CHAPTER-II

REVIEW OF LITERATURE

2.1. INTRODUCTION

Many studies of human resource management have been made in the past; they mainly focus on large and complex modern enterprises in co-operative, private and public sectors. Only big organizations can afford to have a separate department for human resource management due to the expenditure involved. Further, certain Acts such as the Factories Act, the Payment of Wages Act, Payment of Bonus Act, and the Industrial Disputes Act make it a statutory obligation on the part of the big factories to maintain a certain level of human resource management practices. Only a few studies on human resource management practices of organizations have been made. Some of the important studies conducted on human resource management are reviewed in this chapter.

Jogiah (1990)\textsuperscript{1} “Frontiers of Management Science” – Training and Development of Executives” was a rigorous and an in-depth study of training and development of executives in the Indian power sector, the first of its kind in the country. Apart from providing a strong theoretical and conceptual foundation to training and development of executives, it is an exhaustive study of the power sector problems and prospects concerning personnel policies, HRD policies and practices relating to executive training and development and institutional training network in the power sector.

Rao and Nair (1990)² “Excellence through Human Resource Development” an edited compendium, focuses on chief executive’s views and experiences of HRD. It also deals with the HRD philosophy, importance, macro-level issues, expectations of like managers and workers from HRD, role of HRD managers, dimensions of developing HRD facilitators and programmes.

Gani (1991)³ in his article ‘Personnel Challenges by 2000 A.D’. has stated that the effective and efficient management of human resources plays a key role in increasing productivity and establishing a strong and progressive economic base. The year 2000 will present interplay of various economic, social, cultural, legal and technical challenges which would require not only technical challenges but also considerable changes in the attitude, working system, strategy and human relations. To be a world leader in 2000 A.D., in his opinion, India should think of HRM and take care of challenges which the 21st century will bring with it.

Ashok Arya (1991)⁴ in his study ‘Management Training - Its impact on organization’ has observed that effective management training and influence over the behavior, skill, potential and capabilities of the employees will act as effective tools for manipulating the internal business environment. It is essential for an organization to assess the effectiveness of management training from time to time to ensure that it is giving the optimum results. While making the various physical arrangements, the emphasis should be on overall cost effectiveness without compromising on the comforts of the participants, so that within the same budget

allocation Training and Development Department could conduct more programmes.

**Rao (1991)**\(^5\) “Readings in Human Resources Development” an edited compendium, starts with a conceptual framework on development and integrated HRD and ends with an account of the research in HRD. It also focuses on HRD instruments like performance appraisal, potential appraisal, counseling, training and rewards and implementation of the same in different organizations. It also deals with HRD in government systems, primarily the educational system”.

**Amarchand (1996)**\(^6\) in his article on "Human Resource Discipline" has focused on Discipline to Precede Development in the following manner: No doubt, HRD - if done genuinely may help to supplement the main effort. But the crux of the matter lies not in the 'Development' part but in the 'Discipline' part of the Human Resources. The individual at work, in all these places -- the banks, public services, educational institutions -- knows what he is supposed to do but he / she is not willing to do, cannot be compelled to do, will not be punished for not doing and will not feel ashamed if any one (public or family) points out his / her faltering sense of duty. Basically it is a question of discipline - discipline that is enforced as well as self discipline."

**Upadhyay (1996)**\(^7\) in his article on "Human Resource Development and Value Management" has specified that with the passage of time, the cultural values of India, which were once considered unique in the globe, have slowly and

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gradually deteriorated. The ancient culture was in conformity with the better quality of working life and as a result happiness, sense of responsibility, discipline, and work culture were the common phenomena with the Indian society at large. With the advent of the industrialization in the West, the pattern of the society had to face a great challenge. The subcontinent was also subjected to the pressure coming from foreign rule. New ethos of industrialization brought about tremendous social change dividing the people into two blocks called “haves” and “have-nots”.

Gnanasekaran (2000)\(^8\) has conducted a study of HRD practices in Chennai Port Trust in 2000. Among the other things he found out that Employees have accepted the concept of HRD in Chennai Port Trust. A systematic HR planning is followed there.

Jyothi (2000)\(^9\) in his article ‘Training and Development of Human Resources’ has explained that HRD is a broad term which indicates all activities designed to get employees to work more effectively in a given organization. It builds knowledge, skill and capacity to develop their competence. The development of human skill automatically increases business productivity. His opinion is that HRD or development of people lies in the organizational growth and progress. It was, therefore, found out that training is the most vital tool of human resource development. Naturally it is the major part of the present human resource development. The performance of the human resource in business,


\(^9\) Jyothi S.S, Training and Development of Human Resources, HRD Strategic Approaches and Experiences (Edited by Dr.B.L.Mathur), Arihant Publishers, Jaipur, 2000, p.143.
industry or any other institution will mainly depend on the system of selection and training.

Minocha (2000)\textsuperscript{10} in his article to demonstrate that the 'high' and 'low' morale is related respectively to favourable and unfavourable attitude of the employees towards job contents, supervisors, recruitment, selection and placement after training, promotion policy and procedure, remuneration, socio-physical working environments and the public image of the economy. With all the attractive and favourable working conditions that an undertaking may provide, efficiency of the employees cannot be increased unless they have high morale. Many studies have revealed that the level of performance is related to the level of ability and morale of the employees.

Campbell (2000)\textsuperscript{11} says that climate itself is a multidimensional concept. It incorporates dimensions of interpersonal relationships. It is hypothesized that relationships will be stronger where there is a greater similarity between the contents of the variables examined and vice versa.

Steven G Allen (2001)\textsuperscript{12} in his article entitled “Technology and the Wage Structure”, reports direct evidence on how technological change is related to changes in wage gaps by schooling, experience, and gender. Wage gaps by schooling increased the most in industries with rising R&D intensity and accelerating growth in the capital-labor ratio. The training and development, proper recruitment and selection, fair wage system, performance appraisal, welfare

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measures are the key components in the success of any industries. In order to take care of these measures Human resource management department are established.

**Divekar (2001)** made an attempt to study the sugar industry in Bombay division. He has covered the issues in respect of the economics of sugar and sugarcane with reference to the irrigation, the transport, the manufacturing etc. He has suggested that the sugar industry has good prospects. He has placed stress on sugar co-operatives in the Indian economy, as an instrument for rural development.

