Chapter No. 10

Employee Welfare Schemes of MAHAGENCO
10. Introduction:
Employee / labour has an important role in the industrial production. For this purpose the employees has to be properly managed. Whole hearted cooperation of the labour force is needed in order to increase the production & to earn higher profits. Cooperation of the employee is possible only when they are fully satisfied with their employer & the working conditions on the job.
Employee or labour welfare is a comprehensive term including various services, benefits and facilities offered to employees by the employer. Through such generous fringe benefits the employer makes life worth living for employees. The welfare amenities are extended in addition to normal wages and other economic rewards available to employees as per the legal provisions.
According to Dr. Parandikar, “Labour welfare work is work for improving the health, safety and general well being and the industrial efficiency of the workers beyond the minimum standard laid down by labour legislation”. Welfare measures are also provided by the government, trade unions and non-government agencies in addition to the employer. i.e. we can say that labour welfare is also a voluntary efforts on the part of the employer or any other agency to provide employees the best working conditions. The basic purpose of labour welfare is to enrich the life of employees and keep them happy and contented.

10.1 Importance:
The necessity of labour welfare in India can easily be realized if we see the working conditions of the labour class. The working environment in a factory adversely affects the health of employees because of excessive heat or cold, noise, fumes, dust and lack of sanitation and pure air. Such oppressive conditions create health problems for workers. These have to be contained through preventive steps aimed at improving the lot of workers.
Commodity concept of labour still prevails in the country. The workers in India are poorer than the workers in other countries & as such they cannot be expected to spend anything for their own. In western countries, the labour is regarded as the partner in
the affairs of the industry. The attitude of the employer is sympathetic to workers in western countries & they provide various welfare facilities as a measure to improve industrial relations & better conditions.

A recent survey of over 1800 professionals by Robert Walters, the global recruitment specialist has found that employee welfare, assessment and benefits programmes seem to have been neglected by many organizations in this tough economic period, where the sharp focus is very much on the bottom line. The results of survey showed a clear correlation between employee welfare programmes and employee satisfaction with over 38% of respondents responding that they are not satisfied within their current role and with their current welfare programmes.

Employees ranks a "Good welfare program and benefits" as the 3rd most important criteria they consider when assessing whether to change jobs.

According to a recent Metlife Survey, ‘The Study of International Employee Benefit Trends’, Indian employers are not maximizing the potential of benefits to fulfill business objectives & generally offer employees few benefits besides life & health. The International Metlife Study reveals a disconnect between what benefits Indian employees say they need & want & the benefits Indian employers are prepared to offer. The top benefit that most Indian employers provide, are benefits to control employee health & welfare cost & help increase employee productivity. The survey finds workers are extremely concerned about the basic financial worries such as adequate health insurance & having enough money to live on.

10.2 Objectives of Labour Welfare:
Labor welfare has the following objectives:

1. To provide better life and health to the workers

2. To make the workers happy and satisfied

3. To relieve workers from industrial fatigue and to improve intellectual, cultural and material conditions of living of the workers.
The basic features of labor welfare measures are as follows:

1. Labor welfare includes various facilities, services and amenities provided to workers for improving their health, efficiency, economic betterment and social status.

2. Welfare measures are in addition to regular wages and other economic benefits available to workers due to legal provisions and collective bargaining.

3. Labor welfare schemes are flexible and ever-changing. New welfare measures are added to the existing ones from time to time.

4. Welfare measures may be introduced by the employers, government, employees or by any social or charitable agency.

5. The purpose of labor welfare is to bring about the development of the whole personality of the workers to make a better workforce.

The very logic behind providing welfare schemes is to create efficient, healthy, loyal and satisfied labour force for the organization. The purpose of providing such facilities is to make their work life better and also to raise their standard of living. The important benefits of welfare measures can be summarized as follows:

- They provide better physical and mental health to workers and thus promote a healthy work environment.

- Facilities like housing schemes, medical benefits, and education and recreation facilities for workers' families help in raising their standards of living. This makes workers to pay more attention towards work and thus increases their productivity.

- Employers get stable labour force by providing welfare facilities. Workers take active interest in their jobs and work with a feeling of involvement and participation.

