CHAPTER- 2

ORGANISATION DESIGNING
AND
PERSONNEL FUNCTION
Every organisation has a goal and the organisation structure is one of the forces that affects the goal of the organisation and is designed in such a manner to serve as an instrument to accomplish the social goal. A systematically planned flexible organisation matching the needs of business will save managerial time, permit concentration on the key problems, save costs and help in enhancing productivity. Organisation embraces the whole complex of relationship between managers and subordinate employees. The purpose of the organisation should be to enable managers and work force to carry out their responsibility efficiently, that is with greatest concentration, effort and the least wastage of time and resources. Organisation is generally viewed as a group of persons formed to seek certain goals. An individual is unable to fulfil his needs and desires alone because he lacks strength, ability, time and potential, so he seeks the cooperation of other persons in achieving his goals. Allen defines an organisation as "the process of identifying and grouping the work to be performed, defining and delegating the responsibility and authority and
establishing relationships for the purpose of enabling people to work most effectively together in establishing of objectives". (1)

Organisation design deals with structural aspects of organisations: It aims at analysing roles and relationships so that collective effort can be explicitly organised to achieve specific ends. Organisation design is the "process of systematic and logical grouping of activities, delegation of authority and responsibility and establishing working relationships that will enable both the company and employee to realise their mutual objectives. (2) To achieve a common purpose, people form groups and pool their efforts by defining and dividing the various activities, responsibilities and authority. In order to achieve the best results and goal accomplishments, the characteristics like, communication / co-operative efforts, common objective, rules and regulations of that organisation must be kept in view.

There was a time when people were considered a liability. Now, they are considered as a useful resource and an asset. Employees were earlier considered as adversaries by their employers. The transformation in the attitude and outlook towards


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people in organisations, variously called employees as human resources etc. has been made possible by the evolution in the field of personnel management, the function with responsibility for managing human resources in many organisation. The utilisation of human resources in India and many developing countries is still at a low key. Not only unskilled or semi-skilled but even skilled and highly skilled personnel in sizeable number are unable to get the job of their choice. Human resource are the still the most important complex and expensive resource in an organisation even in the context of increased mechanism automation and assembly line techniques of production.

CONSIDERATIONS IN DESIGNING ORGANISATION STRUCTURE.

- The structuring of work relationships, should be so planned that the objectives of the organisation and the individual are realised simultaneously.

- Authority is ineffective without ability to exercise it. Individual is given the authority to make it possible for him to fulfill his organisational obligations. Authority generally goes hand in hand with responsibility i.e. duty that employees have been directed to carry out by someone with authority
over them. Authority is something that can be fully delegated, but responsibility can only be partially delegated. Besides, delegation of authority, the management has also to decide whether to keep most planning, decision making and controlling authorities within their own power or whether to transfer these to the subordinates i.e. whether to centralise or decentralise the authority.

The span of supervision is important as it determines the amount of attention each supervisor can give to each subordinate. It also affects ease in communicating, methods of decision-making that can be used and other superior - subordinate relationships.

Under specialisation, limited duties are performed regularly and repetitively. It allows proper utilisation of the abilities of the individual workers and makes coordination of activities easier. Too much specialisation often results in making the work monotonous and it effect an employee's opportunity for growth. Therefore, some freedom and flexibility is needed.

Communication Channel should be proper between the subordinates and their bosses, which should pass through each rung of the ladder without omission as a message is moved upward or downward.
BRIEF ABOUT THE ORGANISATION (FOOD CORPORATION OF INDIA)

The Food Corporation of India was established in 1965 under Food Corporation Act, 1964 with a view to fulfill the following main objectives of the National Food Policy:

i) To extend effective price support to the produce of the farmers to safeguard their interest.

ii) To distribute the foodgrains at a reasonable prices with special emphasis on taking care of interest of weaker sections of society.

iii) To maintain and manage adequate level of operational and buffer stocks. The Corporation has been fulfilling the above objectives through its main functions of procurement, storage, transportation, and distribution of foodgrains throughout the country and also make foodgrains available to the vulnerable sections of society at reasonable prices. Food Corporation of India is the largest foodgrains trading organisation in India both in Public and Private Sector. It has the highest turnover in India whether in Public or Private sector with the only exception of Indian Oil Corporation. The main objective of Food Corporation of India is to

Source: Data Collected from the record of Food Corporation of India Regional Office, Haryana, Chandigarh

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procure grains as far as possible. For encouraging the farmers to produce more foodgrains, Government of India introduced the scheme of "Minimum assured prices of the main foodgrains". The price support operations conducted by Food Corporation of India along with other agencies of State/Centre Government have greatly helped in the establishment and development of market yards and other infrastructure facilities around the market yards/mandies. Today, there is fairly well developed regulated market system in the entire wheat belt of Northern India.

Food Corporation of India is known to come to the rescue of the farmers in the hour of need has once again mustered up to meet the challenging situation, as was created by the killer cyclone which struck the coastal Andhra with all its ferocity in May, 1990 and 1996.

**CAPITAL STRUCTURE**

The authorised capital of Food Corporation of India, which was originally Rs.1,000 crores has been stepped up to Rs.1500 crores recently and the paid up capital at the end of January, 1995 stood at Rs.1274.98 crores. For the Foodgrains and Sugar

Source: Data Collected from the record of Food Corporation of India Regional Office, Haryana, Chandigarh  

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operations, FCI is being allowed Cash Credit facilities by consortium of AB banks at the interest of 14.501 and 14.701 respectively.

**QUANTITY PROCURED**

The details of procurement for central pool of Wheat, Paddy, Rice and Coarse-grains by FCI and State Agencies during the past ten years are given as per table 2.1

**Table 2.1**

<table>
<thead>
<tr>
<th>Year</th>
<th>Rice (October-September)</th>
<th>Paddy</th>
<th>Coarse Grains</th>
<th>Wheat (April-March)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987-88</td>
<td>58.70</td>
<td>7.08</td>
<td>2.14</td>
<td>78.80</td>
</tr>
<tr>
<td>1988-89</td>
<td>68.77</td>
<td>1.84</td>
<td>0.35</td>
<td>65.81</td>
</tr>
<tr>
<td>1989-90</td>
<td>95.48</td>
<td>20.05</td>
<td>1.93</td>
<td>89.42</td>
</tr>
<tr>
<td>1990-91</td>
<td>84.88</td>
<td>48.85</td>
<td>2.03</td>
<td>110.66</td>
</tr>
<tr>
<td>1991-92</td>
<td>71.00</td>
<td>32.10</td>
<td>Neg.</td>
<td>77.53</td>
</tr>
<tr>
<td>1992-93</td>
<td>95.65</td>
<td>33.41</td>
<td>3.99</td>
<td>63.80</td>
</tr>
<tr>
<td>1993-94</td>
<td>96.33</td>
<td>60.24</td>
<td>0.25</td>
<td>128.35</td>
</tr>
<tr>
<td>1994-95</td>
<td>79.53</td>
<td>81.74</td>
<td>Neg.</td>
<td>118.69</td>
</tr>
<tr>
<td>1995-96</td>
<td>58.88</td>
<td>60.92</td>
<td></td>
<td>123.27</td>
</tr>
<tr>
<td>1996-97</td>
<td>61.91</td>
<td>54.55</td>
<td>0.09</td>
<td>81.83</td>
</tr>
</tbody>
</table>

Source: Data Collected from record of Food Corporation of India Regional office, Haryana, Chandigarh.
Table: 2.2  Fig. in Million tonnes

Total minimum stocks to be maintained by Public Agencies under Buffer Stocking policy.