**Steven G Allen (2001)** has explained that training and development, proper recruitment and selection, fair wage system, performance appraisal, welfare measures are the key components in the success of any industries. In order to take care of these measures Human resource management department are established. Because HRM is a proactive measure carried out in the organization it helps to achieve productivity and profitability. But various research findings in the fields of psychology, behavioral sciences had concluded that these factors are not concentrated in many industries.**

**Maruthamuthu (2002)** in his “Study of Labour-management relations in Perambalur Sugar Mills Ltd., Eraiyur, Perambalur District” has observed that the overall impression is that an atmosphere of satisfaction prevails on campus, but there is scope for improvements in certain areas like recreation facilities, and

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bonus. With implementation of innovative schemes and improvements, better labour-management relationship may be established and maintained in future.

**Malini Darshan (2002)** has in his study “Human Resources Availability in Software Industry” has analyzed HR requirements in software industry. It is stated that Indian Software Industry has been achieving global recognition day by day. The Indian Software engineers are contributing their skills to the software industries. It is sure that potential human resource should have soft skills and entrepreneurial orientation along with technical and domain knowledge. The quality of manpower is crucial. The Indian educational system coupled with training in hard and soft skills contribute to manpower formation. Since a comprehensive skills-building package is not endemic to the software industry, the industry considers the availability of human resources a complex issue and feels it is the first and foremost challenge.

**Santrupt Misra (2002)** “Human Resources Management in Public Service” is an empirical research study of Orissa education service. This study deals with theoretical perspectives of human resources and education, recruitment, selection, induction and placement, training and development of teaching personnel, their motivation, integration and job satisfaction, performance appraisal, career development, discipline and grievance handling. Since the research study is operational in nature, a number of suggestions have also been offered on the basis of the findings.

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Natarajan (2002)\textsuperscript{18} in his study of Employees’ attitude towards human resource management practices of co-operative sugar mills in Tamil Nadu has observed that human resource management has to be recognized as an important competitive factor. The effective management of human resources is an integral part of any organization’s success. There are many ways in which companies can gain an edge or a lasting and sustained advantage over their competitors, among them the development and adoption of sophisticated human resource management practices and such practices are seen as the major keys to competitive advantage in the modern world. Therefore, the understanding of the attitude level of employees will help the human resource professionals to formulate policies and programmes for further improvement.

Santwana Chaudhuri (2003)\textsuperscript{19} in his article "Role of Human Resource Management for Effective Implementation of Memorandum of Understanding" has stated that the performance of the companies would be evaluated in terms of key human resource indicators like absenteeism, impact of training, motivation level, performance report or assessment sheet, rate of industrial disputes, labour turnover etc.,

Jayan Jose Thomas (2003)\textsuperscript{20} in his article entitled “Labour and Industrialization in Kerala”, examines the association between labour and industrialization in Kerala. Labour absorption by modern industries has been low in Kerala; this has a bearing on the features that emerged in Kerala’s labour market

after 1950 including low rates of work participation, and high levels of educated unemployment and underemployment. Kerala has had strong worker organisations, and high degree of labour disputes. Worker organisation has made significant improvements in wage rates and living conditions of informal sector workers in Kerala. A few traditional industries like cashew processing migrated out of Kerala to take advantage of lower wage rates in neighbouring States. However, in the factory sector of Kerala, econometric evidence finds that labour disputes and growth performance have been exogenous to each other, wage increases have been commensurate with productivity growth, and wage increases have had little association with labour disputes. All these dispel the general notion that Kerala’s industrial backwardness is caused by labour problems.

Gauri Shankar and Geetha Manmohan (2003)\textsuperscript{21} in their article entitled “Impact of Professionalism on Managerial Self-actualization and Job Performance” have studied managerial motivation and job performance. In this paper an attempt has been made to find the impact of professionalism on the primary relationship between self-actualization and job-performance of industrial managers. It has been found out that professionalism shown by industrial managers has a positive impact on their relationship between self-actualization and job performance and managers with professional qualification in engineering and accounting have relatively higher degree of such relationship.

Subratesh Ghose (2003)\textsuperscript{22} in his article 'Participative Management for Higher Productivity' has attempted a study in different countries including India. In order to achieve the objectives of the organization, the management has to motivate the employees through performance appraisal, employees’ grievance handling, and participative management, based on performance management to provide promotion and transfer, and working conditions. So, these activates are very essential for the smooth functioning of the any industries. In the light of these experiments, the author has identified the problem areas and the role of participative management in the productivity improvement. He has stressed that the participative management may be an effective approach for raising the level of productivity, provided certain pre-conditions are fulfilled and the problems are sought to be encountered seriously. For that, of course, the scheme should be meaningful and significant in coverage to make the workers interested in participation and the management also must be ready in spirit to involve the workers in the process of decision making for improving labour productivity.

Bhatia (2003)\textsuperscript{23} in his article “HRM Strategies for Competitive Advantage” has discussed two levels of strategy.

a) Competitive strategy indicating the way in which a company will compete in its business and to outline how the company is to gain and sustain the competitive advantage

b) Corporate strategy determines the way the company will operate and gain additional competitive advantage by coordinating the various businesses”.


Rao (2003) throws light on the complexities of managing human beings in the present day organizations. The various aspects of HRM in relation to small scale units operating in industrial estates have been presented initially, and they are followed by theoretical presentation of HRD; different aspects of training, organizational development, employee participation, etc. the effects of training and employee development activities have been subjected to close examination. The study also attempts to find how the employee-related activities flourish in various other sectors like urban, government, co-operative, informal and small-scale sectors.

Charumathi (2004) conducted a comparative study of HRD in select Public Sector and Private Sector Banks in Tamil Nadu in 1994. She has analyzed Indian Bank and Indian Overseas Bank in the Public Sector and Lakshmi Vilas Bank and Vysya Bank in the Private Sector. She has found out that the HRD tasks relating to supporting of Unions and associations are adequately performed in both the groups of Banks.

