage or salary hierarchy results.

The ILO defines job evaluation as, “an attempt to determine and compare demands which the normal performance of a particular job makes on normal workers without taking into account the individual abilities or performance of the workers concerned.” Job evaluation is a quantitative measurement of relative job worth for the purpose of establishing consistent wage rate differentials by objective means. It measures the differences between job requirements, the objective being the setting of pay for management purposes.

The following objectives of Job Evaluation are enumerated:

i) To secure and maintain complete, accurate and impersonal descriptions of each distinct job or occupation in the entire plant.

ii) To provide a standard procedure for determining the relative worth or value of each job within the plant.
iii) To determine a rate of pay for each job which is fair and equitable with relation to other jobs in the plant, community and industry?

iv) To ensure that like wages are paid to all qualified employees on like work.

v) To promote fair and accurate consideration of all employees for advancement and transfer.

vi) To provide a factual basis for the consideration of wage rates for similar jobs both within the community and within the industry.

vii) To provide information for the work organisation, employees selection and training and numerous other important purposes.

2) Wage and Salary Administration: This is a process of development and operating a suitable wages and salary programme. Wage and salary administration is essentially the application of a systematic approach to the problem and ensuring that the employees are paid in a logical, equitable and fair manner. Management has to determine the wage and salary based on the several factor including job evaluation. Wage and salary administration is to establish and maintain an equitable. Its secondary object is the establishment and maintenance of an equitable labour cost structure. The wage and salary administration is concerned with the financial aspects of needs, motivation and rewards.

➢ Wage: The remuneration paid by the employer for the service of hourly, daily, weekly and fortnightly employees. It also means that remuneration paid to production and maintenance of blue collar employees.

➢ Salary: As the remuneration is paid to clerical and managerial H.R employed on monthly and annual basis. This distinction between wage and salary does not seem to be valid in their of HR approach where all employees are treated as HR and are viewed at par. Hence these two terms can be used interchangeably. As such the term wage and salary can be defined as the direct remuneration paid to an employee compensating his services to an organisation. Salary is also known as basic pay.

CRITERIA FOR WAGE FIXATION:

1. Organisation ability to pay.
2. Going rate / Prevailing market rate.
3. Productivity.
4. Union Bargaining power.
5. Job requirements.
7. Cost of living.
8. Living wage.
9. Managerial attitude.

3) Incentives: Incentives are monetary benefits paid to workmen in recognition of their outstanding performance. They are defined as “Variable rewards granted according to variations in the achievement of specific results”. The International Labour officer refers to incentives as ‘payment by results’. But it is appropriate to call them ‘incentive systems of payment’ emphasizing the point of motivation, that is, the imparting of incentives to workers for higher production and productivity. An incentive plan may consist of both the monetary as well as no monetary elements. The plan should be properly communicated with the employees to encourage individual performance, provide feedback and encourage redirection.

4) Bonus: It is applicable to every factory and all establishments which employed 20 or more individuals on any day in the accounting year. The eligible employees are all employees whose wages or salaries are below Rs 2,500/- per month per employee and who are not apprentices. The bonus is paid on the basis of salary or wage earned by the eligible employees which includes dearness allowances but excludes other allowances.

Every eligible employee who has worked not less than 30 working days during an accounting year is entitled for the payment of bonus. An employee is considered disqualified for the payment of bonus if he is dismissed from service for reasons of fraud, riotous, violent behaviour or theft, misappropriation or sabotage. The minimum amount of bonus is computed at the rate of 8.33% in the ordinance of September 23, 1972 of the salary or wage earned by an eligible employee in an accounting year. The amount of the maximum bonus has not to exceed 20% of the salary or wage earned during an accounting year.

5) Fringe Benefits: Fringe benefits are benefits that you get indirectly from your employment i.e. they are sort of a side effect of the job and a direct form of payment by the employer. Fringe benefits take on a vast array of forms and can include anything from the boss paying your bills, providing free accommodation, use of a car, free holidays etc.