<table>
<thead>
<tr>
<th>Date</th>
<th>Rice</th>
<th>Wheat</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st April</td>
<td>10.8</td>
<td>3.7</td>
<td>14.5</td>
</tr>
<tr>
<td>1st July</td>
<td>9.2</td>
<td>13.1</td>
<td>22.3</td>
</tr>
<tr>
<td>1st October</td>
<td>6.0</td>
<td>10.6</td>
<td>16.6</td>
</tr>
<tr>
<td>1st January</td>
<td>7.7</td>
<td>7.7</td>
<td>15.4</td>
</tr>
</tbody>
</table>

Source: Data Collected From record of Food Corporation of India, Regional Office, Haryana, Chandigarh.

PROCUREMENT

FCI in association with the State Government and their agencies undertake procurement of Wheat, Paddy and Coarse-grains under Price Support Scheme and that of Rice under Statutory Levy Scheme. Government of India declares the minimum support price generally before the time of sowing of the crop. FCI and other State Government agencies in consultation with the concerned State Government establish a large number of Purchase Centres throughout...
the State to facilitate purchasing of the foodgrains under support price Operations with a view to avoid any distress sale by the farmers. Centres are opened in such a manner that the farmers are not required to cover more than 10 KMs to bring their produce to the nearest purchase centre. If the farmers are able to get better price than the minimum support price for their produce in the open market, they are at liberty to sell their produce to the private trade. However, if they are unable to get price more than minimum support price, they are free to offer as much quantity as they like to the FCI and other State Govts. Purchase Centres without any ceiling limit, provided the stocks are as per laid-down specifications (Fair Average Quality).

LEVY RICE

Levy Rice is being collected in the form of levy share from the Rice Millers against the Levy Control Order issued by the respective Govts. Percentage of levy to be imposed in various States is decided by the concerned State Govt. in consultation with the Ministry of Food before the start of the marketing season. While FCI accepts the stocks offered by the Rice Millers through the concerned State Govts.

departments as per laid-down specifications, the obligation for enforcement of levy control order lies with the concerned State Govts. Authorities. The percentage of levy varies from State to State. In the main procuring States of Punjab, Haryana and U.P., the percentage of levy has generally been 75%, 75% and 40 to 50%, respectively.

Bulk of Wheat is being procured from the State of Punjab, Haryana and U.P. Nominal contribution is also being made by the States of Rajasthan and M.P. Again, in case of Rice, bulk of the procurement is being done in the States of Punjab, Haryana, U.P., A.P. and M.P. Nominal contribution is being made by the States of Orissa, West Bengal and Karnataka also. The contribution by other States is almost negligible.

The procurement of Wheat which used to be in the vicinity of 10 to 11 million tonnes suddenly came down during 1991-92 and 1992-93. However, with the effective measures taken by the government and the efforts of the Food Corporation of India, the procurement of wheat could be stepped up to all-time high level of 12.8 million tonnes during 1993-1994. As per early indication and prospects for coming Rabi are also


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good and prospects of good procurement are quite bright. Government of India has declared minimum support price of Rs. 415+60/= per qtl. for the coming Rabi marketing season of 1997-98 whereas it was Rs. 360/-per qtls during 95-96 and Rs. 380/-per qtls during 96-97.

For the last few years, the procurement of rice has been consistently good as the same has been varying from 10 million tonnes to 14 million tonnes. The highest procurement of rice was during 1993-94. Comparative data of foodgrains purchases/ sales with effect from 1987-88 to 1995-96 has been illustrated as per fig. 2.1 to 2.8.

**Coarse-grain**

From Rabi 1990, FCI has been made the nodal agency for procurement of coarse-grains under price support operations. Consequently, coarse-grains such as Jowar, Bajra, Maize and Ragi are being procured mainly in the States of Maharashtra, Karnataka, Andhra Pradesh, Haryana, Rajasthan, Orissa and Himachal Pradesh although the quantities purchased is nominal. The details quantity purchased during the last 3 years are given as per Table 2.3.

<table>
<thead>
<tr>
<th>Year</th>
<th>Wheat (Lakh Tonnes)</th>
<th>Rice (Lakh Tonnes)</th>
<th>Sugar (Lakh Tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987-88</td>
<td>105.67</td>
<td>14.37</td>
<td>18.21</td>
</tr>
<tr>
<td>1988-89</td>
<td>110.49</td>
<td>19.87</td>
<td>21.10</td>
</tr>
<tr>
<td>1989-90</td>
<td>115.36</td>
<td>22.86</td>
<td>24.12</td>
</tr>
</tbody>
</table>

**Purchases**

- **Wheat**
- **Rice**
- **Sugar**

*Fig. 2.1*
Fig. 2

<table>
<thead>
<tr>
<th>Year</th>
<th>Wheat</th>
<th>Rice</th>
<th>Sugar</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-91</td>
<td>11.73</td>
<td>9.56</td>
<td>1.73</td>
</tr>
<tr>
<td>1991-92</td>
<td>9.85</td>
<td>6.96</td>
<td>1.23</td>
</tr>
<tr>
<td>1992-93</td>
<td>12.00</td>
<td>10.00</td>
<td>1.18</td>
</tr>
</tbody>
</table>

Unit: Million Tonnes
Fig. 2.5

<table>
<thead>
<tr>
<th>Year/Year</th>
<th>Wheat</th>
<th>Rice</th>
<th>Sugar</th>
<th>Fertilizers</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987-88</td>
<td>17.93</td>
<td>0.18</td>
<td>0.05</td>
<td>89.52</td>
<td>83.05</td>
</tr>
<tr>
<td>1988-89</td>
<td>12.94</td>
<td>0.35</td>
<td>0.06</td>
<td>85.05</td>
<td></td>
</tr>
<tr>
<td>1989-90</td>
<td>12.97</td>
<td>0.87</td>
<td>0.05</td>
<td>77.27</td>
<td>76.38</td>
</tr>
</tbody>
</table>

**Sales**

- **Wheat**
- **Rice**
- **Sugar**
- **Fertilizers**
- **Others**
Fig 2.6
Wheat Rice Sugar Fertilizers Others
10.79
10.58
0.0
Fig 2.8

Sales


0.00

-70

Year

-70

Qty. in Million Tonnes

0

10

20

1993-94

1994-95

1995-96

Fig 2.8

Sales


0.00
Table 2.3.

( Figs. in 000 tonnes )

<table>
<thead>
<tr>
<th>Marketing year</th>
<th>Jowar</th>
<th>Bajra</th>
<th>Maize</th>
<th>Ragi</th>
<th>Barley</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992-93</td>
<td>770</td>
<td>13</td>
<td>16</td>
<td>-</td>
<td>-</td>
<td>799</td>
</tr>
<tr>
<td>1993-94</td>
<td>87</td>
<td>Neg.</td>
<td>21</td>
<td>3</td>
<td>1</td>
<td>112</td>
</tr>
<tr>
<td>1994-95</td>
<td>-</td>
<td>0.19</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.19</td>
</tr>
<tr>
<td>1995-96</td>
<td>-</td>
<td>0.12</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.12</td>
</tr>
</tbody>
</table>

Source: Data collected from the FCI Annual Report for the year 1994-95.