- Employee welfare measures increase the productivity of organization and promote healthy industrial relations thereby maintaining industrial peace.
Congenial environment as a result of welfare measures will act as a deterrent against such social evils like drinking, gambling, etc.

10.3 Agencies for Welfare Work:
There are several agencies involved in labour welfare work. Besides Central and State governments, employers, unions and social organizations work as agencies for extending welfare facilities to the workers.

10.3.1 Central Government:
The Central Government tries to extend its helping hand through various Acts covering the safety, health and welfare of workers. The Factories Act, 1948, Mines Act, 1952, Shipping Act, 1948, Plantation Labour Act, 1951, Motor Transport Workers Act, 1961, Employees State Insurance Act, 1948, etc., provide for canteens, crèches, restrooms, washing facilities, etc. Labour welfare officers oversee the welfare activities closely and ensure justice to workers. Statutory welfare funds are created to provide housing, educational, recreational and medical facilities to workers.

10.3.2 State Governments:
Governments in different states and union territories offer welfare facilities to workers. In Assam, a statutory welfare fund is created for offering medical, educational, recreational and other facilities to plantation workers. In Gujarat, Maharashtra, Punjab, and Karnataka, Labour Welfare Centres are administered by welfare boards.

10.3.3 Employers:
Enlightened employers like TISCO, Hindustan Lever, Godrej, L & T, Siemens, Voltas, Bajaj, Birlas, Sandoz, Philips, HMT, LIC, BHEL, Air India, Hindustan Zinc, Hindustan Copper, RCF etc. have undertaken welfare activities in the interest of workers. The management of TISCO runs a well equipped hospital in Jamshedpur, supported by health centres and dispensaries in different residential localities. Family planning clinics, credit societies, gymnasiums, clubs, crèches, canteens, schools are also set up by TISCO for the benefit of workers. Employees Associations have also joined hands with employers in doing some welfare work for their workers. The Indian Jute Mill Association, The Bombay Mill Owners Association are worth
mentioning here. Medical, educational, recreational facilities are also extended in paper, sugar, steel, cement, engineering industries also, by the employees and employees' associations.

10.3.4 Trade Unions:
The contribution of trade unions in India towards labour welfare activities is not significant. Poor finances, multiple unionisms, often come in the way of undertaking labour welfare work enthusiastically. There are certain exceptions to this - like the Ahmedabad Textile Labour Association, Mazdoor Sabha of Kanpur, Railway men's Union and the Indian Federation of Labour. These labour organizations have provided welfare facilities to workers such as running schools, libraries, sports centers, cooperative stores, recreation and cultural centers, legal cells, labour journals, etc. Running Bal Kanya and Mahila Mandals, organizing music and dance festivals, social gatherings, prohibition campaigns - also come under welfare work undertaken by unions. Though we cannot expect much from the trade unions in the field of welfare, they can at least identify the minimum facilities needed by workers and bring the same to the notice of Government and the employers. They can act as a representative of the workers and secure the implementation of statutory measures. In the interest of workers, they can carry out educational campaigns covering pressing issues such as family planning, prohibition, cleanliness, etc.

10.3.5 Other Agencies:
In addition to the above social service organizations such as The Bombay Social Service League, Seva Sadan Societies of Bombay Women's Institute in West Bengal, Assam Seva Samity, Y.M.C.A.etc., also provide services to the working class on a voluntary basis. The overall picture regarding labour welfare work in India is somewhat distressing. Welfare amenities have not been properly provided, except in units managed by progressive employers or in modern units where the latest technology demands maintenance of adequate standards. The letter of the law has also not been strictly observed in most units, owing to poor supervision. Employers, however, argue that welfare work would eat into the finances of the organization and where the facilities have been provided these have either remained unutilized or improperly used by the workers. The need of the hour, to sum up, is to extend the coverage of statutory welfare amenities to all units employing a minimum number of
employees and create a proper administrative network to oversee the implementation strictly.

