CHAPTER - IV

PERSONNEL PROBLEMS OF PUBLIC UNDERTAKINGS
IN JAMMU AND KASHMIR STATE
Many concepts and phrases in personnel field are closely related and to same degree, represent interchangeable terminology. Personnel, Personnel administration, employees relations and industrial relations all have only shaded of difference in their meaning. Often a distinction is sought to be made between the "administration" and "management". However, for the purpose of this study in the context of public undertakings in Jammu and Kashmir State both these words will be treated as synonymous and the expressions. "Personnel administration" and "Personnel management" will be used flexibly to mean administration which is primarily concerned with the task of administering personnel and human relationships within an organisation.

There is no standard definition of the term "Personnel management or personnel administration". Still there is a widespread unanimity among writers about its meaning, scope and purpose. According to Flippo, personnel function is concerned with the procurement, development, compensation, integration and maintenance of the personnel of an organisation for the purpose of contributing toward the accomplishment of that organisation's major goals and objectives. Dale Yoder who uses the term "manpower management" instead of "personnel management" and includes both labour relations and personnel management within its ambit says that the term effectively describes "the processes

of planning and directing, the application, development and utilization of human resources in employment. Employers employees, unions and public agencies all have important role to play in these processes".

The society of personnel administration of America defines Personnel Administration as "the art of acquiring, developing and maintaining the competent workforce in order to achieve and accomplish the organizational goals with maximum efficiency and economy". The British Institute of Personnel Management in U.K. defines personnel management as "that part of the management function which is primarily concerned with the human relationships. Its objectives is the maintenance of those relationships on the basis which, by consideration of well-being of the individual enables all those engaged in the undertaking to make their maximum personal contribution to the effective working of the undertaking". The Indian Institute of Personnel Management has also adopted this definition.

In fact effective management of human resources is one of the most crucial factors associated with the growth of an organization. Its objective is the maintenance of better human relations in the organization by development, application and evaluation of policies, procedures and programs relating to the individuals in organization to optimise their contribution.

3 "American Society of Personnel Administration" and "The British Institute of Personnel Management", Definition; Quoted in Grant, J. Vallene and Smith, Geott, Personnel Administration and Industrial Relations, pp 2-3.
towards the realization of organizational objectives. In other words, personnel management is concerned with the basic function of management of getting better results with the collaboration of the people. In this process it is mainly concerned with methods of recruitment, selection, training and placement of the personnel and their terms of employment, methods and standards of remuneration, working conditions, motivation, morals etc. It is also the duty of the personnel manager to maintain and use effectively the facilities for joint consultation between the employer and the employees. It can be defined as "that part of management which is responsible for advising on all matters affecting human relations in the organization and in particular performs certain administrative functions relating to the employment development and compensation of the personnel and the provision of working condition and welfare measures to maintain a good working force in the organization."

Personnel management or personnel administration needs constant alertness and awareness to human relations and to the task of handling human problems in the organization. In developing countries like India, personnel management problems assume even greater importance as there is lack of trained, qualified men on the one hand, and a keen desire for quick development on the other.

5 Miner, John B. and Miner, Marry Green, "Personnel Management and Industrial Relations": A Managerial Approach, pp 6-7.
Personnel problems of public undertakings in Jammu and Kashmir State are broadly divided as:

a) Problems of Recruitment.
b) Problems of Promotion.
c) Problems of Training
d) Problems of Employer and Employees Relations.

Before explaining these problems, it is essential to know something about these terms in general and to explain the actual procedure of recruitment, selection, methods of training, policy of promotion and demotion and the employer and employees relations in public undertakings in Jammu and Kashmir State in particular.