Kuldeep Singh (2004) in his article entitled “Impact of HR practices on perceived firm performance in India”, indicates that there is a significant relationship between the two human resources practices, namely, training and compensation, and perceived organizational and market performance of the firm.

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Vijayachandra Kumar (2004) in his study “Human Resources Department as the Driver of Change” has stated that either physical or psychological changes lead to stress. On such occasions, a person feels that his/her very survival is under threat, and as a result, enters into a deep state of anxiety and persistent worry. Undergoing stress inoculation frees him from such situations. According to researchers, stress management through Stress Inoculation Training (SIT) is done in three stages. The first stage is an initial session wherein the person undergoing the SIT is “educated” to read and make himself aware of the response. He/She thus develops the ability to identify the “Stressors”. In the second stage, known as “rehearsal stage”, the trainee learns how to confront the simulated stressor and reorient his/her own reaction in the light of the experience and ability gained. The trainee thus gains greater confidence and ability to tackle the overwhelming feeling that stressors cause. The third stage is actually his/her exposure to the real-time stress springing from actual situations. Having gained the experience and confidence in the earlier stages, he/she is able to emerge successful in overcoming real, adverse forces.

Robert D Wilton (2004) in his article entitled “From flexibility to accommodation? Disabled people and the reinvention of paid work”, concluded that accommodation, as both discourse and practice, offers a conceptual resource for rethinking contemporary employment with implications for both disabled and non-disabled workers.

28 Robert D wilton, Human Value Management, Personnel Today, June 2004, p. 15
John (2004) in his paper entitled “Social security and labour welfare with special reference to Construction workers in Kerala”, stated that the constituents of labour welfare included working hours, working conditions, safety, industrial health insurance, workmen's compensation, provident funds, gratuity, pensions, protection against indebtedness, industrial housing, rest rooms, canteens, crèches, wash places, toilet facilities, lunches, cinemas, theatres, music, reading rooms, holiday rooms, workers’ education, co-operative stores, excursions, playgrounds, and scholarships and other help for education of employees’ children. All labour welfare measures have the following objectives: 1. Enabling workers to live richer and more satisfactory lives; 2. contributing to the productivity of labour and efficiency of the enterprise; 3. Enhancing the standard of living of workers by indirectly reducing the burden on their purse; 4. Enabling workers to live in tune and harmony with services for workers obtaining in the neighbourhood community where similar enterprises are situated; 5. Based on an intelligent predictions of the future needs of the industrial workers, designing policies to cushion off and absorb the shocks of industrialisation and urbanisation to workers; 6. Fostering administratively viable and essentially developmental outlook among the workforce; and 7. Discharging social responsibilities.

Pingle (2005) in his article entitled “Occupational Health”, stated that the integrated and interdependent global market environment, safety, health and environmental issues are going to be transnational, and the challenges in the field of occupational health are going to be enormous. Therefore, they as a nation, i.e.

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the Government, employers and employees have to wage a total war on occupational diseases through various multidisciplinary interventions and proactive strategies to promote occupational health and improve the quality of work-life of our working population.

**Kaushik Basu (2005)** in his paper entitled “Labor Laws and Labor Welfare in the Context of the Indian Experience”, expect that many firms needing specially skilled labor would, in the first place, come into existence and, secondly, agree to give higher wages and expand their labor force if such an amendment to existing laws were to be made. He evaluated labor laws concerning layoffs and minimum wage legislation in India and, on the basis of a theoretical model, reached the following policy conclusions. He stated that legislation or even customary practice which makes the laying off of labor illegal or (exogenously) costly may be harmful for the workers. The same may happen if employers are a priority given the freedom to fire workers at will. Instead, workers and employers should have the freedom to develop their own contract concerning the conditions for the dismissal of labor. There will be reason to set limits on the range of contracts allowable (without this, contracts run the risk of becoming so complex that workers may not fully comprehend what they are committing themselves to), but there is reason to believe that a larger freedom than what is current permitted would benefit workers.

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George Pouks (2005)\textsuperscript{32} defines organizational climate as a normative structure of attitudes and behavioural standards, which provides a basis for interpreting the situation, and acts as a source of pressure for directing activities.

Virmani (2005)\textsuperscript{33} in his article entitled “Redefining Industrial Relations” has found out that the Indian industrial system has all along been adversarial with collective bargaining approach being its mainstay. Over the past few years, a relationship based on collective bargaining and principles of participation has emerged. A discussion of the major findings of an in-depth study of eight organizations where both practices were present lends support to the author’s contention that collective bargaining and participation need different attitudes and hence cannot co-exist. In any new model of industrial relation the adversarial approach and collective bargaining must give way to participative structure and the development of the institution.

Jai, Sinha and Sarita Singh (2005)\textsuperscript{34} in their article entitled “Employees Satisfaction and its Organizational Predictors” have found out that employee’s satisfaction means employee’s contentment with their organization and job, happiness, expectancy to fulfill their most salient needs, and unproblematic properties of their work. They have stated that work climate and human relations contribute directly to organizational satisfaction in the case of managers. In the case of workers; the nature of work and the service conditions were the strong

\textsuperscript{32} George pouks b, Normative structure variables and organizational behaviour, Human Relations, 2005, pp.115-170.
\textsuperscript{33} Virmani V.R, “Redefining industrial relations” Indian Journal of Industrial Relations, Vol. 31 no.2 2005 pp.53-77.
\textsuperscript{34} Jai B.P.Sinha and Sarita Singh “Employees satisfaction and its organizational predictors” Indian Journal of Industrial Relations, Vol. 31, No. 2, Oct. 20055, pp. 135-152.
predictors which affected organization satisfaction directly by rendering their work more satisfying.

**Kannappa (2005)**\(^{35}\) in his study ‘Personnel Management Practices in BHEL ancillary units, Tiruchirappalli’ has observed that the success of management practices lies in empowering employees in the organization. The employees should be trustworthy and should be ready to serve the organization best with all their potentials. Teamwork concept may be encouraged. If the modern human resource concepts are taken into account by the managements, personnel management practices will grow to excellence with full labour satisfaction.