10.4 Statutory & Non Statutory Welfare Schemes:
Organizations provide welfare facilities to their employees to keep their motivation levels high. The employee welfare schemes can be classified into two categories viz. statutory and non-statutory welfare schemes. The statutory schemes are those schemes that are compulsory to provide by an organization as compliance to the laws governing employee health and safety. These include provisions provided in industrial acts like Factories Act 1948, Dock Workers Act (safety, health and welfare) 1986, Mines Act 1962. The non statutory schemes differ from organization to organization and from industry to industry.

Statutory Welfare Schemes:

The statutory welfare schemes include the following provisions:

1. Drinking Water: At all the working places safe hygienic drinking water should be provided.

2. Facilities for sitting: In every organization, especially factories, suitable seating arrangements are to be provided.

3. First aid appliances: First aid appliances are to be provided and should be readily assessable so that in case of any minor accident initial medication can be provided to the needed employee.

4. Latrines and Urinals: A sufficient number of latrines and urinals are to be provided in the office and factory premises and are also to be maintained in a neat and clean condition.

5. Canteen facilities: Cafeteria or canteens are to be provided by the employer so as to provide hygienic and nutritious food to the employees.

6. Spittoons: In every work place, such as ware houses, store places, in the dock area and office premises spittoons are to be provided in convenient places and same are to be maintained in a hygienic condition.
7. **Lighting**: Proper and sufficient lights are to be provided for employees so that they can work safely during the night shifts.

8. **Washing places**: Adequate washing places such as bathrooms, wash basins with tap and tap on the stand pipe are provided in the port area in the vicinity of the work places.

9. **Changing rooms**: Adequate changing rooms are to be provided for workers to change their cloth in the factory area and office premises. Adequate lockers are also provided to the workers to keep their clothes and belongings.

10. **Rest rooms**: Adequate numbers of restrooms are provided to the workers with provisions of water supply, wash basins, toilets, bathrooms, etc.

**Non Statutory Schemes**:

Many non statutory welfare schemes may include the following schemes:

1. **Personal Health Care (Regular medical check-ups)**: Some of the companies provide the facility for extensive health check-up

2. **Flexi-time**: The main objective of the flextime policy is to provide opportunity to employees to work with flexible working schedules. Flexible work schedules are initiated by employees and approved by management to meet business commitments while supporting employee personal life needs

3. **Employee Assistance Programs**: Various assistant programs are arranged like external counseling service so that employees or members of their immediate family can get counseling on various matters.

4. **Harassment Policy**: To protect an employee from harassments of any kind, guidelines are provided for proper action and also for protecting the aggrieved employee.

5. **Maternity & Adoption Leave**: Employees can avail maternity or adoption leaves. Paternity leave policies have also been introduced by various companies.
6. **Medi-claim Insurance Scheme**: This insurance scheme provides adequate insurance coverage of employees for expenses related to hospitalization due to illness, disease or injury or pregnancy.

7. **Employee Referral Scheme**: In several companies employee referral scheme is implemented to encourage employees to refer friends and relatives for employment in the organization.

8. Subsidized food, Cooperative stores

9. Transportation: The Committee on Labour Welfare, 1969, recommended the provision of transport facilities to workers so that they can reach the workplace punctually and comfortably. Most employers have, however, recognized the workers' need for transport services and therefore responded. MAHAGENCO also had provided the facility to its employee at Parli TPS (New) for the hassle free to & fro transport.

10. Canteen, restrooms and lunchroom: Canteens established inside factories generally offer food at subsidized rates. In modern organizations, food courts offering a variety of continental and inter continental cuisine have become quite popular in recent times. Washing facilities, medical aid, leave travel concessions: Most factories have first-aid facilities to take care of minor injuries. Reimbursement of medical expenses actually incurred is also increasingly favored nowadays.

As we can see from the results of survey, most of the employees are not happy with the kind of canteens provided at the power stations. Trade unions were found constantly raising this issue with the H.O. One such subsidized canteen is recently been inaugurated at CSTPS on trial basis. Employees seem to be very happy with such kind of move by the management. Employees from other power station are expecting the same sort of facility to be extended to them also.
11. Consumer cooperative stores: The Indian Labour Conference in 1963 recommended the setting up of consumer cooperative stores in all industrial establishments including plantations and mines employing 300 or more workers. The employer is expected to extend help in the form of share capital, working capital, loans at concessive rates etc. The Industrial Truce Resolution, 1962 aimed at keeping prices of essential items low by opening a sufficient number of fair price shops for workers.