1. RECRUITMENT AND SELECTION PROCESS

Recruitment is the most important function of personnel administration. Higher rate of employee turnover and absenteeism and lower productivity and morale of the employees constitute a big problem in many organizations. It is because right type of people are not appointed for various jobs in the organization. Actually, it is not easy to get the right type of people. This calls for a properly planned recruitment policy to minimise disruption of work by constantly changing personnel.
It is a process of searching for prospective employees and stimulating and encouraging them to apply for jobs in an organization. It is often termed positive in that it stimulates, people to apply for jobs to increase the hiring ratio (i.e. the number of applicants for a job) Selection on the other hand, tends to be negative because it rejects a good number of those who apply, leaving only the best to be hired. Thus, recruitment is a process of getting potential employees willing to apply for a job/jobs in an organization.

The basis for a sound recruitment policy must be a consideration of the manpower requirements of the organization. Many a times it happens that there are no employees to man a particular job because of the retirement, death, resignation or dismissal of the employees. Such a situation is dangerous in any organization. This will mean loss of production and interruptions in work of other employees whose work is related to the vacant jobs. Therefore, there should be proper manpower planning in the organization so as to avoid such situations and to recruit and select such employees as are best suited to various jobs. Thus, recruitment process aims at developing and maintaining adequate manpower resources upon whom the organization can depend upon when it needs additional employees.

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SOURCES OF MANPOWER

Before an organization actively begins recruiting applicants, it should consider the likely source of the type of employees it needs. In general, there are two sources of recruiting the employees:

(a) Internal and
(b) External.

INTERNAL SOURCES

Internal sources are the most obvious sources. These include personnel already on the pay roll of an organization, i.e. its present working force. Whenever, any vacancy occurs, somebody from within the organization is upgraded, transferred, promoted or sometimes demoted.

EXTERNAL SOURCES

These sources lie outside the organization. Among the more commonly used external sources are the following:

1) Advertisement

Advertisement in local or national news-papers or trade and professional journals is generally used when qualified or
experienced personnel are not available from other sources. Most of the senior positions in industry as well as in trade are filled by this method, particularly when they cannot be filled from within.

ii) Employment Exchanges

Employment Exchanges run by the government are regarded as good source of recruitment for unskilled, semi-skilled, skilled and operative jobs. In some case compulsory notification of vacancies to the employment exchanges is required by law. Thus employment exchanges bring the job givers in contact with the seekers.

iii) Educational Institutions

Jobs in trade and industry have become increasing technical and complex to the point where school and college degrees are widely required. Consequently, many big organizations maintain a close liaison with the universities, vocational institutions and management schools for recruitment to various jobs.

iv) Recommendations

Applications introduced by the employee’s friends and relatives to the organization may prove to be a good source of recruitment and indeed, many employers prefer to take such persons
because something about their background is known. When a present employee recommends a person, a sort of preliminary screening has been taken place. Some organizations have agreements with the unions of employees to give preference to relatives of existing or retired employees if their qualifications and experience are suited for the vacancies.

v) Casual Callers

To meet the short term demands of personnel, the management may consider the possibility of hiring personnel, who call on casually. This will avoid the selection and training costs and will avoid any obligation in pensions, insurance and other fringe benefits. It will also be highly economical method since the management need not pay retrenchment and lay off compensation according the requirements of law.

In Jammu and Kashmir State, mostly two sources of recruitment are used for securing employees. These are internal and external. Internal resources include direct appointment by the undertakings, by the promotion of persons already on the service of these undertakings and some times borrowing from the Central Government, a state government industrial undertaking or a local or other authority. The external sources used by these undertakings for securing employees are:

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(1) Advertising – both in national dailies like Times of India, Hindustan Times, Tribune and Indian Express and local papers like Kashmir Times and Daily Excelsior. Further advertisement is made through radio.

(2) The second important external source used by these undertakings for securing manpower or employees is employment exchange run by the state government and the state recruitment.

Before analysing the overall recruitment policy and selection procedure adopted by Public Undertakings in Jammu and Kashmir State, it is appropriate to know something about selection procedures in general.