**Raju (2005)**\(^{36}\) in his study 'Teamwork and Harmonious Employee Relations Lead to Better Productivity' has expressed productivity as the degree of effective utilization of each of the major factors of production viz., land, capital, labour and organization. He feels that productivity of an organization depends on the state of technology and working capital utilization. He has stressed the fact that human resources are the most important of all resources. Notwithstanding excellent machines, technology and a layout provided in an enterprise, the man behind the machine matters the most. His motivation, morale and creative culture could make all the difference between success and failure of the enterprise. Therefore, the author has said, that the management should create a climate of trust and concern for the men in the organization: where there is no trust, employees would take no

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\(^{35}\) Kannappa R, A study of personnel management practices in BHEL ancillary units, Tiruchirappalli, 2005.

\(^{36}\) Raju C.S.N, Team work and Harmonious employee relations lead to better Productivity, Improvement in Productivity in Public enterprises, Center for public sector studies, New Delhi, 2005, p. 69
worthwhile initiatives. Teamwork and harmonious industrial relations are essential for excellence in performance.

Chatterjee (2006)\(^{37}\) book "Management of Personnel in Indian Enterprises" is a comprehensive work which deals with personnel management and industrial relations. It is a deep study of practices of personnel management in the Indian context, from recruitment to retirement. It also covers the entire gamut of trade unionism, trends of industrial conflicts, legal processes for resolving disputes etc.

Patel (2006)\(^{38}\) in his book “HRD Practices in Service Industry: A Study of Women Employees” has highlighted HRD general practices, HRD climate, industrial relations, wages and salary, welfare activities, promotion and transfer, performance appraisal, recruitment and training and development practices in various service sector’s organizations in India. Human resources are the vital part of an organization’s growth. The development of human resources has a great importance for the future of the organization. Today HRM/HRD is not an isolated practice or a department in the organization. It is a force which binds the whole organization. It solves the problems related to human resource in the organization. Human resource is an important aspect of management which motivates the human power to take the challenges faced by the organization in the third millennium.

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Rabindra Kanungo (2006)\textsuperscript{39} in his study 'Managing People for Productivity' has focused on managing people for better results. He is of the view that the manager in an organization must diagnose ineffective employee behaviour through appraisal and measurement of such behaviour. Secondly, he must create conditions for replacing undesirable behaviour with desirable behaviour linked with high performance in employees through appropriate changes in the work environment. He is of the opinion that design and implementation of such an action programme requires a constant monitoring and evaluation of performance appraisal and reward system of the organization. He has concluded that it is not an easy task to frame an action programme but it is a vital task, if management wants to maximize the potential of each employee in the organization.

Pawan Budhwar (2006)\textsuperscript{40} attempted to study the human resource management practices in six different manufacturing industries in Britain. The primary data were collected from employees. The questionnaire consists of 13 sections which emphasize issues such as the structure of the human resource departments, role of human resource, recruitment and selection, pay and benefits, training and development, performance appraisal, employee relations, human resource management strategy, influence of competitive pressures, institutional factors, business sector and national culture on human resource management and organizational details.

\textsuperscript{39} Rabindra Kanungo, Managing people for productivity, Indian Journal of Industrial Relations, July-September 2006, V01.27, No.2, p. 12.

\textsuperscript{40} Pawan Budhwar S, Human Resource Management in Britain: An Exploratory Study of six Manufacturing Industries, Personnel Today, April-June, 2006, pp.5-8.
Kamuzora (2006)\textsuperscript{41} in his article entitled “Non-decision making in occupational health policies in developing countries”, stated that developing countries have no significant policies for occupational health. He identifies four broad mechanisms through which state- and enterprise-level decision makers in developing countries diffuse attempts to instigate improvements in occupational health: inaction or stifling of such efforts during policy implementation; exercise of power; appeal to the existing bias (norms, rules, procedures) of the system; and prevailing dominant ideology. Addressing these limiting factors requires initiating a process of raising the occupational health policy profile that recognizes the importance of empowering workers’ organizations, and enabling professionals to play an active role in the generation of occupational health knowledge required to improve occupational health in the developing countries.

Selvaraj (2006)\textsuperscript{42} in his research titled "Financial Administration and Human Resource Management in Indian Cement Industry - An Empirical Approach" has observed that Labour has an interest in the operating results and the financial strength of a company. The remuneration of workers must be generated from the company's revenues.

Christine Trampusch (2006)\textsuperscript{43} in his article entitled “Industrial relations and welfare states: the different dynamics of retrenchment in Germany and the Netherlands”, stated that after the Second World War, a consensus on welfare

\textsuperscript{43} Christine Trampusch, “Industrial relations and welfare states: the different dynamics of retrenchment in Germany and the Netherlands”, Journal of European Social Policy, Vol. 16, Issue 2, 2006, pp 121–133
provided by industrial relations evolved in the chemical industry. This coalition was caused by the fear of both unions and employers that the unions might lose ground within the collective bargaining system. In Germany, antagonism between employers and trade unions over the role of work councils left them unwilling to work together on welfare issues through collective bargaining, even though the collective bargaining system, which is similar to the Dutch one, might have left them capable of negotiating agreements on welfare issues. Both labour-market partners followed the statist strategy in social policy, in order to stabilize their wage-policy strategies. For trade unions, state social policy was, in addition, a way of counteracting the firm-specific segmentalism, followed by works councils’ and employers’ collaboration in company based welfare schemes. In contrast to the Dutch government, the German government refrained from supporting the financing and provision of welfare by collective agreement. However, by the end of the 1990s and in the wake of the crisis in the Bismarckian public pension system, the German government was much more supportive of collectively negotiated benefits. It has since used tax incentives and the legal mechanism of Tarifvorrang to delegate the provision and financing of pensions to collective bargaining partners.