10.5 Welfare activities at Leading Organization:

CONCOR believes that satisfied employees contribute to the development and growth of the organization. CONCOR apart from providing statutory benefits offers various voluntary benefits to its employees in the form of allowances, perks and advances. Cafeteria approach is followed in the payment of various benefits allowing the employees to choose from a set of available benefits.

Today we find that most of the organizations like NTPC, Reliance, TATA, etc are paying much more attention towards the labour welfare programmes. It is because that they have realized that the money spent on labour welfare work is bound to react directly or indirectly to their own benefits & to the direct benefit to the employees. If the working conditions are improved it will certainly improve the health & efficiency of the workers & which in turn increase the production & the productivity of the workers. Now days the schemes of labour welfare are regarded as a wise investment since they are bringing a profitable return in the form of greater efficiency. As far as MAHAGENCO is concern, it is found that welfare measures provided by the organization for the employees are inadequate. Looking into today's context, these labour welfare measures need to revise a lot in order to increase the morale of the employees.

Though there is no statutory stipulation in recreation area, progressive employers both in the public and private sector (like the Tatas, HLL, Air India, BHEL, Infosys technologies, Hughes Software systems, NUT, Cadbury, Ranbaxy, Railway and Defense Services have) consciously offered facilities for recreation sports and cultural activities. For example companies like NUT and TISCO have appointed a Chief Fun Officer to take care of parties and functions held on every Friday. (In addition to
holiday packages, dating allowances, anniversary/birth day gifts, games and competitions on weekends etc. Sprawling food courts, Basketball courts; Tennis, Golf, Billiards, swimming Sauna, Jogging tracks, beauty centers, spacious gyms, ATMs, gift shops are to be found in most software companies-such as Infosys, Wipro, Hughes Software systems in India.

There are also programs that spice-up employees’ work lives such as the Quarterly Socialization Event, Friday Morning Ceremonies, and Corporate Events such as the Family Day, Foundation Day, Christmas party, etc.

CONCOR a leading multinational have dynamic Employees’ Council who communicates to management employees’ concerns. It conducts an annual reach-out to all employees to sincerely communicate management’s plans.

Many organizations provide free of cost bus service to their employees & members of the family to visit to market place etc.

10.6 Observations & Recommendations:

As far as MAHAGENCO is concern, it is found that welfare measures provided by the organization are mostly statutory. The voluntary part to boost the morale of the employee is inadequate.

Looking into today’s context, these labour welfare measures need to revise a lot in order to increase the morale of the employees. Most of the employees feel that whatever the statutory welfare measures provided are not properly maintained. When they compare the welfare facilities with other organization at par, they feel very unhappy with the kind of welfare facilities provided by the organization.

Most of the generation stations of MAHAGENCO are located at the outskirts of the city. Employees & their family are required to stay at the head quarters in the colony. Employees leaving in the MAHAGENCO colony are always missing the enjoyment of city culture. In order to enjoy the cultural programmes, social gatherings, city culture, every time they need to travel from their residence after completing their works. Every time it is not possible for them as it involves various constraints like time, conveyance, cost, excursion, etc. Therefore they all are depended upon the
recreational facilities provided at colony & the cultural programmes carried out in the clubs.

At Khaperkheda TPS (one of the TPS of MAHAGENCO) following are the welfare facilities provided in addition to the statutory welfare facilities.

i) Two Nos. of club i.e. club No. 1 (Old club for Officers) Club No. 2 (New club for Workers).

*Photograph No. 10*
These clubs are having the following facilities

a) Swimming Pool

b) Table tennis court (02 Nos)
c) Badminton court (02 Nos)
d) Library
e) Health club
f) Lawn Tennis Court
g) A small play garden for children’s
h) Recreation Hall
i) Co-operative consumer gas society
j) School bus facility for children’s
k) Hospital facility.
l) Quarter facilities
m) Canteen Facility

Moreover MAHAGENCO provides facility of Inter power station Indoor, outdoor games & Drama competitions, Leave travel Concession to its employees, Freebies during festivals and/or Founder's Day etc.