The fringe benefit systems purported to develop a climate for healthy employer-employee relationships, minimize excessive labour turnover costs and provide a feeling of individual security against hazards and problems of life with a view to
eventually enhancing employee loyalty to the company and improving productivity. These items can be classified in three categories in three categories such as payment for time on the job embracing overtime payment, cost of living increases, payment for time not on the job involving paid holidays, vacations, sick leave and payment for varied benefits such as insurance, pensions, meals, bonuses etc.

6) Social Security Measures: Management provides social security to their employees in addition to the fringe benefits. It includes workmen’s compensation to those workers (or their dependants) who involve in accidents, maternity benefits to the women employee’s, sickness benefits and medicals benefits, dependent benefits, retirement benefits like pensions, etc.

IV. INDUSTRIAL AND HUMAN RELATIONS:

Relations in industry can be called I.R. Relations in industry are primarily between the management and workmen, though other aspects (relations between employers and employees, management and T.U, T.Us and T.U and so on) are also involved in it. A relation in industry arises from the diverse and complex attitudes and approaches of management and workmen in industry. It is obvious from the fact that industrial relations do not function in a vacuum but are multi-dimensional in nature and they are conditioned by two sets of determinants-the institutional factor and the economic factors. An organisation having human relations approach should strive to establish cordial industrial relations. Hence, HRD approach is generally combined with human relations and industrial relation. I.R must be incorporated as an indispensable part of human resource management.

It is the process of interaction among human beings. Human relations is an area of management in integrating people into work situation in a way that motivates them to work together productively, co-operatively and with economic, psychological and social satisfaction.

1] Communication: Effective communication is an indispensable perquisite for the human resources management systems to perform effectively. Communication has a pivotal role to play in all its sub-systems like HRD and OD too. According to Vardaman and Halterman, “ By communication we mean the flow of material, information, perception, and understanding between various parts and members of the organisation, all the methods, means and media of communication, all the channels, network, and system of communication, all the person-to-person interchanges. It
includes all aspects of communication; up, down, lateral, speaking, writing, listening, reading, methods, media, modes, channels, network, flow, interpersonal, intra-organisational, and inter-organisational.”

There is a positive relation between cordial industrial relations and good communication facilities in the organisation as well communication has, moreover, a direct relationship with morale, job satisfaction, and productivity. The more effective is the communication, the greater is the possibility of higher morale and job satisfaction. There is also a positive correlation between job satisfaction and productivity. Manager’s effectiveness is closely associated with communication effectiveness. This is the reason why effective communication skill is considered a determinant of managerial effectiveness.

2] **Motivation**: Motivation is considered as one of the most important aspects of actuating because it is motivation that energises the behavior of person, while behavior activities action and action leads to actuation. Motivation is a set of processes concerned with the force that energises behavior and directs it towards attaining some goals. It is the need that leads to motives resulting in motivation. The relationship between needs drives and goals can make an integral part of motivation. Motivation implies a goal towards which the movement occurs. It means that motivation causes action. The inner need leads behavior and related action. The term motivation may include any inner condition of the person that initiates or directs his behavior towards a particular goal. The motivation can be defined as the inner drive of a person which energises his action for the achievement of certain goals for the satisfaction of the given wants or needs.

3] **Morale and Job Satisfaction**: High moral of individuals associated with a group goes a long way in efficiently accomplishing the group goals. It means that high moral enables the individuals to make commitment to common goals. Groups with high moral accomplish things with a minimum of bickering, and that they do things because they want to do them. It is then apparent that people with high moral would have better human relations, high achievement, motivation and better job satisfaction. Moral and job satisfaction are positively linked, while productivity is closely related to job satisfaction.