**SELECTION PROCEDURES**

Recruitment has been described as the process of getting potential employees willing to apply for a job or jobs in the organization. If recruitment is successful, several candidates will apply and out of these, the more suitable candidate may be selected. But selection is not an easier process. It is a problem of matching a man to the job. Thus selection process involves choosing of individuals who possess the necessary skill, abilities and personality to fill specific jobs in the organization. A

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9 Personal Interviews with the Managing Director of JKI Ltd. Srinagar; and Managing Director of JKM Ltd. The Bund, Srinagar.
10 Strauss, George and Sayles, Leonard, R; op. cit., pp 410-411.
A well devised selection procedure is of great significance for the organization because it involves greater cost to the organization and an employee once selected, is expected to remain in the organization for a number of years. Faulty selection process would result in low productivity and high labour turnover, and if the job does not suit to the employee, he will always be in search of a suitable job elsewhere and will not be in a position to concentrate on his present job.

Thus proper and thorough selection policy must be followed by the management. There must be definite selection procedure established for screening out the undesirable and hiring the desirable candidates. The following are the important steps involved in the satisfactory selection procedure:

1. Preliminary Interview
2. Application Blank
3. Employment Tests
4. Employment Interview
5. Reference Check
6. Physical Examination
7. Final Selection

The procedure of selection varies from organization to organization and within the same organization according to the kind of the job to be filled. Whatever may be the procedure to be

11 Ibid., p 418
followed, the personnel department plays important role in the selection process. However, it should be kept in mind that decision to add persons in the payroll in a particular department of an organization is not made in the personnel department. The requisition for the employees must originate from some department where it is necessary to hire some persons to man particular jobs in the near future. For this purpose the use of a standard requisition form by the departmental head is preferable as it will make clear the number of vacancies, type of job, pay scale and any special characteristics of skill required. After receiving the requisition, the personnel department will see the catalogue of job descriptions and job specifications to obtain a picture of the job and will tap some sources of recruitment according to the circumstances of the case.

Selection process will start when applications are received from the candidates. The personnel department will classify and file the applications and will screen out the applicants which are found unsuitable. After this, it may call the other applicants for initial interview.

(1) **PRELIMINARY OR INITIAL INTERVIEW**

Preliminary or initial interview is usually of a short duration. It is often held in case of "walk in" applicants or "at the gate" candidates. This interview is aimed at obtaining
certain basic information with a view to identifying the obvious misfits or unqualified. The candidate is asked about his education, skill, knowledge, job experience, minimum salary acceptable etc. Sometimes, he is also asked why he is applying for a job in that particular organization. If the candidate seems to be possessing the basic minimum requirements for efficient job performance, he is given an application form for being filled out by him.\(^{12}\)

(2) The application blank - The application blank is invariably used as one of the selection tools. Its significance lies not only in that, when filled out, it provides factual information needed for evaluating the candidates suitability, but it is also used as a basic record of the personal data, if he is hired.

Many large companies use two sets of application forms. One seeks to obtain basic personal data about educational qualifications, training, experience etc., to determine whether the candidate possesses the basic minimum requirements. If the candidate is selected on the basis of this form, he is given a more detailed application form aimed at gaining deeper insight.

Application blanks of different companies, of course, differ in details and some of them do use highly sophisticated one, but broadly speaking, they seek information in the following areas:

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12 Yoder, Dale; op. cit., p 301.
1) Personal data, such as age, sex, marital status, height, weight etc.

ii) Family background such as father's and brother's occupation.

iii) Educational background including training.

iv) Employment record, including details about previous employment, if any and present employment.

v) Names and address of a few, usually three persons, other than relatives to whom references can be made.

vi) Membership of professional organizations.

vii) Reasons for seeking job in the organization.

(3) **Employment Tests** - The use of employment tests are gaining in popularly as a part of the selection process. These tests, if appropriately used, can lessen the selection costs by reducing large groups of applications into smaller ones. However, excessive reliance on such tests can lead to overlooking of more suitable candidates who unfortunately performed poorly in such tests. However, tests should not be used as a final device. They should be considered as an extra tool or aid in evaluating the applicant. In this area, a good personnel department can guide and help determine and use the type of tests appropriate for a particular selection. There are different type of employment tests. These are:

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1) **Intelligence Tests**

The intelligence test is probably the most widely administered standardized test in industry. Intelligence tests are a measure of the individual's capacity for reasoning, verbal comprehension, numbers, vocabulary, word fluency etc. They are used to eliminate candidates who are insufficiently intelligent for efficient job performance.