Welfare activities at Club No. 1 & No. 2 are managed by employees through the elected bodies. Since no funds are allocated to both the clubs, it becomes very
difficult to manage the activities, programmes of the club. These clubs are managed on the savings left out from the funds collected from the employees as a monthly subscription of Rs. 210/- (Rs. 180/- for Dish Antenna club + Rs. 30/- towards library). The amount left out for the club is very minimum. Because of the poor finances available with the club very few recreational activities, cultural programmes are carried out.

**It is therefore suggested to provide the financial aid to the club on yearly basis to maintain & execute the facilities & to carry out the recreational activities at the club.**

No play ground is available at TPS Khaperkheda from last four years. No such development of play ground is in process till today. Employees are constantly making a follow up of the same. Management seems to be not serious about restoring the same. Due to this employee’s outdoor sports activities are hampered. Even then employees are taking initiative to participate in annual sports activities. It is therefore suggested to provide the play ground so that employees morale will boost up to participate in outdoor sports activities.

Most of the employees particularly at CSTPS, Chandrapur, showed discontent with the colony maintenance activities.

As we all know welfare includes anything that is done for the comfort & improvement of employees and is provided over & above the wages. Welfare helps in keeping the morale & motivation of the employees high so as to retain the employees for longer duration. These welfare measures need not to be monetary terms only but in any kind / forms. Keeping this in mind & in order to bring in a more institutionalized & human approach to the welfare of the employee the researcher suggest following welfare schemes for uplifting the morale of the employees.:

**10.7 Proposed welfare Schemes :**

i) MAHAGENCO should introduce programs to motivate employees’ excellence, productivity and growth such as **Employee of the Month & Employee of the Year** wherein top performing employees of the year are highly recognized in all the power stations.

“Employee of the Month” is already being started & is being implementing successfully in AHP Section at TPS Khaperkheda from September 06. The motive
behind to introduce this scheme is to motivate the employees & to convey all the employees about the good things that the concern awarded employee is having. This will help in improving the work culture & the handling responsibilities by each & every one of the employees on its own.

Outline of the proposed scheme is as follows.

"Employee of the Month"

(Before the system is introduced all the employees should be informed about the guidelines on which the selection for “Employee of the Month” is done). Every section In-charges should select an employee from his section on the guidelines given below. The selected employee should be rewarded as “Employee of the Month” of his section.

Guide lines for selection of “Employee of the Month”

- Sincerity in work
- Knowledge about his work / job
- Obedience
- Ability to share any extra responsibility
- Observance of Safety Norms / Awareness of Safety (PPE)
- Relationship with subordinates & Superiors
- Regularity in attendance (to check whether the employee applies his leave in advance)
- Any extra activities carried out by the employees
- Suggestion on any innovative ideas

Authority for the selection of Employee of the month :- Section head will select the employee with consultation with the concerned supervisors.

Award: - Along with Gift & Certificate, his name should be displayed on the notice board. Employee should be awarded in the section during the section meeting.

"Employee of the year"

Every section In-chages will forward the name of at least one employee (Maximum 2 names of the employees) for the award with the details supporting the claim for the award. Such names of the employees & their details so collected should be discussed
in a meeting headed by Station head along with all the top management officials. The decision should be taken on the guidelines & the supporting justification in the same meeting. The employee should be awarded in the function at the time of Power Station day celebration.

**Employee of the year** :- One from Technical side

**Employee of the year** :- One from Non Technical Side.

**Award**: - Along with Gift & Certificate, his name should be sent to publish in Sruzan Magazine.

**ii) Birthday Celebration of employees.** :- Presently birthday of top management persons are celebrated in the planning meeting. Such celebration should be extended to the last employee of the power station. For this every section head should collect the birthdates from the employees. His birth day should be celebrated in the section by giving him a bouquet of flowers or a flower along with some sort of small gift. He may be wished by sending him SMS on his mobile or by directly wishing in person or on phone.