FOODGRAIN STOCKS

As a result of bumper procurement of both wheat and rice during the successive years and in the absence of any significant rise in the offtake under the Public Distribution System, the stocks of both wheat and rice have been raising sharply. The total stocks of foodgrains on Central Pool account reached all time high level of 30.7 million tonnes as on 1.7.1994 which was higher by 6.5 million tonnes when compared with corresponding period of 1993. The present stocks of the foodgrains on Central Pool account with effect from 1989 to 1997 has been shown as per table 2.4.
### Table 2.4

**STOCK OF FOODGRAINS ON CENTRAL POOL ACCOUNT WITH EFFECT FROM 1989-1997.**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>RICE</th>
<th>WHEAT</th>
<th>COARSE GRAINS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1989</td>
<td>41.05</td>
<td>62.64</td>
<td>0.01</td>
<td>103.70</td>
</tr>
<tr>
<td>1990</td>
<td>70.52</td>
<td>102.55</td>
<td>0.01</td>
<td>173.08</td>
</tr>
<tr>
<td>1991</td>
<td>77.23</td>
<td>63.86</td>
<td>Neg.</td>
<td>141.09</td>
</tr>
<tr>
<td>1992</td>
<td>69.81</td>
<td>35.92</td>
<td>0.00</td>
<td>106.73</td>
</tr>
<tr>
<td>1993</td>
<td>91.99</td>
<td>120.36</td>
<td>0.01</td>
<td>212.36</td>
</tr>
<tr>
<td>1994</td>
<td>164.70</td>
<td>142.78</td>
<td>Neg.</td>
<td>307.48</td>
</tr>
<tr>
<td>1995</td>
<td>152.39</td>
<td>146.47</td>
<td>Neg.</td>
<td>296.85</td>
</tr>
<tr>
<td>1996</td>
<td>120.40</td>
<td>83.20</td>
<td>0.00</td>
<td>203.60</td>
</tr>
<tr>
<td>1997 (Up to 3/97)</td>
<td>135.60</td>
<td>36.90</td>
<td>0.00</td>
<td>172.50</td>
</tr>
</tbody>
</table>

Source: Data Collected From the record of Control room of Headquarters Food Corporation of India, New Delhi.

**STORAGE**

Stocks are generally stored in the covered godowns. However, whenever there is a shortage of storage space and in times of emergency, stocks of wheat and paddy are stored in open also in a scientific manner and such storage is generally known by the name of CAP (Covered and Plinth). In addition to FCI's
owned godown, storage capacity is also hired from CWC, SWC and private parties to meet the requirements.

With a view to accommodate the rising level of stocks of foodgrains, FCI has been making efforts to increase the storage capacity over the last few years. For this purpose the strategy of de-hiring of godowns because of low level of stocks being followed till middle of 1993 was reversed and emphasis as laid down increasing the capacity thereafter. Consequently, the total storage capacity which had come down to the level of 19.45 million tonnes as on 1.1.95 resulting into net accretion of 7.44 million tonnes. The details of storage capacity with effect from 1.4.92 onwards are given as per Table 2.5.

**Table 2.5**
(Figs. in million tonnes)

<table>
<thead>
<tr>
<th>AS ON</th>
<th>COVERED</th>
<th>CAP</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Owned</td>
<td>Hired</td>
<td>Total</td>
</tr>
<tr>
<td>1.4.92</td>
<td>11.94</td>
<td>6.34</td>
<td>18.28</td>
</tr>
<tr>
<td>1.4.93</td>
<td>12.17</td>
<td>5.84</td>
<td>18.01</td>
</tr>
<tr>
<td>1.4.94</td>
<td>12.23</td>
<td>8.71</td>
<td>20.94</td>
</tr>
<tr>
<td>1.4.95</td>
<td>12.30</td>
<td>10.38</td>
<td>22.68</td>
</tr>
<tr>
<td>1.4.96</td>
<td>12.30</td>
<td>10.38</td>
<td>22.68</td>
</tr>
</tbody>
</table>

Source: Data collected from Food Corporation of India, Regional Office, Haryana, Chandigarh.
While it is expeditious to add CAP storage capacity, the same is not possible with covered storage capacity as the constructions of new godowns is time consuming and godowns of other agencies such as CWC, SWC and private parties are not easily available. While stocks of wheat can be stored under CAP System, the stocks of Rice are necessarily to be stored in covered godown. As the FCI is presently holding about 17.4 million tonnes stocks of Rice during the year 1995-96, great difficulties are being faced in accommodating the fresh incoming rice stocks in covered godowns.

CONSTRUCTION PROGRAMME

FCI takes up the construction of godowns with the help of funds provided by the Ministry of Food as per budget allocation. During the 8th five Year Plan, the budget provision for construction of godowns is Rs120-' crores for accretion of 6.6 lakh tonnes of storage capacity. During 1992-93 and 1993-94, the Corporation constructed a capacity of 1.92 lakh tonnes and 0.76 lakh tonnes respectively. During 1994-95, and 1995-96. it is plan to construct the covered capacity of 0.67 lakh tonnes against which 0.12 lakh tonnes capacity has already been constructed upto January, 1995.

Source: Data Collected from record of Food Corporation of India, Regional Office Haryana, Chandigarh.
Priority is being given for construction of godowns in the hilly and inaccessible area particularly in the States of North-East, J&K, H.P. and U.P. However, pace of construction in such areas is slow because of non-availability of suitable land, frequent land slides, breaches, problems of logistics etc. However, the Corporation has been able to build up a total storage capacity of 3.91 lakh tonnes as on 1.4.1995 in the North-East Region. In J & K the FCI is having total storage capacity of 0.98 lakh tonnes as on 1.4.1996.

TRANSPORTATION

With a view to make stocks available in all the States for running the Public Distribution System and to maintain a reasonable level of buffer stocks at strategic locations and also to clear the stocks from the surplus procurement states for receiving fresh stocks in the next procurement seasons, the FCI undertakes transportation of foodgrains mainly from the surplus States of Punjab, Haryana, U.P., A.P and M.P. For this purpose, a monthly movement plan is prepared during the last week of the preceding month taking into consideration the PDS.

Source: Data collected from record of Food Corporation of India Regional office, Haryana, Chandigarh.

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and open sale requirements of the recipient States, storage capacity available in such States and the quantity required to be cleared from the surplus States and the quantity required to be cleared from the surplus States of Punjab, U.P. Haryana and A.P. etc. For finalising such Movement Plan, a high official of the Railway Board is also associated. Against the finalised Movement Plan, bulk of the stocks are moved by rail through the month. In addition a small quantity wherever feasible and necessary is also moved by road as well as by river particularly to the States of N.E and J&K Regions. The average load for movement is 1571 KMs. Yearwise movement of foodgrains with effect from 1986 to 1997 is appended below.