Herzberg and associates have conceptualized a relationship of job content and job context with job satisfaction. According to Herzberg, five factors that stood out as determinants of satisfaction are: achievement, recognition for work, responsibility,
advancement and work itself. Job satisfaction is an attitude of contentment formed by an employee towards his job or task on the basis of the satisfaction derived from any of the job factors, individual adjustment, group relationship, work environment or his interaction with the work environmental factors. It is a sense of mental accomplishment and disposition backed by the fulfillment of the employees expectations of the job and achievement of the rewards received from the job. Thus, job satisfaction represents the extent of match between employees expectation of the job and his achievement of it i.e. it is the satisfaction derived from the work life of the individual employee.

4] **Grievances:** There is hardly company or an industrial concern which absolutely function smoothly at all times. In some, the employees have complaints against their employers, while in others it is the employers who have a grievance against their employees.

“A grievance is any discontent or dissatisfaction, whether expressed or not, whether valid or not, arising out of any thing connected with the company which an employee thinks, believes or even feels to be unfair, unjust, or inequitable.”

Broadly speaking a complaint affecting one or more workers constituent a grievance. The complaint may relate to quantum of wages, the mode of payment, payment for overtime work, leave, interpretation of service agreement, working conditions, promotions, seniority, transfers, work assignments, dismissal or discharge, or a complaint against foremen, against the quality of plant or the part used in it, machinery, or the food available in the canteen. Where the point at disputes are of general applicability or are of a considerable magnitude, they fall outside the scope of this procedure, that is the grievance handling procedure.

5] **Trade Union:** A labour union or a T.U is an organisation of workers formed to promote, protect, and improve, through collective action, the social, economic, and political interests of its members. The dominant interest with which the union is concerned is economic. In this area desires and demand for improved wages, hours, and working conditions are foremost.

I] T.U’s are generally **classified** as:

(a) Company union that represents interests of only one firm and may not have any connection with the T.U movement. Also called house union, a company union is often a bogus one and generally illegal.
(b) General union that represents workers from several firms from the same industry. It is also called industrial union.

(c) Craft union that represents skilled workers in a particular field such as carpentry or welding.

II] Objectives and functions of a T.U: The functions of a modern T.U are very comprehensive—much more so than those of their counterparts in the past; it has, moreover, a clearer perception of its ultimate aims and objectives. Its functions are generally classified into those which are militant or protective, and those which are fraternal, ministrant or positive. Under the former group of functions, a T.U is primarily concerned with obtaining better conditions of work and of employment for its members through such militant activities as strikes and boycotts, which are generally resorted to when effects at C.B fail to bear results. The latter functions relate to the provision of such benefits as sickness and accident payments. A T.U also offers financial support to its members during strikes and lockouts and during periods of temporary unemployment.

According to Trade Unions Act of 1926, a T.U “must work to protect and promote the interests of the workers and the conditions of their employment”. The interest of the workers lies in getting reasonable wages, shorter working hours, improved working conditions—social and psychological—and greater security, both of person and of the job.

IV] Collective Bargaining: According to Encyclopedia of Social Sciences, “C.B is the process of discussion and negotiation between two parties, one or both of whom is a group of persons acting in concert. The resulting bargain is an understanding as to the terms and conditions under which a continuing service is to be performed. More specifically, C.B is a procedure by which employers and a group of employees agree upon the conditions of the work.”

The International Labour Organisation has divided the subject-matter of C.B into two categories:

1) Those which set out standards of employment which are directly applicable to relations between an individual employer and worker.

2) Those which regulate the relations between the parties to the agreement themselves and have no bearing on individual relations between employers and workers.
The first category includes subjects like wages, working hours (including overtime), holidays with pay and period of notice for termination of contract. The second category according to ILO includes eight items viz., a) provisions for enforcement of C.B; b) methods of settling individual disputes; c) collective disputes includes grievance procedure and reference to conciliation and arbitration; d) recognition of a union as bargaining agent for the workers; e) giving of preference in recruitment to union members seeking employment; f) duration of the agreement; g) undertaking not to resort to strike or lock out during the period; and h) procedures for negotiation of new agreements.