Sectoral Activities Programme (2006)\textsuperscript{44} in their paper entitled “Vocational education and training in the chemical industry in India”, stated training on the job as a periodic ongoing phenomenon was not needed before liberalization, as most of the chemical companies operated with globally mini-scale

\textsuperscript{44} Sectoral Activities Programme, “Vocational education and training in the chemical industry in India”, National Safety Council of India (NSCI), International Labour Office, Geneva, 2006
sized plants with outdated technology. They did not bother about training since experienced production operators repeatedly doing the same routine operation became proficient enough to be trainers for fresh recruits. Training of production workers while in service arises whenever new process control systems are introduced. In these cases the engineer, supervisor and production workers are normally given demonstrations of the system and trained by the control systems’ vendor to operate it using a simulator. Previously, trade unions were not concerned about VET. After the Bhopal gas leak disaster, many rules in the Factories Act changed, requiring both management and trade unions to participate in the safety committee. The trade unions then insisted on the provision of proper and better quality safety equipment and that workers be trained in all aspects of safety connected with their jobs. Workers aspiring to a promotion know the value of training and have volunteered to take specific types of training which will help them take the coveted step up. In quite a few companies, production persons have requested training at outside institutions on safety and, after obtaining a diploma or certificate, were promoted as production/safety personnel.

Amit, Bhandari and Almas Heshmati (2006)\textsuperscript{45} in their paper entitled “Wage Inequality and Job Insecurity among Permanent and Contract Workers in India: Evidence from Organized Manufacturing Industries”, reveals that permanent employment status has significant effect on the likelihood of workers feeling of job insecurity. Casual and temporary workers report less job insecurity than their full time or permanent counterpart. We use a binomial logit model to estimate the

impact of personal qualification and some external factors on job insecurity. Education and income affect negatively the feeling of job insecurity for aggregate sample, while the effects are positive for permanent workers. Higher employment duration significantly increases the likelihood of getting dismissed from the present job. Workers having general skill and special training also increases the likelihood of the feeling on job insecurity. Hence more educated and skilled worker expressed their concern about their job security. As far as the labour market features are concerned union membership, relation with supervisor and migration provide relief as far as job insecurity is concerned.

Gupta (2006)\textsuperscript{46} in his study ‘HRD---key to Improve Productivity’ has stated that the productivity of any organization can be improved by application of capital intensive high technology scientific and modern techniques and attitudinal change of employees by improving work culture. The author has said that the study of many organizations in developed and developing countries have proved that technology itself may improve productivity but it cannot sustain it for a long time. It is necessary that an integration of high technology, scientific technique and work culture is continuously followed up through detailed HRD process covering every section of employees. High technology is playing an important role and this has to be imparted to lower level of employees by training them in theory as well as in practice so that the knowledge is applied to work situation. This requires massive and continuous education programme.

Anthony Lobo (2006)\textsuperscript{47} has made an attempt to study the personnel management practices in public sector industries. This study was conducted at Visvesvarya Iron and Steel Industry, Karnataka. The study covers the personnel practices such as personnel in public sector industries, personnel structure at VISL, personnel policies, selection and succession, remunerating the personnel, welfare measures and industrial relations. The primary data were collected by interview with workers. With the method of simple random sampling, 60 officers, 230 workers and 15 union leaders were interviewed.

Rabindra N. Kanungo and Manual Mendonca (2006)\textsuperscript{48} in their research study 'Work Rewards and Management of Human Resources' has discussed the objectives of reward system and its evaluation. Intrinsic rewards are those that are built into or inherent in the job such as responsibility, feelings of accomplishment. Employees gain these rewards directly as they perform the tasks. Extrinsic rewards are those that are external to the job, for example, pay benefits, praise, pleasant working conditions, job security etc. The intrinsic rewards generate a level of satisfaction, which induces a high level of performance. For this reason, intrinsic rewards are regarded as the real and only 'motivators'. His view is that if you want just happy employees, provide extrinsic rewards. However, if you want to increase employee productivity, provide intrinsic reward.


Ville Nurmi (2007)\textsuperscript{49} in his article entitled “The Trends of HRD in the Finnish Pulp and Paper Industry” states that the past two decades have introduced several major changes into this field of industry. Technical breakthroughs have led to drastic changes in the competence requirements of the personnel. On the other hand, the boom of mergers and acquisitions in this industry segment has cut down the number of corporations with worldwide operations. He has concluded that the globalization challenges in the European labour market, social policy, vocational education as well as HRD practices to develop high value jobs and competencies essential for survival in the labour cost competition.

Sapru (2007)\textsuperscript{50} examines the role of banking institutions in public sector and how the personnel management within it can be revamped for the improvement of its performance. He examines the organizational set-up, recruitment, in-service training, discipline and working conditions and industrial relations in the banking industry, with particular reference to the Chandigarh Zonal Office of the Central Bank of India. The study was based on an analysis of both primary and secondary data. The primary data were collected through personal interviews, discussion, and field survey and interview schedule. Structured questionnaire was administered to 60 officers and 50 clerical staff of the Central Bank of India. The main sources of the secondary data were the rules and regulations, annual reports of the Banks and books on personnel management.

Satinder Gill and Madhavi Mehta (2007)\textsuperscript{51} in their article entitled “Managing human resources through excellence” have studied the organization’s focus on the critical aspects such as leadership, organization culture, strategy, and HRD which result in excellent performance. In spite of all these things the organization has not been planning the human resources based on future expansion and requirements and implement training and development programmes so as to retain the employees for a longer run. Employees are the great asset of any organization. They reemphasize that leadership is considered to be the most influential factor contributing to the excellent performance of an organization whereas organization culture, determines the performance and productivity of the organization. HRD plays a facilitating role in improving the performance of an organization through performance appraisal, training and development, feedback and counseling and career planning and development.

Shobha Mishra and Manju Bhagat (2007)\textsuperscript{52} in their study entitled “Principles for successful implementation of labour welfare activities from police theory to functional theory”, stated that India introduced literal industrial policy which is aimed at stepping up industrial growth promoting modernization and technological upgradation to make industrial competitive in both domestic and global market. In this perspective enterprises have to improve their production and productivity which is possible with the satisfaction of labour. Even today’s scientific development of modern techno-production methods higher productivity depends on workers. If they are rightly directed and fully used, it would make a


\textsuperscript{52} Shobha Mishra and Manju Bhagat, “Principles for successful implementation of labour welfare activities from police theory to functional theory”, www.tesionline.com
great contribution to the prosperity of the enterprise. The high rate of labour
absenteeism in Indian industries is indicative of the lack of commitment on the part
of the workers. This can be reduced to a great extent by provision of good housing,
health and family care canteens, educational and training facilities, provision of
welfare activities enables the workers to live a richer and more satisfactory life and
contributes to the productivity of labour, efficiency of the enterprise and helps in
maintaining industrial peace. Hence steps need to be taken on a larger scale to
improve the quality of life of the workers.