<table>
<thead>
<tr>
<th>Year</th>
<th>1986</th>
<th>87</th>
<th>88</th>
<th>89</th>
<th>90</th>
<th>91</th>
<th>92</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1986</td>
<td>19.92</td>
<td>22.10</td>
<td>18.93</td>
<td>15.55</td>
<td>17.11</td>
<td>17.75</td>
<td>18.23</td>
</tr>
<tr>
<td>1993</td>
<td>18.78</td>
<td>16.25</td>
<td>17.31</td>
<td>20.92</td>
<td>4.62 (Up to Feb., 1997)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Data collected from record of movement section of Headquarter FCI, New Delhi.

At times the movement gets adverse affected because of shortage of storage space, occasional labour agitation, natural calamities such as floods, breaches, land-slides etc. Sometimes, even if FCI is in a position to move maximum stocks, the same is not always possible because of shortage of empty rakes with the railways as is the case at present.
FCI makes available stocks of foodgrains at the nearest consuming centres for running the Public Distribution System by the States. Against the monthly allocations and at the prices fixed by the Govt. of India, FCI sells the stocks to the State Govts. In most of the States, stocks are lifted by the State Govts. or their nominees such as State Civil Supplies Corporation wholesalers etc. for further issues to the FPS dealers. The scale of rations and the end consumer issue prices are decided by concerned State Govts.

Between 1990-91 to 1993-94, the allotment has ranged from 19.1 to 22.0 million tonnes per annum and the lifting has varied from 15.0 to 19.7 million tonnes. During 1994-95, the issues under PDS, RPDS and JRY etc. between April, 1994 to Dec., 1994 have been 9.4 million tonnes and by the end of year, the total offtake is expected to be around 14.0 million tonnes. Low offtake is mainly due to steep increase in the Central issue Prices of Wheat and Rice w.e.f. 1st Feb. 1994 narrowing down the differential between the open market prices and the PDS issue prices.

Source: Data Collected from record of Food Corporation of India Regional office, Haryana, Chandigarh.
Table 2.7

ALLOTMENT/ LIFTING OF WHEAT AND RICE UNDER PDS, RPDS & JRY ETC. (EXCLUDING OPEN SALE)

( In Million Tonnes )

<table>
<thead>
<tr>
<th>YEAR</th>
<th>WHEAT</th>
<th>RICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Allot-</td>
<td>Off-</td>
<td>Allot-</td>
</tr>
<tr>
<td></td>
<td>ment</td>
<td>take</td>
<td>ment</td>
</tr>
<tr>
<td>1992-93</td>
<td>9.2</td>
<td>7.7</td>
<td>11.7</td>
</tr>
<tr>
<td>1993-94</td>
<td>9.6</td>
<td>6.1</td>
<td>12.4</td>
</tr>
<tr>
<td>1994-95</td>
<td>9.6</td>
<td>5.1</td>
<td>10.3</td>
</tr>
<tr>
<td>1995-96</td>
<td>9.6</td>
<td>5.7</td>
<td>10.3</td>
</tr>
</tbody>
</table>

Source: Data Collected from record of Food Corporation of India Regional office, Haryana, Chandigarh.

REVAMPED PUBLIC DISTRIBUTION SYSTEM

It was introduced in 1992 under which 1775 blocks were identified inclusive of already identified ITDP blocks (Integrated Tribal Development Programme) since 1985-86, for issue of foodgrains at specially subsidised rates. Since then, the entire scheme has been known as RPDS, which includes earlier scheme of ITDP. The issues under RPDS during 1993-94 and 1994-95 (upto Dec.94) have been 3.40 and 2.4 million tonnes respectively. The issues under RPDS are included in the above table.

Source: Data Collected from record of Food Corporation of India Regional office, Haryana, Chandigarh.
OPEN SALE

In view of the comfortable stock position of wheat and rice and with the objective of containing open market prices of foodgrains within reasonable limits and ease the storage capacity crunch, the Govt. of India permitted FCI to undertake open sale of wheat and rice w.e.f. October, 1993 and January, 1994 respectively. Open market sales are being effected at the prices fixed for various States separately on month to month basis. While the offtake of Wheat under open sale has been quite satisfactory, the sale of rice has been rather poor. However, with the liberalisation of export of both Wheat and Non-Basmati Rice, the sale of both the commodities is further picking-up. During the month of January, 1995 it was possible to effect open sale of wheat to the extent of 9.50 lakh tonnes and that of Rice to the tune of 0.57 lakh tonnes. FCI is receiving several enquiries for purchasing Wheat and Rice for export purposes. While FCI has been able to extend the sale of wheat for intending exporters but in case of rice the same is not possible in the absence of specific guidelines from the Govt. of India.

Source: Data Collected from record of Food Corporation of India Regional office, Haryana, Chandigarh.
In addition to meet the above stated objectives, the Open Sale Scheme has helped in reducing the burden of subsidy to some extent as the Open Sale is effected at the prices, which are higher than the Central Issue prices though below economic cost. During the year 1993-94, it was possible to reduce subsidy to the extent of 160 crores because of Open Sale. During the current financial year, it is expected that subsidy to the extent of Rs.216 crores would be saved. The quantity of Wheat and Rice sold under Open Sale since 1991-92 and onwards are given as per Table 2.8.

**Table 2.8**

<table>
<thead>
<tr>
<th>Year</th>
<th>Quantity Sold</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Wheat</td>
</tr>
<tr>
<td>1991-92</td>
<td>8.75</td>
</tr>
<tr>
<td>1992-93</td>
<td>0.23</td>
</tr>
<tr>
<td>1993-94</td>
<td>26.64</td>
</tr>
<tr>
<td>1994-95</td>
<td>51.03</td>
</tr>
<tr>
<td>1995-96</td>
<td>65.15</td>
</tr>
</tbody>
</table>

Source: Data Collected from record of Food Corporation of India, Regional Office, Haryana, Chandigarh.

FCI is handling distribution of levy sugar in 15 States/Union Territories. The major part of levy sugar is procured by FCI from Sugar Mills.
situated in Maharashtra/U P/Bihar/Tamilnadu from where stocks are moved to FCI operated States against monthly allotment by Govt. of India. The stocks so received in FCI operated States are issued to State Govt. nominees and Fair Price Shops against proper authorisation by State Authorities. The consumer end price for sugar under the PDS is fixed and uniform throughout the country. The expenditure incurred by State Govts. in making stocks available to FPS are reimbursed by the Govt. of India from Sugar Price Equalisation fund maintained by the FCI on behalf of Govt. of India.

Presently FCI is handling distribution of levy sugar in the following States and Union Territories:

i) Assam  ii) Arunachal Pradesh
iii) Mizoram  iv) Manipur
v) Meghalaya  vi) Nagaland
vii) Tripura  viii) Bihar
ix) Orissa  x) West Bengal
xi) Delhi  xii) J & K
xiii) Sikkim  xiv) Andaman & Nicobar
xv) Lakshadweep Islands

Source: Data Collected from record of Food Corporation of India Regional office, Haryana, Chandigarh.
Approximate allocation of levy sugar for above States is 1.00 lakh MTs per month including allotment to Para-Military Forces. At present, levy sugar is being issued to the State Govts. and FPS at uniform retail issue to the State Govts. and FPS at uniform retail issue price of Rs.905/- per qtl. less handling margins and transport charges admissible to the retailers and wholesellers as fixed by the Govt. of India for different States. These margins are also revised periodically.