The ILO also states that: In C.B the object is to reach agreement on wages and other conditions of employment about which the parties begin with divergent viewpoint but try to reach a compromise. When a bargain is reached the terms of the agreement are put into effect. Thus, it is evident that the prime object of C.B is to resolve the differences between the parties in respect of employment, non-employment, terms of employment and conditions of service of the members of the union.

Advantages and Disadvantages of C.B: C.B has been preferred over compulsory adjudication system for several reasons; a) it is a system based on bipartite agreements and as such superior to any arrangement involving third party intervention in matters which essential concern employers and workers. b) it is quick and efficient method of settlement of industrial dispute and avoids delay and unnecessary litigation; c) it is a democratic method of settlement of industrial disputes.

According to Willcox it has two vital defects: one of these defects is that there are situations in which a serious strike and a prolonged strike simply cannot be tolerated. The second great flaw in C.B as a solvent for labour disputes is the lack of representation of the public interest at the bargaining table. Whether prices can be raised without strangling and abilities to sell goods or services, unions and companies are in a position to agree on wage increase that will cause higher prices; then the consumer must shoulder the full burden of their agreement.

6] Labour Welfare Facilities: In recent years, the Indian organisations have started giving attention to the welfare needs of the workers. According to Varma\textsuperscript{40} three types of facilities are made available to workers namely;

a) Certain facilities are provided at the site of work itself, such as subsidized canteens, crèches, and medical facilities.
b) Some facilities related to the economic needs of workers such as co-operative credit societies, consumers co-operative stores, staff benefit funds, the educational assistance to workers children.

c) Certain institutes which become the focal point for the involvement of workers and their families in community life. Such as community centres, welfare centres and educational institutions.

A number of amenities, which are clubbed together under welfare, are highlighted in chapter five of the Factories Act, 1948. Section 42 to 48 of the Act makes it obligatory on the organisations to provide washing facilities, facilities for storing and drying clothes, facilities for sitting, first aid appliances, canteen, shelters, rest rooms, lunch rooms and crèches. Other facilities such as drinking water, toilet, sanitation or conservancy facilities for which minimum standards are provided in Factories Act, 1948. Chapter three of the factors act should also be considered as very significant for the well being of the employees. Unfortunately, these facilities are the most neglected areas in the organisations. Needless to say, lack of such facilities does influence the productivity of employees.

7] **Working Conditions**: The work environment has important bearing on the efficiency and satisfaction of the employees. A dimly lighted, poor ventilated and crowded place of work hampers efficiency. The workers are forced to spend more energy to accomplish tasks which they can do with much lesser efforts in otherwise conditions. Poor working conditions have been found to cause greater fatigue, negligence, absenteeism, indiscipline and insubordination among the employees. Work performance and behaviors is constantly affected by physical conditions of work such as noise, illumination, heat, humidity, etc. it is now increasingly realized that many work behaviour problems associated with productivity, morale, absenteeism, accidents, fatigue, etc., can be solved with increasing awareness of working conditions. While under extreme conditions there may be damage to health, at lesser extreme levels the working conditions may create problems of safety leading to poor performance. Literature on working conditions has identified two levels of their effect- optimum environmental conditions can directly increase the productivity(first level) or may stimulate social interaction and communication leading to trust, feedback and high productivity (second level). The following are some of the working conditions as follows:
a) **Noise:** The American Standards Association defines noise as “undesired sound”. While all factories and offices have some noise, when these noise become too intense it not only distracts employee but often causes both psychological and physical side effects. Increasingly mechanization has led to a substantial rise in industrial noise. This has often resulted in temporary or permanent damage to hearing and interference in speech communication. While offices can be made noise-proof, it is difficult to make factories completely noise-free. The level of noise can be completely reduced by designing better machines, but it cannot be totally eliminated. Hence, workers have to learn to live with some noise.

b) **Illumination, Temperature and Ventilation:** The effect of heat, cold and proper illumination, at the place of work has been found to contribute significantly to human performance.