Rama, Joshi and Baldev R. Sharma (2007) in their article entitled
“Determinants of Managerial Job Satisfaction in a Private Organization”, have
studied the role of the job and organization-related factors in the job satisfaction of
managerial employees. One hundred twenty four managers drawn from various
departments and levels in a private sector organization participated in the study.
The findings indicated that all the 15 jobs and organization related variables are
positively and significantly related to managerial job satisfaction. Further statistical
techniques suggest that only two variables, i.e. job content and training are the best
predictors of job satisfaction.

Several other studies have been made by researchers like, Sivayya Kanwarlal Kamal, Agarwal, Janardhan and Pathankar. All these

studies have examined the problem of industrial relations in different public sector undertakings. By and large, these studies have indicated that the problems of industrial relations in public enterprises are serious and they need to be solved on the basis of sound industrial relations policy and its implementation.

**Satheeskumar and Selvaraj (2008)**\(^{59}\) in their article entitled “Industrial Relations and Human Resource Management – An analysis” have found out that the objectives of the labour policy reforms seem to be only partially achieved, and further developments in these areas will be of interest and concern to industrial relations academics throughout the world. In pursuing them we should be mindful of the suggestion from Watson that the core disciplines of the social sciences should be used to examine the employment relationship rather than trying to raise human resource management or industrial relations to the status of separate disciplines.

**Martin (2008)**\(^{60}\) in his article entitled “Labour Welfare in India”, stated that for the quick transmission of messages relating to factory accidents, gas leaks, fires and disasters in the area a broad network of office/residential telephones is an essential-requisite for the Factory Inspector, the concerned Dy. Chief Inspector of Factories, the Chief Inspector and from C.I.F.to higher authorities. Quick transmission of such messages to the area Factory Inspector and others not only facilitates a prompt inquiry into the mishap and its causes but also enables the concerned authorities to bring into action the various control measures in the case

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\(^{58}\) Pathankar P.K, "Industrial Relations in Selected Public Sector Undertakings of Madhya Pradesh", diss., Sugar University, Saugar, 2006.


of disaster. An outlay for Tenth Five Year Plan 2002-2007 is Rs.150.00 lakh. Out of that an outlay Rs.5.00 lakh is provided for Annual Plan 2002-2003.

Mahadevan (2008)\(^{61}\) in his article entitled “Employee Participation in Achieving Industrial Safety & Health – Vision 2020”, conviction that Safety and Health must be a Fundamental Human Right of the Workers. Decent work agenda of the ILO includes safe working, without occupational diseases and accidents. This cannot be achieved without asserting Safety and Health as a fundamental right of the workers, irrespective of employment relations and economic conditions. It is necessary to remove the wrong belief that many occupational diseases are the necessary components and inevitable constituents of their work; that any solutions to these problems would entail high degree of technical expertise and large financial investments. This negative thinking and unhealthy attributions should be proved wrong and to be totally altered by means of appropriate training on OSHE and education at all levels. In short our goal should be to make a different industrially advancing nation-accident free, occupational disease free, pollution free and polluters free in the era of implementing the decent work agenda.

Jankowicz (2008)\(^{62}\) in his article entitled “Issues in human resource management in central Europe” provides a number of basic indicators in support of the assertion that, while the general-management literature on developments in central and eastern Europe is well established, the corresponding literature in HRM/HRD is probably less well advanced. He highlights the issues identified by each of the contributors, two organizing themes being involved. The first asserts


the value of mutual knowledge transfer, through which the western academic and practitioner might benefit as much as his/her central European counterpart; the second considers the extent to which personnel managers can make a strategic, contribution to the organization in the post-command economy.

Vinayshil Gautam (2008) in his article entitled “Managing Real World Results: Productivity-HRM Nexus” has studied the key issues involved in managing for real world results. He has concluded that while looking at the human factors in productivity, it should be important to remind oneself that there are significant processes and structural issues that contribute to aggravating or alleviating the situation.

Singh (2008) in his book entitled, "Human Resource Development in Public Sector" examines in particular the most crucial area relating to the training and development. This is the first macro-level study of this area in public sector in India conducted by the Foundation for Organizational Research (FORE) in association with Bureau of Public Enterprises (BPE) and Standing Conference of Public Enterprises (SCOPE). The study covers 50 public sector undertakings and 131 top managers in them.

Gani and Farooq Shah (2008) in their article entitled “Relationship between Perceived Organizational Climate and Job Stress: An Exploratory Investigation” have studied working people, function, organizational climate in

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Banking Industry in Kashmir. They seek to examine the nature of relationship between organizational climate and stress at work. The study has revealed not only that there was an overall negative relationship between perceived organizational climate and level of job stresses but also that each dimension of organizational climate was inversely correlated with each dimension of job stress. Certain organizational measures have been suggested to reduce job stress and increase, job involvement, and overall organizational efficiency.

Satheeskumar (2008) in his article entitled “Payment System” has stated that concentration on quality is increasingly a characteristic of strategic planning. It is an important element in human resource management as employee’s effort is directed towards organization survival and development. There is no area more important in the push for quality than high levels of employee motivation. Such levels will not be achieved even minimally unless the reward system makes its contribution. Time enough to explore the modish mechanisms of total quality management when these matters have been addressed.

Gawhane (2008) in his article entitled “Role of Management and Union in Competitive Environment” has studied the organization structure of Unions, Unions activities, collective bargaining, wage agreement related to productivity and quality circle. He has suggested that the size and structure of unions should be minimized to reduce the unproductive man-days.

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Satheeskumar and Selvaraj (2009)\(^{68}\) in their article “Industrial Relations and Human Resource Management: Tensions, dilemmas and contradictions – An International perspective” have stated that there is a tension between the role of trade unions and workers' congresses, which parallels the tensions discussed in the Dutch situation. Branine discusses the contradictory impact of the labour market reforms on Chinese workers and shows how the Chinese State has reacted to the negative impact of the reforms by passing a stream of labour laws designed to minimize industrial unrest.