**Imported Sugar**

To meet the requirement of PDS, during 1994-95, about 10 lakh tonnes Sugar was imported through STC & MMTC. Entire imported Sugar has arrived and issued except small quantity of 0.78 lakh tonnes, which is in stock. The Corporation continued to purchase and distribute levy sugar in 15 states and Union Territories. The total purchase of levy sugar during the year was 0.82 million tonnes.

Source: Data Collected from the record of Food Corporation of India Regional Office, Haryana, Chandigarh and Annual Report of 1990 to 1995.
ORGANISATIONAL STRUCTURE OF FCI:

Fig. (2.9 to 2.12) depict the Organisational charts of Head Quarters Food Corporation of India New Delhi. Regional Office, (Haryana) Chandigarh and its subordinates Offices under the jurisdiction of Regional Office, Haryana illustrated through map along with proposed organisation structure of Regional Office, Haryana, Chandigarh.

The general superintendence, direction and management of the affairs and business of the Corporation vest in the Board of Directors. Food Corporation of India operates through a countrywide network with its corporate office at New Delhi. It is operating through a network of 5 Zonal Offices for North, South, East, West and North East Frontier: 19 Regional Offices in practically all the State Capitals, and 171 District Offices throughout the country. Besides, there are 5 Port Operations Offices at Calcutta, Chennai, Mumbai, Kandla and Vizag. FCI is having about 1820 storage depots throughout the country and 116 Stg depots under the jurisdiction of R.O. (HR) Chandigarh. The total strength of staff and officers is about 64,178 as on 31.3.1996 on all India basis and 2766

Source: Data Collected from the record of Food Corporation of India Regional Office, Haryana, Chandigarh.

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Fig. 2.11.
officers and staff under the jurisdiction of Regional Office, (Haryana), Chandigarh as on 31-3-96. Table 2.9, 2.10 and Fig. 2.13 depicts the category wise position of officers and staff.

**TABLE 2.9**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cat I</td>
<td>784</td>
<td>758</td>
<td>730</td>
</tr>
<tr>
<td>Cat II</td>
<td>4067</td>
<td>4146</td>
<td>4056</td>
</tr>
<tr>
<td>Cat III</td>
<td>37926</td>
<td>37493</td>
<td>37104</td>
</tr>
<tr>
<td>Cat IV</td>
<td>23154</td>
<td>22734</td>
<td>22288</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>65931</td>
<td>65131</td>
<td>64178</td>
</tr>
</tbody>
</table>

**TABLE 2.10** (As on 31.3.96)

<table>
<thead>
<tr>
<th>Category</th>
<th>Sanctioned</th>
<th>In position</th>
<th>Short Fall</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>22</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>II</td>
<td>215</td>
<td>198</td>
<td>17</td>
</tr>
<tr>
<td>III</td>
<td>1921</td>
<td>1589</td>
<td>332</td>
</tr>
<tr>
<td>IV</td>
<td>1182</td>
<td>957</td>
<td>225</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>3340</td>
<td>2766</td>
<td>574</td>
</tr>
</tbody>
</table>

Source: Data Collected from the record of Food Corporation of India Regional Office, Haryana, Chandigarh and Annual Report of 1990 to 1995.

The FCI organisation design is systematic and logical grouping of activities, delegation of authority and responsibility and establishing working relationships that will enable both the organisation and employee to realise their mutual objectives.
Fig. 2.13

STAFF POSITION OF REGIONAL OFFICE
(HARYANA) CHANDIGARH (AS ON 31-3-96)

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The organisation design in FCI deals with its structural aspects. It aims at analysing roles and relationships so that collective effort can be explicitly organised to achieve specific ends. It also leads to development of an organisational structure consisting of units and positions. There are relationships involving exercise of authority and exchange of information between these units and positions.

While analysing, defining aims, objectives, activities and organisational structure of the Ford Corporation of India, the undermentioned points need special attention and are to be received.

A) ABSENCE OF EFFECTIVE ORGANISATION DESIGN.

In Food Corporation of India there is absence of effective organisation design. Organisation are economic and social entities in which a number of persons perform multifarious tasks in order to attain common goals. It also makes a distinction between those who have to work to perform the assigned tasks and those who have to take steps to see that this other category works effectively and fulfill the objectives set for them. The former category consists of employees, operatives or non-managers while the later comprises of managers who have to guide, direct, control and co-ordinate the efforts of others towards certain
specific goals/ objectives. In short, Management is getting the things done through others i.e. people. Non-Managers have responsibility for their own work while the managers should be responsible for their own work as well as that of their subordinates. Fig. 2.14 illustrates the role of his superior/his colleagues and his subordinates.

For example: A supervisor should be called to account not only for his own specific job assigned to him but also for the job, which was assigned to his subordinates and should share the over all responsibility being supervisor. Assistant Manager/Deputy Manager should have two faces, one as a subordinate of his own manager boss and the other of boss manager for his group of men.

If Mr No. 2 does not perform well, he can be pulled or persuaded to complete his assignment but he cannot be held responsible for the poor performance of Mr No.1 or Mr. No. 3. Every Manager should be held responsible for organising their subordinates into a well-knit team so as to facilitate accomplishment of targeted goals. Over and above they should own the responsibilities and not to shift the same to their subordinates.
ROLE IN THE ORGANISATION

SUBORDINATES

YOU

COLLEAGUES

SUPERIOR

SUBORDINATES

COLLEAGUES
B) ABSENCE OF DELEGATION OF RESPONSIBILITY:

The responsibility is one’s obligation to perform the functions assigned to the best of one’s ability in accordance with the directions received from the authority which is something that can be fully delegated, but responsibility can only be partially delegated. More, precisely, responsibility can be assigned to or shared with someone else, but the ultimate responsibility remains with the person who has done the assigning. While delegating responsibility the following principles are to be kept in view to achieve the goal accomplishment.

i) There should be clear identification of responsibility limits.

ii) There should be avoidance of gaps in delegation of responsibility.

iii) The responsibility which does not contribute to goal accomplishment of the organisation should be curtailed.

iv) While assigning responsibilities, it should be noticed that one function should not be assigned to more than one individual employee.

v) Functional similarity which facilitates specialisation should be taken in to consideration while delegating responsibility. Fig 2.15 depicts the personal obstacles to effective delegation.
BOSS

HOLDS BACK BECAUSE HE:
- UNABLE TO INSTRUCT.
- LACKS CONFIDENCE IN HIS SUBORDINATES.
- CAN DO IT BETTER HIMSELF.
- HAS INADEQUATE CONTROL WARNINGS.
- DISLIKES TAKINGS A CHANGE.

SUBORDINATE

SHRINKS BACK BECAUSE HE:
- LACK SELF CONFIDENCE.
- WOULD RATHER ASK THE BOSS.
- FEARS HARSH CRITICISM.
- LACK RESOURCES
- HAS INADEQUATE POSITIVE INCENTIVES
C) UNDESIRABLE DIVIDED ACCOUNTABILITY.

The important principle of accountability is single accountability. That is each person is accountable to only one supervisor. These should not be divided accountability as it is undesirable and generally confuses the subordinates. The accountability flows from bottom to top for proper performance whereas, the responsibility is the opposite phase and flows downward. Accountability is the requirement of answerability for one's performance. The undesirable divided accountability should be curtailed in order to streamline the principle of single accountability.

D) WEAK LINE AND STAFF RELATIONSHIP.