**Illumination:** The distribution of light and its intensity in the place of work is often measured by foot candle. The measure refers to the illumination of surface by a standard candle at a distance of one foot. Good light creates a cheerful mood and leads to partial improvements in productivity. The Factories Act, 1948 takes note of the effect of proper illumination and imposes the requirements (sec.17), in every part of a factory where workers are working or passing there shall be provided and maintained sufficient, suitable lightening, natural and artificial or both. The act also goes on to state that glare (either direct or reflected) and shadows causing eye strain or risk of accident to any worker should be properly controlled. In prescribing adequate illumination the size of work place, location of windows, nature of work performed and the working positions of the operators should be taken into account.

**Temperature and Ventilation:** While physical work deteriorates in conditions of high temperature and stagnant air, there is no evidence to suggest that under similar conditions mental work also deteriorated. People who come from hot climate with high humidity seem to do as much mental work as those from moderate or light cold climate though they seem to take more rest pauses. Article 13 of the Factories Act, 1948 recommended that adequate ventilation by the circulation of fresh air and temperature to provide reasonable conditions of comfort to prevent injury to health should be maintained in all factories. Gangopadhyay (1997) found that in textile mills there were no exhaust systems which led to the accumulation of hot air and fumes causing fatigue and a drop in performance. While there may be particular economic
and technical difficulties in reducing the ill-effects of heat and illumination, sustained efforts are needed to provide an optimum and comfortable environment of work. In achieving pleasant work environment strict adherence to legal requirements through spot checks and rigorous controls are absolutely necessary. Unions should also take these issues with management and ensure that safe working conditions are provided.

c) **Accidents:** Accidents are defined by Blake (1963) as, ‘unplanned or unintended occurrences that interrupt or interfere with work activity.’ It is the stoppage of work because of injury caused to an employee which may be fatal. Besides the loss of human life and health, accidents also cause loss of production and productivity. According to factories act, 1948, establishments covered by the Act are supposed to report to the Factories Inspectors all accidents due to which affected persons are prevented from attending work for a period of 48 hours or more immediately following the injury.

**Modern Methods of HRM:**

Most of the companies are adopting the best management and HR practices and policies, which aim at cutting costs, improving quality, product and services, developing in-house technologies, improving the quality of their Human Resources, and building their product quality. They are also adopting the most innovative managerial tools, HR techniques, methods and processes, such as benchmarking, teamwork, total quality management, quality circles, business process reengineering, and just in time concepts, to improve their efficiency and effectiveness.

**Quality Circle:**

A Q.C consists of seven to ten people from the same area who meet regularly to define, analyse, and solve quality and related problems in their area. Membership is strictly voluntary, and meetings are usually held once a week, for an hour. During the groups initial meetings, members are trained in problem solving techniques borrowed from group dynamics, industrial engineering and quality control.

Q.C’s are credited with producing quick, concrete and impressive results when correctly implemented. Their advantages include the following.

1. Saving-to-costs ratios generally are higher than those achieved with other productivity-improvement programmes.
2. As the programme is voluntary, employees and union generally do not view them as another cost-control effort.

3. Circle members enhance their changes of promotion to supervisory positions.

**Total Quality Management:** Total Quality Management (TQM) refers to the deep commitment of an organisation to quality. Quality of products and services is an obsession, and every step in the company processes is subjected to intense and regular scrutiny for ways to improve it. Almost every issue is subjected to exploration and the process is a continuing one. Employees are provided with extensive training in problem-solving, group-decision-making and statistical methods. TQM is to be seen as a philosophy and a set of guiding principles that represent the foundation of continuously improving organisation where each person is committed to Total Customer Orientation. The hard fact remains that it is people who make product or deliver services and it is they who deliver quality and only satisfied employees can delight customers. Hence all TQM processes need to be employee-centered and it should be seen as their initiative.
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