Millie Nihila (2009)\(^{69}\) in his article entitled “Marginalisation of woman workers leather tanning industry in Tamilnadu”, stated that while liberalisation may have increased employment, it has worsened the quality of employment, especially for women. They studied macro-level data to analyse employment of men and women. Data collection by official agencies uses faulty processes and much of women's work remains invisible. A macro-level field study of the leather tanning industry in Tamil Nadu shows that gender subordination is built into the system. Employment generation does not necessarily translate into a better deal for labour, especially women.

Robert F. Wright (2009)\(^{70}\) in his article “Effect of micro management on job satisfaction & productivity: A case study”, has attempted to determine how competitive pressure and manager’s Growth, Needs and Strength (GNS) affect a

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\(^{69}\) Millie Nihila, “Marginalisation of woman workers leather tanning industry in Tamilnadu”, Economic and Political Weekly, April 17-24, 2009

company, micro managers, and its sales force. The degree of micro management may impact a person’s autonomy, which interacts with his GNS, to determine his job satisfaction and productivity. Wright has suggested that a strong correlation between the degree of micro managing and autonomy, manager’s GNS and autonomy and degree of micro managing and manager’s GNS and a weak correlation between autonomy and job satisfaction, with the representative’s GNS as an interactor. There was no correlation between competitive pressure and the degree of micro managing or productivity and autonomy, with the representative GNS as an interaction.

Giridharan (2009) in his article entitled “Human Resource Management as a Facilitator of Business process Reengineering”, has studied the present business environment. Every corporation is engaged in the process of adding value by elimination of waste throughout its business process by understanding customer requirements to acting on feedback from customers on its products and services. Business Process Reengineering (BPR) means to examine all the business process to maximize the satisfaction of both internal and external customers at optimal cost. This paper deals with the role of Human Resource Management as a facilitator in BPR implication in interfacing and preparing people to accept and participate in the change process.

Peterson (2009) in his article entitled “Case Study: Bhopal Plant Disaster”, stated that the Bhopal case is an in-depth study of the industrial accident at the Union Carbide factory in India that immediately killed 2,000 people, injured

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Binoy Joseph, Joseph Injodey and Raju Varghese \textit{(2009)}\textsuperscript{73} in their article entitled “Labour Welfare in India”, India's labour force ranges from large numbers of illiterate workers to a sizeable pool of highly educated and skilled professionals. Labour welfare activities in India originated in 1837. The 10 Five Year Plans have had a tremendous impact. Further, the Indian Planning Commission has laid down measures to enhance the welfare of workers in various areas such as child labour, bonded labour, female labour and occupational safety and health. Welfare work in India (broadly defined) is carried out by various government and non-government organizations of which the most important are National Government, State Government, Trade Unions, the Public Sector and Private Sector nongovernment organizations. Activities in this area include provision of housing facilities, education, occupational safety and health, prevention of child and bonded labour, and enhancement of working women's welfare. Private Sector welfare measures are of a similar nature. Notable companies taking initiatives in this regard are Tata and Larsen and Toubro. They

\textsuperscript{72} Peterson M.J, “Case Study: Bhopal Plant Disaster”, \url{http://scholarworks.umass.edu}, University of Massachusetts – Amherst, 2009

point out that the structure of a welfare state rests on its social security fabric. Government, employers and trade unions have done a lot to promote the betterment of workers' conditions. However, a great deal still needs to be done.

**NIPM Journal (2009)**\(^{74}\) quotes in “Employee Development beyond Training” that one of the most vital duties of the personnel managers is employee development. Therefore, the manager must identify the needs of all employees against competency requirement for each of the jobs. It is stated that beyond the training, value should be added. The one who knows the organizational needs is able to deal with functional line managers equitably. Often, this responsibility is entrusted to new staff that may be capable of handling the administrative aspects. To sum up, Training is not an end in itself, but requires continuous, careful and ongoing planning and efforts to make the result more effective.

**Rudrabasava Raj (2009)**\(^{75}\) made an attempt to study personnel management practices in a cross section of public, private and co-operative enterprises. The study covers 32 organizations. 6 in the public sector, 12 in the co-operative sector, and 14 in the private sector. The study throws light on various aspects of personnel management such as recruitment, selection, training, promotion and transfer, performance appraisal and career development, employee morale, wage and salary administration, welfare services, union-management relations and personnel organizations.

**Binoy Joseph, Joseph Injodey and Raju Varghese (2009)** has reported that the labour welfare measures will make the employee to feel that industry is

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giving much importance to them and in turn loyalty and commitment also will increase. When these are developed the satisfaction towards the work will also very high; otherwise the industries have to take much care in the areas of labour welfare measures, and industrial relations and trade union of the industries to avoid dissatisfaction of the employees.76

Kapoor (2009)77 feels that the most complex organization in the world is mans and management of men is equally complex. He further observes that we have reached a stage where we have learnt to understand the management of man in a behavioural framework. This framework places emphasis on understanding of personnel and hence the importance of personnel management.

Asish Kumar Mandal (2009)78 in his article entitled “Strategies and policies deteriorate occupational health situation in India: A review based on social determinant framework”, stated that improvement of occupational health requires strengthened organization and appropriate leadership in trade unions, conscious workers, who are able to control the work process, and generation of unbiased information about occupational health risks. Strategies and steps for the improved conditions of occupational health status, India urgently requires a modern occupational health safety (OHS) legislation with adequate enforcement, machinery, laws, occupational medicine, and a proper awareness program, to catch up with the rest of the world, Health awareness and factors to measure the safety analysis of the laborers working in particular industry, Empowering positive trade

unions so that they can play a key role in demanding occupational health improvements. Work should be given depending upon two principles, which are, 'worker fit for job' and 'fit the job for worker', so that the employer generates interest on the work and avoids lack of attention. Surveillance of diseases in industrial belts, maintenance of death certificates, and using record-linkage techniques between various resources may also potentially improve the research on occupational health. Quality assurance, creating awareness, accreditation, and capacity building (strengthening skills and developing competencies) will be needed in the field of occupational health. Model programs and pilot projects/surveys may be undertaken with the support from ILO/WHO and different NGOs like the Indian Association of Occupational Health (IAOH), for the unorganized sector.