In FCI there exists weak line and staff relationship. The relationship existing between two managers due to delegation of authority and responsibility and giving or receiving instructions are weak in Food Corporation of India. These generally exists between superior and subordinate. Line refers to those positions of an organisation which have responsibility, authority and are accountable for accomplishment of primary objectives. Managers identified as line are not subject to command by staff position. In case of any disagreement between line and
staff, line manager should have the power/right to make his own final operating decisions. Line authority should represents uninterrupted series of authority and responsibility should be delegating down the management hierarchy. The line Managers should be completely responsible and accountable for the results achieved by the employees of the respective departments / sections . This does mean that though the authority is delegated, responsibility for action taken by a subordinate still rests with the superior.

A staff Manager helps, serves, investigates, plans, solves special problems, supports line effort, provides ideas and has special expertise. Staffs have the authority of ideas, whereas the line have the authority of command. Staff should think and advise whereas line should do and work. The staff authority should not be confined to merely advisory roles or recommending activities only.

E) **UNEQUAL AUTHORITY AND RESPONSIBILITY**

Authority is the right to decide what should be done or the right to do it oneself or to require someone else to do it. The authority is power to command or to exact action from others in the process of discharging the delegated responsibility.
The required amount of authority should be delegated to discharge responsibility. This principle will certainly avoids misuse of authority and at the same time helps in proper discharge of responsibility. The authority and responsibility should be equal.

F) LAISSEZ - FAIRE - MANAGEMENT

The Management of Food Corporation of India is laissez faire and is not alive to the norms of manpower/human resource. Whereas optimum use of present and future manpower is very vital question and requires a considerable thinking and planning. Human resource variable is to adjust and readjust to meet the dynamic needs of the organisation. Its development is essential not only for an individual’s growth but also of attaining better equilibrium in the working of various institutions. The Corporation requires to ascertain the requirements for manpower and how to generate corresponding supply to build up an educational training and information structure, the achievement of proper health standards so as to preserve the manpower and the measurement of the costs and benefits of existing human resource development programmes both from short and long term point of view.

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It is aptly pointed out by A.P. Sloon (Jr.).

"No Organisation is sounder than the men who run it and delegate others to run it."

So, it is the foremost and essential for Food Corporation of India to find out the right type of material i.e. human resource, which can be moulded into good executives to attain the goal accomplishment.

G) *MONOTONY*

In Food Corporation of India there is repeated type of work and periodically there are no changes of functions to encourage creativity and imbibe new ways and approaches to the function of the system. The distribution of work is not properly balanced due to which the problem of overstaffing has arisen. Some of the employees are overloaded while others are underloaded or even not having any specific job to undertake. Systematic allocation of work ensuring fair distribution of work, matching talent with task is essential for smooth working of organisations. Frequent interference in the work assigned to subordinates is harmful. Managers are often tempted to adopt a manipulative approach. They try to divide and rule which creates distrust and unnecessary dissensions in the organisation. A truthful honest
approach creates management. It would be only then possible to reduce and simplifies work and release more time and energy for creative thinking and better results.

M) MIS SYSTEM UNSCIENTIFIC:

The management of FCI are taking greater and greater interest in communication but the results are not very satisfactory. The employees generally have a fear that it is dangerous to express their true feelings. Honesty is seldom rewarded but flattery may be. It is, therefore, prudent not to utter any word which would displease people in authority. Any criticism of the supervisors, organisation, or management personnel will adversely affect their career, chances of promotion, or other benefits. Employees very often feel that management is really not interested in employee problems. Management does not take any genuine interest in the suggestions made by the employee. In fact it has no faith in the employees ability to make constructive suggestions. Good suggestions are rarely appreciated or rewarded. Management seldom takes prompt action on employee problems. In such atmosphere of distrust the channel of communications upward/downward and sideways are often blocked. Further management information system requires,
computerisation in MIS speedy and accurate communication and for the same coding/de-coding of messages are easy and well grasping. Effective communication alone can create, maintain and develop the fund of goodwill and understanding. It is also essential that communications are couched in the language which will readily understand by the employees. Communication should be written in very simple and lucid language; this should be persuasive, brief and clear. For effective communication the gradians of MIS i.e. Time/space and accuracy are also to be balanced. In order to stabilise the MIS System in the organisation it is very essential to make necessary efforts in implementing the scheme.

I ABSENCE OF HRD DEPARTMENT IN FOOD CORPORATION OF INDIA

There is no separate HRD department in Food Corporation of India. It is a part and parcel of personnel function. It is proposed to organise a separate HRD department. The personnel function in Food Corporation of India should be under the Executive Director (Personnel) and should be broadly divided into Personnel and Human Resource Development. Besides main thrust of HRD function on Training and Development, the emphasis should be shifted to organisation
development through priorities for action and Memorandum of understanding. The other major activities of HRD function are performance appraisal and career advancement.

Mr.V.Krishnamurthy has observed: "It is better to go through the discomfort of a planned change rather than face the consequences of an unplanned change forced upon you." (1)

The Organisation became bureaucratic and excessively hierarchical leading to throttled communication and slow decision making. Growing indiscipline was reflected in low manpower productivity, idling during duty hours, high absenteeism, overtime, late coming, use of excessive resources, insistence on minimum crew strength and other un-productive practices. Lack of planning is clearly visible at all levels.

Over and above, the environment is one which is not providing the adequate motivation. A complainant attitude, therefore, set in and very few people were willing to come out of their "Comfort Core" which they had created around themselves in such an environment.

In order to overcome the crisis, Food Corporation of India should change the Corporate strategy and Human Resources Development should be given the key importance to become the focal thrust in improving the performance of the organisation.

The basic of Human Resource Development philosophy believes that:
- Human resource is the most important of all resources.
- People have intrinsic capacity and have the urge to develop.
- People are to be treated with respect and dignity.
- Employee’s problems need personalised attention.
- Through development of human resources, their talents can be best utilised.
- Capital and technology will yield only limited results without well motivated, competent and disciplined employees.
- An atmosphere of mutual trust and faith in the company is essential for high level motivation and moral.
- Understanding of behavioural processes and developing them are more rewarding than focusing an only technological process.
Since, public sector is being challenged in influential sections of public opinion and even in Government circle, a systematic and well defined Human Resource Development system should be introduced in the organisation such as Food Corporation of India so that the organisation may better live with fast face of change.

Human Resource Development should be given a high priority in this organisation. There must be separate Human Resource Development department in the organisation and the Human Resource Development manager should work as a human resource counsellor of the Chief Executives. Infact, he should be a designer, an initiator, an implementor and a monitor and various Human Resource Development programmes and plans.

The functions and responsibilities of Human Resource Development manager be summarised as below:-

i) Human Resource Development manager should make his earnest efforts in developing clear and specific Human Resource Development strategy in accordance with the organisational strategy.

ii) In designing Human Resource Development programmes, introducing them and monitoring their implementation.
iii) To arrange the infrastructure facilities and budget for Human Resource Development System.

iv) Providing for the continuing professional growth of Human Resource Development staff.

v) To develop the Human Resource Development philosophy of the organisation and getting the top management committed to it.

vi) In Managing the Human Resource Development programme effectively such as training, potential and performance appraisal, promotion, reward systems, and development of work culture etc.

vii) To design the using of human resource information system for Human Resource Development decisions.

viii) To review the development climate programmes and facilities.