2) **Aptitude Tests**

Aptitude tests measure whether an individual has the capacity or talent ability to learn a given job if he is given adequate training. It is used in order to determine their ability for effective job performance after the completion of the training period. The use of aptitude tests is advisable when an applicant has had little or no experience. Tests of clerical aptitude deal with the questions concerning office vocabulary, arithmetic, spelling and detail checking.

3) **Achievement Tests**

Aptitude is a capacity to learn in the future, achievement is concerned with that one has accomplished, when applicants claim to know something, an achievement test is given to measure how well they know it. Trade tests are the most common type of achievement tests given in industry, such as typing or dictation test for an applicant for a stenographic position.
iv) **Project Tests**

Such tests use the projective technique under which the applicant projects his personality into free responses about ambiguous pictures shown to him, the administration of which requires great skill.

v) **Interest Tests**

These tests are used to predict whether a candidate is interested in a particular job or not.

vi) **Personality Tests**

Personality tests are designed to measure such personality characteristics as emotional stability, tolerance for conflict capacity to get along, maturity and phychoneurotic and psychotic tendencies. These are generally used for the selection of personnel for executive jobs. These are most controversial kind of tests. In any case, they need trained experts for their administration and evaluation.

**INTERVIEWING**

Interviewing is the most widely used selection technique by all kinds of organizations. The interviews is a face to face oral, observational and personal appraisal method of evaluating

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the applicant. It can also be described as a conversation with a purpose. There are three purposes that may be served: (i) giving information that will help the applicant to make up his mind about the company/industry; (ii) obtaining relevant information from the candidate, and (iii) making the candidate feel that he has been fairly treated.

Interviews are carried out in many ways by the departmental head, by a personal officer along with the line executive, by the interview board consisting of senior executives or by a selection committee.

**TYPE OF INTERVIEWING**

There are different types of interviews in the field of personnel administration: (i) The preliminary employment interview; (ii) The final hiring interview and (iii) The follow up placement interview, (iv) The planned interview, (v) The patterned interview (vi) The non-directive interview (vii) The depth interview (viii) The exit or separation interview and (ix) The group interview.

1) The preliminary employment interview is conducted with or without the preliminary application blank filled out by the candidate and it makes a preliminary selection of candidates who are thus sent for final interview and selection by the departmental head. The objective of preliminary interview, is to weed out
those who are unsuitable and thus save the time for the line executive.

(2) The Final Hiring Interview

It is wise practice that the final hiring interview be held in private where the candidate may feel free to answer questions and talk without fear. The first conditions of a satisfactory final interview is to create an atmosphere of friendliness. The friendly interview is designed to bring out the mental tracts of the applicant such as attitudes, interests, and capacities. The candidate should be made to feel that he is not giving an examination but has been called to give further information about himself.\(^{15}\)

If during the final interview it is decided to employ the applicant, it is highly desirable to give him full information of the job.

**ORGANIZATION OF INTERVIEW**

There are two parties to an interview viz., the interviewer and the candidate. The way in which these two are organized, grouped and placed in relationship to each other constituted the structural framework for the interview process. As far as the interviewers are concerned, the interviewers can be single, multiple or a board.

\(^{15}\) Walter, Scott Dill; Robert, Clothier, C.; and William, Spriegel, R. op. cit., pp 88-89.
Single interview means one person interviewing another person and drawing a conclusion. The multiple interview is a situation where the candidate is seen by a number of interviewers, one after the other. A board interview is a situation where a number of interviewers together conduct the interview.

It is a debatable question as to who should be the final authority in selection. Sometimes the personnel officer performs this function. But this is not a desirable practice. Employees should be selected either by the executive under whom they will have to work or by a permanent board.