**iii) Arrange Training programs on**, related with personality developments, Yoga classes etc.

**iv) Arrange annually family get-togethers** so that the family members can interact with other family members. This will help in strengthening the bond of relationship among the employees & their family members.

**v) The existing medical facility** is inadequate. These medical facilities should be extended to the family members also. (i.e. for the self and family). Now-a-days group insurance plays a vital role instead of Medical facilities at the factory premises itself.

**vi) Interest-free loan facilities** or low interest loans. Problems in delaying various loans & advances should be quickly sorted out so as the employee can get the loan / advances timely.

**vii) Provision of Subsidized canteen facility** at the factory premises.
viii) Welfare activities for the families should be taken on regular basis.

ix) Timely provision of uniforms & close monitoring of the same is essential.

x) Health awareness programmes for the entire family members of the employees:

Experts today are realizing the importance of 'a healthy mind in a healthy body'. Organizations across the board are realizing the benefits of introducing fitness programmes in their corporate agenda. Increased competition results in added stress & employees needs to be taught about how to deal with these changes. Health is the only capital that is difficult to regain. When employees are exposed to chronic stress, there efficiency level decreases over a period of time. They loose interest in work & end up committing frequent mistakes & the performance dips. Absenteeism also goes up as the after effect of the stress i.e. fatigue & depression refrain employees from doing their work properly. The attrition rate also goes up as when employee finds it impossible to cope with stress, they quit their job.

Fitness experts explain that its always better for corporate to invest in fitness programmes today, than pay huge amounts of money to employees tomorrow as insurance or reimbursement. Increased productivity, reduced Absenteeism, improved employee concentration, mental alertness & creativity, are a few obvious advantages of having a fitness programme in place. Organizations need to create a corporate culture that rewards healthy living & motivates employees to adopt fitness.

xi) School facility:

Absence of good quality English medium school in the colony premises, force the employees to admit their children’s to a place away from the colony. Most of the schools running in the colony premises are either of state pattern Marathi medium or semi English pattern. To keep pace with today’s education system parents therefore admits their children to other schools. Usually these schools are located far way from the colony premises. Due to this the parents are under constant psychological pressure about the safety of their children. Further they have to pay huge amount of tuition fees / donations for the admission. The management should take initiative to set up good quality CBSE pattern school in addition to existing schools inside the colony premises. For this management should
1. Tie up with the existing renowned school in the city
2. Set up own school run & managed by the MAHAGENCO Management body along with the trade unions. Employees family members with sound required educational background should be hired as a faculty / teachers. This will again help in boosting the morale of the employees

d) Issue related with provision of subsidized canteen is pending from last so many years. Every time it is discussed with the unions but no action is initiated so far by the management. Existing canteens are unhygienic, & no variety of food / snacks is being made available at the canteen.
When an employee is send on tour, he is reluctant to go for as such the allowances are meager & he himself has to bear additional expenditure through his pocket. Such things affect the morale of the employees. They think that the management is not concerning about the issues related with employee. Such sort of feelings always peeps into their mind with hinders their performance.

Case study :-
Long back in 2004, at Khaperkheda Power Station colony, management has installed electrically operated toy train for the fun games & playing for the employees kids. With this effort employees were very much happy to observe their kids happily playing with the train.
With this venue most of the employees used to visit regularly & accompanying their children created the atmosphere for families residing in colony & discussing so many issues for employee's welfare as a get together venue. Apathy of the management being a part of management system spoiled this very good efforts of employee welfare neglecting the maintenance of the train system & subsequently all those kids & employees were deprived of the benefit within a year. The investment incurred was in vain & the very purpose of employee's welfare was defeated because of pathetic approach to the subject matter.

*Photograph No. 12*
10.8 Employee Transfer

A transfer is the movement of an employee from one job to another. Normally transfer on same post involves same types of responsibilities & pay whereas promotion transfer involves higher responsibility & better remuneration. Management, transfer employee’s to fill a vacant post by posting a person who is undertaking similar job. Transfer are either initiated by the management (involuntary) according to business needs or made in response to employee request (Voluntary) & it also depend upon the need of the employee. Sometimes transfer is also used for correcting faulty selection & placement. A person may not find him self suitable at his present place & may demand a change. Transfer can help in sending such person to the place where they may derive more job satisfaction.