In order to perform the aforesaid responsibilities /functions Human Resource Development manager should possess the through knowledge of human psychology, behavioural service and skill development, Understanding of overall organisational culture, Theoretical and practical knowledge of Human Resource Management including current researches. He should also
have the art of Human Resource Development technology beside practical experience of the organisation concerned. The Human Resource Development manager should also have the ability to identify talent organised work maintenance and monitoring of information and feedback information and over and above should possess the ability to work with other departments and have positive attitude to others.

PERSONNEL FUNCTIONS

Organisations are managed and staffed by people. Without people organisation can not exist. Indeed the challenge, the opportunity, and also the frustration, of creating and managing organisations frequently stem from the people-related problems that arise within them. People related problems, in turn, frequently stem from the mistaken belief that people are all alike, that they can be treated identically. Nothing could be further from the truth. Like snowflakes, no two people are exactly alike, and everyone differs physically and psychologically from everyone else. Sitting in a sports arena for example, will be tall people, small people, fat people, thin people, black people, white people, elderly people, young people and so. Even within any single physical category, there
will be enormous variability in psychological characteristics. Some will be "Screamers" others will be reserved, some will be intelligent, others will be not so intelligent; some will prefer indoor activities, others will prefer outdoor activities. The point is that these differences demand attention so that each person can maximise his or her potential so that organisation can maximise their effectiveness, and so that a society as a whole can make the wisest use of the Human Resource. (1)

Just like other large scale organisation, Food Corporation of India management can also be classified into three level of Management.
1. Top Management.
2. Middle Management.
3. Lower Management.

The general superintendence planning direction and management of the affairs and business of the corporation vest in the Board of Directors/ Executive Director/ Chairman/ Managing Directors of Food Corporation of India. Food Corporation of India operates through a countrywide net work with its corporate Head Quarter at New Delhi. The Board of Directors at the Top

Management in an Organisation is the body responsible for policy making, appeal, and review of operations. The Food Corporation of India is also operating through a network of (5) Zonal Offices for North, South, East, West, and NEF Co-ordinating the Head Quarters at its corporate office in New Delhi. There are (19) Regional Offices, practically in all State Capitals and (171) District Offices throughout the country under the guidance and control of middle and lower management at Regional and District Level. Fig 2.16 depicts the Administrative setup of HQ. FCI, New Delhi.

Personnel Wing of Regional Office (Haryana) Chandigarh has been bifurcated into six sections. One Deputy Manager (Personne)/ V & S is the head of the personnel Wing and assisted by six Assistant Managers.

i) Establishment -I

ii) Establishment -II/I.R

iii) Establishment.III/C.R

iv) Establishment IV/D.C.R.G/Pension.

v) Vigilance.

vi) General Section.
Establishment -I

Establishment-I Section is being supervised by Assistant Manager. This section is maintaining the Service Record files of the Officers / Officials working in the Regional Office/District Office. Besides transfer postings, this branch is also looking after the work related to House Building Advance/Conveyance Advance/Festival Advance etc. It is also sponsoring the names of Officers/Officials of Class I, II & III for training. The concerned Assistant Manager(E.I) is also responsible to maintain disciplinary control over their subordinates - to check attendance to ensure that due output is given by all concerned. It is also sponsoring the names to Top management for incentives to Officers/Officials for their good performance.

Establishment -II/I.R

Similarly Establishment II branch is also maintaining the service records of the Class III employees of depot cadre only including transfer posting and other related benefits such as stagnation increment/selection grade etc. Beside the Estt. work this section is also looking after the work relating to
Industrial Disputes/Court Cases/Administrative Vigilance cases of staff and officers and also of departmental labour. This section is also supervised by one Astt. Manager.

Establishment-III/C.R

Establishment III/C.R. section is also maintaining the service records of Class IV employees of Regional Office and to settle all fringe benefits cases/compassionate ground appointments cases of all districts including selection grade and stagnation increment cases. Besides the aforesaid job, the work relating to writing and getting the annual confidential Reports co-countersigned and completed in all respects is also the responsibility of this section. This section is also supervised by one Assistant Manager.

Establishment IV/D.C.R.G./Pension

This section is also being supervised by the Assistant Manager who is supervising the work related to pension cases/Death Cases or premature retirement cases.
General Branch

This branch is also being supervised by one Assistant Manager who is to look after the house keeping job besides updating hygienic conditions/ making necessary arrangements for meetings and provision of staff cars etc.

Vigilance Section

This section is also being supervised by one Assistant Manager who is to look after the work relating to violations of conduct rules by officers / officials and to present these cases to authority for his decision/disciplinary action within the framework of Food Corporation of India staff Regulation 1971 applicable to employees of organisation.

The major responsibility of the personnel specialist/staff is that of helping all levels of management to make the organisation a good place to work in. (1) This means that the responsibility of this specialist is very wide and that his role in developing and administering a personnel programme is a multiple one

Charles Furlog states that "The task of the personnel administrator is to see that sound personnel programmes are installed, nor merely conceived(1). The undermentioned problems are being faced the personnel wing of Regional office, Haryana and Chandigarh.

I- ABSENCE OF PERSONNEL - RELATED ACTIVITIES:-

In Food Corporation of India Regional Office (Haryana), Chandigarh, the operating managers often try to divorce themselves from personnel-related activities and tend to discount the worth of human resources and their significant contribution to organisational success. The quantum of people are not a drag on any organisation. If adequate investment is made in improving the acquired abilities of people, that will certainly enhance the value of human capital and contribute to productivity.

II - MISCONCEPTION ABOUT HUMAN RESOURCE MANAGEMENT

Human Resources are the least developed of all economic resources. There are millions of unemployed / underemployed and undertrained people whose talents are ideal or undiscovered. Unfortunately, many top managers continue to depreciate the worth of human resource specialists in an organisation like FCI. Its

function is seen as encompassing primarily the staffing and employment activities that no one else really wants to do. It is precisely because of this jaundiced view that the term human resource is being employed now a days in place of personnel, with a view to eliminate the negative flavour associated with the word personnel. The reasons for discounting the utility of human resource specialists are not far to seek(1).

Human Resources are important to each individual because it can assist in improving and using his capacities and potentialities to the utmost.

III LACKS IN ORGANISING THE ACTIVITIES

Food Corporation of India, Regional Office(Haryana) lacks in organising the important function of the management to organise the enterprise by grouping the activities necessary to carry out the plans in to action. The present line managers prefers the short and easy way to mould their concern according to the fancies and peculiarities of the men under them, which is not proper. An outline of the organisation must be thought out before hand and the organiser should try to fit men to his ideas, rather than ideas to men.

FAYOL says in this connection "See that Human and Material Organisations are suitable; and ensure material and human order."

IV IMPROPER MAN POWER- PLANNING

After procurement of adequate number of qualified persons it is very important and necessary to achieve the objective of the organisation by inducting suitable personnel at proper place on the basis of their qualifications and experience which is not being implemented in Food Corporation of India. A person with depot cadres/Quality Control Cadre are serving with administration wing and in computer cell / in Storage /procurement/commercial branch whereas staff and line of General cadre should be posted in administration and related wings. Efforts should be made to place the right number and right kind of people at thr right place at the right time so as to extract the fruitful results both to the individuals and to the organisation.