**THE PLANNED INTERVIEW**

The interview to achieve its desired objective, must be preplanned before the interview starts, the interviewer should prepare himself and should follow definite plans of action. Before the candidate actually arrives, the interviewer should carefully study his application and try to memorize the more important details. The interviewer should plan in his mind what kinds of information he is to seek, how he will conduct the interview the steps of procedure and how much time he will allot to each candidate.
PATTERNED INTERVIEW

Patterned interview is a planned interview but it is pre-planned to a high degree of exactitude. It was designed by Macmurry to measure the personality tracts that are wanted among all employees. Such tracts are (i) Stability; (ii) Industry (iii) Ability to get along with others; (iv) Self reliance; (v) Willingness to accept responsibility, (vi) Freedom from emotional immaturity and (vii) Motivation. The basis for this approach is that a candidate's future behaviour can be judged by his past performance. The patterned interview has got nothing to do with job skills. It is designed to appraise only personality, motivation and interests.

NON-DIRECTIVE INTERVIEW

Under non directive interview, the candidate is not directed by questions as to what he should talk about. Basic to this procedure is the minimum use of direct questions. Questions those yield yes or no answers are avoided and instead broad general questions are substituted. In general, non-directive approach is characterized by much interviewer behaviour as listening carefully not arguing, not interrupting and allowing pauses in the conversation. The basic philosophy of such interviews is that a candidate is thus more likely to reveal his actual self than when he answers set questions.

DEPARTMENT AND STRESS INTERVIEW

Really speaking department interview is not a distinct type of interview. Here the interviewer only goes into considerable detail on particular subjects of an important nature. Only through extensive probing of a candidate's background and thinking it is possible to evaluate him properly. The stress interview in which pressure is deliberately put on the candidate may have value for jobs where emotional balance is a key factor.\(^{17}\)

THE GROUP INTERVIEW

The group interview is a relatively new technique. It is a procedure for the discovery of leadership. Several job applicants are placed in a leaderless discussion and interviewers sit in the background to observe and evaluate the performance of the candidates. A topic for discussion is assigned and at the beginning there is no leader. The interviewer observes how one assumes leadership and how it is accepted by other members of the group. This method is useful in the selection of supervisors.

REFERENCE CHECKS

Reference checks serve an important selection technique, if conducted properly. The applicant is asked to mention the names

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and address of his former employers and also of the two to three persons known but not related to him. When conducted by mail, the references are likely to avoid giving factual and frank information about the seamy side of the candidate when conducted by telephone, it is possible for a skilled enquirer to find more complete and factual information. The most truthful method of checking references is through face to face interview with the references. But the time and cost involved in this method of checking references is too prohibitive to permit its frequent use.

**PHYSICAL EXAMINATION**

The pre-employment physical examination or medical test of a candidate is an important step in the selection procedure. Though in the suggested selection procedure, medical test is located near the end, but this sequence need not be rigid, and organization may place the examination relatively early in the process so as to avoid time and expenditure to be incurred on the selection of medically unfit persons. Some organizations either place the examination relatively early in the selection procedure or may advise the candidates to get themselves examined by a medical expert so as to avoid disappointment at the end. Following are the reasons for locating the medical examination at the end: Firstly, this is time-consuming and expensive and secondly, the number of applicants who reach this stage are considerably less than the number who fill out application blanks.
Finally these may be an interval of time lapsing between initial screening by the personnel department and the actual entry into the organization. Giving the medical test near the end ensures that employees is physically fit for the job at the time of actual entry.

Physical examination has at least three objectives:

i) It serves to ascertain the applicant's physical capabilities to meet the job requirements;

ii) It serves to protect the organization against the unwarranted claims under worker's compensation laws, and

iii) It helps to prevent communicable diseases entering the organization. 19

THE SELECTION DECISION

The selection procedure is thus a multi-step process. At each step the employer learns more and more about the potential employees. Each step is a hurdle and only those who cross the preceding hurdle go ahead to the next hurdle. Thus, at each step a selection decision has to be made whether to let the candidate go on to the next selection step or to drop him. At every step when candidates are eliminated, it should be kept in mind that selection process, besides being a staff device also has

19 Ibid., pp 96-97.
an important public relations aspect. A candidate who is rejected should be treated with all the courtesy and caused minimum annoyance or inconvenience\(^20\).