Firms encourage transfer for numerous reasons, the key being retaining talent & curbing attrition. They make significant investment for hiring & training employees & retain them by offering them transfers. For an employee, getting a transfer to a place of their choice fosters a greater sense of belonging & reinforces their loyalty to the organization.

Recently MAHAGENCO issued new transfer guidelines for employees. When discussed with the employees they found to be dissatisfied with the transfers. It has also been accepted by the MD in Shrujan Jan – Feb 2010 that due to transfer, employees are facing problems. As there is dearth of talent, it is important to ensure that even if employees wish to relocate for personal or professional reasons, they remain with the organization. If the organization is not flexible enough on this, the employees will look for other avenues which hinder retention. Same is happening in MAHAGENCO. As lots of opportunities are available in the power sector, & due to dissatisfaction on their transfer to a place of not their interest, MAHAGENCO employees are looking for other avenues & leaving the organization.

In MAHAGENCO most of the employees are found unhappy with the transfer policy, HR Department should come forward & discuss the problems with the unions, employees. Alteration / modification should be carried out in the transfer policy guidelines so that it should suit to majority of the employees.

Because of the new transfer guidelines most of the employees are transferred. These employees were found constantly visiting the H.O. with a request for a change. Also it is learnt that majority of them returned back within a span of 10-12 months. During
this year he & his family members were disturbed. Due to this employee was not able to pay attention towards his work i.e. under performance as observed by researcher during interaction with employees. Therefore every Organization should have a well thought out transfer policy. Lacunas in the transfer policy may create resentment among the employees. It should be based on specific principles & it should not differentiate among employees.

In order to improve the performance of the employee & MAHAGENCO, one of the way is to reconsider the transfer policy guidelines.

Following are the some of the outcome of the discussion with the unions, employees on transfer policy.

1. The employee is transfer on promotion or on same post in mid year. This becomes difficult for the employee to balance the work & family members at two different ends. Due to this employee has no option that to be on frequent leave. Also frequent traveling between two ends creates health problems for him. This will result in under performance of the employee at the work place & overloading to other fellow employees.

2. Most of the unions & employees are of the opinion that the transfer policy itself is not needed for MAHAGENCO as their job is not a public related job. 

On the contrary rotation of the employees within the departments, different departments, and different units can be done as a part of employee development programme. If at all if the management thinks transfer is necessary, it should be done for higher grade employees. i.e above Executives as their job is of a manager whereas other employees are directly involved with the work. This will help in increasing the performance of the organization as the employees are aware of the minute particulars of the plant which in turn will help in quick attending the problems.

3. Zones should be created. Transfer should be made within zones on promotion & not on the length of service upto Exe. Engineers.

4. Above Exe. Engineer inter zone / intra zone transfer should be done.

5. Request transfer on medical grounds, general request should be considered for either zones.

6. Transfer on administrative grounds should be done for those employees who are creating nuisance, malpractices, and excess staff on the reference of station head.
Avoiding / restricting the employee transfer will help the organization & employee as a cost cutting exercise. Organization has to bear the cost on account of transfer i.e transfer cost whereas employee has to bear the cost on account of donation for admissions / readmissions of his children's.

If the employee is transferred he is disturbed because of the social & family responsibilities on him. Therefore he is left with no option as not to shift the family. In this case he has to bear additional cost on account of rent, frequent traveling charges, mental stress. Looking back to the salary structure of MAHAGENCO, working at one particular location for a long period is one of the motivating factor for the employee.

Moreover one should understand that employee transfer cannot be consider as a performance improvement tool or motivational tool in case of MAHAGENCO. Employees working at particular power stations are very well known about the ground realities of the plant. It is therefore advantageous to the organization for quick attacking the problems so arise & solving them in a minimum time.

Therefore instead of losing out valuable employees, they can be shifted to a place of their choice & retain these valuable employees which in turn contributes to increased motivation.