V IMPROPER MAINTENANCE OF PERSONNEL

Food Corporation of India also lacks in maintenance of work force, which is very important function of the personnel management. The line managers
are not able to engage their subordinates to their work with full capacity and loyalty to their jobs and to the organisation. At one time, workers used to agitate only for higher wages, permanent employment and better welfare facilities. They are no longer now satisfied with these requirements. They want to live as human beings and they want a better quality of working life. They want meaningful, interesting and challenging work. They want to be consulted and given an opportunity to participate in the activities of the organisation. The working conditions of Food Corporation of India are very poor at sight and the employees should not be exposed to unhealthy conditions over crowding, poisonous fumes and badly polluted air, insufficient furniture place of work of the personnel. Immediate steps should be taken to reduce odours, noise, heat, cold and other such annoyances. This is the negative aspect. The positive aspect is that sitting arrangement, furniture, space, drinking water, light, toilets, noiseless, odourless, proper airiation/ environment along with congenial and harmonious industrial relations should be designed well and the work place should look cheerful and invigorating. Work should not involve any unnecessary hazards and employees
should not be exposed to unhealthy conditions as in the case of Food Corporation of India personnel working at Regional Office (Haryana), Chandigarh.

VI IMproper DISTRIBUTION OF WORK ASSIGNED TO THE INDIVIDUAL

There is repeated type of work and there are no changes of functions to encourage creativity and imbibe new ways and approaches to the function of the system. The distribution of work is not properly balanced. Some employees are overloaded while others are underworked or even without work but no check has ever been made in this direction. Systematic allocation of work ensuring fair distribution of work on the basis of one’s designation/post held, matching talent with task is essential for smooth working of organisation to achieve the targeted goals.

VII POOR TRAINING FACILITY

Food Corporation of India lacks in imparting proper training facilities to its employees. Management and employees to share responsibility for the learning experience that are presumed to develop from training. Management must help set the goals and to provide the opportunities, employees must provide the initiative and persistence to permit their development.
to take place. Though, there are two training centres at Delhi one is for officers and other is for class III & II employees. i.e. C.T.I and Z.T.I. Officers / Officials are sponsored for training in different fields but the training to class III employees are not being monitored periodically and on different subjects. At its most elementary level, training should take place when a supervisor or a colleague advises, guides or assist an individual in doing his work. The training should consists of planned course, conferences, reading, drills, practice sessions, tours, surveys, task forces, home assignments, or any of a number of other organised techniques to generate the learning experience. It should be not only a fact of each employee’s experience, it is his experience. In service training is never fully accomplished. It is always in process and is concerned with initiating new recruits. It seeks to keep employees abreast of developments in their field of activity and equip them for higher responsibilities. We must remind ourselves that employees grow and develops not just by use of formal training alone but also by living with an environment, with an attitude of management, permeating all operations, that makes growth and development natural attracting and satisfying.
Today's training issues centre not on legitimacy but on problems of planning, methodology, organisation, administration and evaluation - suspects that requires some exposition.

VIII ABSENCE OF MOTIVATION

The next main hindrance which curtails the targeted goal achievement in Food Corporation of India is absence of motivation. Men are being inherently avoids work, motivation comes to the forefront and removes the mental block and obstinancy. We have the word "Karma" or "Dharma" which approximately have the same meaning as motivation. Basically, motivation means how to convert a negative in to a positive attitude. What may motivate one may not motivate other since, needs and priorities of employees are not similar. It is for the line managers to find out the right way that could make workers more productive. An employee is a bundle of untapped energy, ready to work if he is properly trained and fairly treated in accordance with the basic motivational process as per Fig 2.17 and 2.17(a).

IX CASUAL AND CLANDISTINE APPROACH TO PERFORMANCE APPRAISAL AND INCENTIVE SCHEME:

There is casual and clandestine approach to appraisal and Incentive scheme in Food Corporation of
BASIC MOTIVATIONAL PROCESS

1. Unsatisfied Need
2. Tension
3. Drives
4. Search Behavior
5. Goal Achievement
6. Need Satisfaction
7. Reduction of Tension
India. Managers must realize that the best results are achieved with the co-operation of those whose performance is outstanding and result oriented. So, the deserving employees on the basis of their performance should be suitably rewarded under the incentive scheme, whereas, this benefit is granted to those who are close to the management and the criteria of evaluating performance/special work is being ignored since 1996 onward. Fig. 2.18 is clearly depicting the detail of those who were close to management and granted special incentive but not on the basis of their outstanding performance / credibility. Besides special incentives, these employees also earned maximum overtime in the same year which is much higher than their actual salary during the calendar year. The facility policy in this regard encourages the employees to earn maximum OTA without any specific emergent job. The Distt. wise/Year wise position of OTA earned by employees can be ascertained from the Fig. 2.19 and 2.20. Financial incentive schemes can be useful if it is possible to measure the individual work fairly and accurately and management makes earnest efforts to curtail this type of practice after office hours.
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**INCENTIVE-CASES APPROVED BY AUTHORITY**

- Cases called by managers.
- Cases recommended by zonal office.
- Cases recommended by zonal office.
- Cases finally approved.
- Year against which incentive cases called.
- Office for consideration.
- Cases sent to manager.
- Cases turned down by SRM.
## STATEMENT SHOWING THE POSITION OF OTA FOR THE PERIOD 1990-91 TO 1995-96

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Source: Data collected from the record of Regional Office, Haryana, Chandigarh.

Fig. 2-1 3.
STATEMENT SHOWING THE POSITION OF OTA FOR THE PERIOD 1990-91 TO 1995-96

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Source: Data collected from the record of Regional Office, Haryana, Chandigarh.
X. LACK OF CLEAR CUT TRANSFER POLICY OF PERSONNEL

There is no clear cut transfer policy of personnel which has ultimately give rise to favouritism. There should be a crystal clear transfer policy which should be implemented at all cost and should not be any deviation. Specific period of stay at one place should be fixed and accordingly the officers/officials be periodically rotated without considering the favouritism / political pressure / departmental pressure. Only exceptional a compassionate ground cases should be considered but that too with authenticated documentary evidence only. The Introduction of transfer policy will surely enhance the capacity/capability and potential of the individual to the utmost. Many types of hurdles which the Corporation is facing due to faulty transfer policy will be over powered with the introduction of new transfer policy and earnest efforts should be made for its implementation.

XI. ABSENCE OF HUMAN APPROACH.

In Food Corporation of India there is complete absence of human approach. Man is a most dynamic animal, which an infinite capacity to think, to create, to develop, to discover and invent, to produce,
to feel, to love, to dream, to conquer, to master, to achieve, to give, to live, to play and to do as well as to destroy, to hate and to kill. His behaviour and conduct is most unpredictable. But above all he is human. He is not a machine. He is not a commodity that can be bought or sold. Every organisation must keep in his mind that people constitute the wealth of nation and the multi-faceted development of the people will inevitable lead to national growth and prosperity.

There is a mechanical way of decision making which usually delays the implementation of emergent nature of cases. The managers do not apply their own mind in deciding the issue there and then. They treat their sub-ordinates as machines and not as the productive tools, which could exerts fruitful results if properly handled. Psychological analysis of the human behaviour is fast deteriorating with the advent and morality in dealing with the humanistic problems, which requires improvements so as to achieve the fruitful results of Human Resource Development.