**Muktar and Khan (2010)** in his study 'Human Resources Development in Changing Technology' has stated that manpower resources are in fact a double-edged weapon, if they are misused; they lead to economic retardation of a country. An effective HRD programme should include (a) proper HRD strategy, (b) adequate manpower development procedures and (c) a specialized motivational plan. He has opined that in this age of changing technology, human resource development is a pre-condition both for maintaining and for developing the national economy.

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Sabarirajan, Meharajan and Arun (2010) in their article entitled “A Study on the Various Welfare Measures and their Impact on QWL Provided by the Textile Mills with reference to Salem District, Tamil Nadu, India”, stated, welfare measures were recreational, medical, educational, housing, sanitation and so on. Every organization provides the statutory welfare measures but some organization provides some more welfare facilities to the employees so that they may retain the employees and their quality of work life. By the result of improved quality of work life among the employees their involvement in job gets increased and results in increased productivity of the organization. The organizations maintaining smooth relationship between workers and management, which leads to attainment of organization efforts.

Manvir Saini (2010) in his study entitled “A Study on Employee Welfare and Satisfaction in Punjab Chemicals and Crop Protection Limited”, stated that the workers of the firm are more satisfied comparing to the staffs. Hence more focus should be given in the satisfaction level of the employees in the staff’s level. The study on employee’s satisfaction at PCCPL is cased out with full co-operation of the employees and management. As far as possible with in the given limits the study is completed with the satisfaction of many peoples. The data collected are analyzed scientifically and the results obtained are free to nearly 80%. It is assured that the company may get high boosted moral in the organization provided some of the suggestions made in the report are carried out.

Neetha (2010)\(^8^2\) in her article entitled “Domestic Workers: Profile and Emerging Concerns”, stated that Most domestic workers work seven days a week with no concept of a day off. There is no uniformity in the hours of work, the number of working days and other conditions of work. Even sick leave or negotiated leave often results in a cut in wages. There is no security of employment and they can be dismissed any time for reasons the employers find fit. There are no provisions for any social security in terms of provident fund, health insurance or pension. 

Babu Remesh (2010)\(^8^3\) in his article entitled “ILO: Nine Decades of Labour for Labour”, the declaration proclaimed that 'labour is not a commodity' and 'poverty anywhere constitutes a danger to prosperity everywhere'. It was also held by this declaration that freedom of expression and association are essential to sustain progress and all human beings (irrespective of race, creed or sex) have the right to pursue both their material well being and their spiritual development (in conditions of freedom and dignity, of economic security and equal opportunity). 

Dravid (2011)\(^8^4\) in his article 'Importance of Values in HRD' has stated that HRD practitioners in India have little understanding of how human resource management activities contribute to the effectiveness of a business organization; the practitioners are increasingly obsessed with the development of tools and technologies only. The HRD professional will have to play an active role in influencing the political and cultural systems of the organization. Dravid has

\(^8^4\) Dravid R.N, Importance of Values in HRD, The Hindu, Thursday August 1, 2011, p.18.
stressed the fact that the element of human resource planning should be mixed with strategic planning, and human resource staff should be taught to support the strategic planning process.

**Krishna (2011)** in his article 'Human Resource Obsolesce in Organizations - Issues and Strategies' has observed that with the emergence of electronics and computers, obsolescence of human skills is increasing. The profits of the working force, their demands and aspirations constantly affect professionals and help in creating an environment for this continuing education and up gradation of skills and knowledge and prevent them from becoming obsolete. Obsolescence of men or women takes place gradually and not abruptly without warning. There is advance intimation, which can be forecast, and planned attempt at detection or prevention has to begin with a general understanding of the factors responsible for obsolescence and their effect on the company's personnel and manpower planning policies. Continuing education can be useful as a means of tackling obsolescence when it is planned well and tailor-made to meet specific needs.

**Hajime Yamataki et al., (2012)** in their article entitled “Health status of workers in small and medium-sized companies as compared to large companies in Japan”, stated, in small and medium sized companies maintaining a certain level of industrial health management organization and offering adequate health management activities the health status of workers did not differ appreciably from that of workers of large companies. To enhance worker health and preparation of

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86 Hajime Yamataki, Yasushi Suwazono, Yasushi Okubo, Toshiaki Miyamoto, Mieri Uetani, Etsuko Kobayashi and Koji Nogawa, “Health status of workers in small and medium-sized companies as compared to large companies in Japan”, Journal of occupational health, Volume 48, 2012, pp 166-174
an industrial health management organization is vital, and to ensure this stability of companies’ economic foundation is essential.

Sathwara et al., (2013)\(^{87}\) in their article entitled “Chromium exposure study in chemical based industry”, stated the ways to avoid the spillage of chromium at ground floor with the help of better housekeeping and better industrial hygiene practices. Workers employed for sweeping, cleaning, distillation, ore mixing of chromium and furnace workers should be provided personal protective device like certified masks, aprons, gloves etc. during the work shift. All the workers/staff should be made aware of health hazards due to chromium and its salts. Practice of personal hygiene may help to reduce the exposure risk due to chromium. It is necessary to organise workers education and awareness campaign. There is a need for periodical air monitoring (at least every three-month) and medical surveillance including biological monitoring (every year) of exposed workers of industry.

2.2. SUMMARY

The above review shows that most of the studies of human resource management have been carried out in public, private and cooperative enterprises. The few studies have not covered human resource management practices of the sugar mills except the studies of Kannappa, Gnanasekaran and Maruthamuthu. Selection of a few units for study, limited samples, ignorance of overstaffing problems, importance given to conventional personnel management practices, lack of due attention to the seasonal employees were the limitations of these studies.

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Human resource management of sugar mills is not like management of other enterprises. It is a seasonal industry with overflowing population. Hence, a careful study is essential in this regard. In this background, the present study is an attempt to fill in the research gap in these areas. This study with its coverage of selected Sugar Mills in Tamil Nadu with a sample of 400 employees. An attempt has also been made to study the staffing pattern, representation to seasonal employees, and recent concept of human resource management.