**PLACEMENT**

Once the employee is hired, he should be placed on a suitable job. While doing so, the factor to be considered is not only the suitability of the individual to the job but also the suitability of the job to the individual. First placement is always a problem because the new employee happens to be a relatively unknown quantity, but for the new employees it is a very decisive matter\(^21\).

**INDUCTION**

Induction follows placement and consists of the task of introducing or orienting the new employee to the corporation/company. Rather than leaving him to stumble his way through the organization it is much better to properly and systematically introduce him to the corporation/company, so its philosophy, its place in the industry or economy, its major policies etc.\(^22\).

\(^{20}\) Ibid., p 97.
\(^{21}\) Yoder, Dale, op.cit., p 309
\(^{22}\) Walter, Scott, Dill, Robert, Clothier; C. and William, Spiegel, op.cit., p 271.
1. **RECRUITMENT POLICY AND PROCEDURE IN JAMMU AND KASHMIR INDUSTRIES LIMITED, SRINAGAR**

(A Jammu and Kashmir State Government Undertaking)

Each establishment under this corporation consists of such categories of posts and such grades in a category as are determined by the Board of Directors from time to time. The following are the classes of employees:

a) Permanent Employees;
b) Temporary Employees;
c) Probationers;
d) Apprentices or Trainees

Recruitment to the posts under this corporation is made through:

a) Direct appointment or;
b) Promotion of persons already in the service of the corporation; or
c) Borrowing from the Central Government, a state government Industrial undertaking or a local or other authority.
The corporation constitutes such cadres for different categories of posts under it as the Board considers from time to time necessary and proper; and frame recruitment rules with respect to each grade of each category of posts, so as to provide, inter-alia for:

i) minimum educational qualifications and/or experience to be possessed by candidates for entry into service;

ii) age limits for entry into service and relaxation therein where necessary;

iii) proportion of vacancies to be filled by direct appointment and by promotion respectively and

iv) standards for promotion from one grade to the next higher grade, including minimum length of service in the lower grade.  

There is also special qualification for the recruitment and appointment of personnel in this Corporation viz., with the exception of those serving in this corporation on contract basis or those who are on deputation as the senior most executives all others to be recruited in this corporation should be state subjects and for that candidates are supposed to produce a state subject certificate when they are recruited. Thus to be a state

subject is a special qualification for recruitment in JKI Ltd and in the industrial units operating under this public corporation.

Further the educational qualification depends upon the nature of job viz. in Jammu Filatures for the recruitment of Filature Officer, the minimum educational qualification is post graduate diploma in sericulture either from Mysore or from Bharampur. Production Manager and Manager of the factory are selected by promotion. Similarly the minimum educational qualification for the recruitment of A.F.C. and Accounts Officer in Jammu Filatures is M.Com. with 7 years practical experience and B.Com with 25 years practical experience respectively. Those in the supervisory staff the minimum educational qualification is simply graduates. In knitting factory Jammu the Manager of the factory is simply graduate, the accounts officer is commerce graduate other employees like storeman and typists are matriculates.

In New Joinery Mill, Bari Brahmana, the educational qualification for the recruitment of supervisors is technical graduates in mechanical branch. So, Assistant Manager, Dr. Manager and Manager of the Bill are also technical graduates but the appointment of these officers is made through promotion based upon experience and seniority. Similarly in Rosin and Turpentin

24 Personal Interview with the Secretary of Jammu and Kashmir Industries Ltd., Srinagar
25 Personal Interview with the Manager of J & K State Government's Silk Factory, Jammu.
26 Personal Interview with the Manager of J & K State Government's Knitting Factory, Jammu.
27 Personal Interview with the Manager of Government New Joinery Mill, Baribrahamana, Jammu.
factory. Miran Sahib, Jammu all the Managers in various wings of the factory are technical graduates. For the recruitment of Maintenance Engineers, the educational qualification is B.E. Mechanical for those in the Mechanical wing and B.E. Electrical for those in the Electrical wing. Foreman in this industrial unit are technical diploma holders either in mechanical branch or in electrical branch. Those in the mechanical wing are diploma holders with mechanical branch and those in electrical maintenance wing they are diploma holders in electrical branch. For all others in the supervisory level but in personnel department the minimum educational qualification is simply graduates in any faculty.

In Silk Group Factories viz. Silk Weaving Factory, Raj Bagh, Srinagar, the Manager of the factory is M.A. in Economics. For the recruitment of Managers in personnel department Master degree either in Economics or in Commerce is a minimum educational qualification. For the recruitment of marketing Manager the preferable educational qualification is M.B.A. or specialization in marketing management. Production Manager of the factory is technical graduate. B.Tech. Similarly for the recruitment of labour Welfare Officer in this Industrial Unit the educational qualification is Ist or IIInd Class B.A. with economics as one of the subjects.

28 Personal Interview with the General Manager of J & K State Government's R & T Factory, Miran Sahib, Jammu.
29 Personal Interview with the Manager of J & K State Government's Silk Weaving Factory, Rajbagh, Srinagar.
In Bemina Woolen Mills, with the exception of Marketing Manager all others recruited in the managerial wings are technical graduates. The educational qualification for the recruitment of Marketing Manager A.A. Officer in this industrial unit is same as in all other industrial units operating under Jammu and Kashmir Industries Limited.

In Pharmaceutical unit, Baramulla, the educational qualification for the recruitment of Chemist of this industrial unit is science graduate with Medical subjects and Master Degree in Chemistry. Manager of this Industrial Unit come by promotion on the basis of performance and seniority. If recruited from outside practical experience in the same field is also a required qualification. The educational qualification for the recruitment of Stockist/storeman in this Industrial unit is matriculation with A.M.T. diploma.

While making the appointments to posts under this corporation, whether by direct recruitment or by promotion, the corporation endeavours to provide for special representation to candidates belonging to:

a) The Scheduled Casts/Scheduled Tribes,
b) Persons displaced by the acquisition of land for the projects, refugees and persons discharged from other government projects and undertakings as being surplus to requirements, subject to possession of the prescribed qualifications.

30 Personal Interviews with the General Manager and Assistant Administrative Officer of J & K Government's Woollen Mills, Bemina, (Srinagar) Kashmir.
31 Personal Interview with the Manager of J & K State Government's Pharmaceutical Drugs Factory (Baramulla) Kashmir.
All persons possessing the qualifications prescribed for a category of grade therein and working in the corporation shall be eligible for consideration for selection on the basis of comparative merit, ability, experience, and suitability.

Appointment to a post or grade within an establishment is not confined to the employees in that establishment alone, except in respect of posts which are required to be reserved for departmental promotions in accordance with the recruitment rules. All employees already in the employment of the corporation and possessing the requisite qualifications and experience prescribed for the post and grade shall be eligible to be considered for selection along with those from outside the corporation who apply for such posts in response to advertisement.

All vacancies except for those reserved for filling up for departmental promotions in accordance with the recruitment rules are given wide publicity by pasting notices on notice board and through the media of newspapers, radio, government gazette and employment exchanges.

All appointments in the case of recruitment by direct appointment are made by the corporation on the recommendation of appropriate selection committee which makes selection either by holding a written test or by interview or both. After the selection decision is made by the selection committee and finally approved by the Board of Directors of Jammu and Kashmir Industries Limited. The candidate is placed in head office or field office as
the case may be where he is considered as probationer for two years.

When an employee satisfactorily completes his probationary or officiating period of promotion, an order to that effect is issued and he is then as a temporary employee in that post.

All orders of appointments are issued in writing by the authority authorized in this regard by the Managing Director. The order of appointment clearly specify the category or grade to which the person is being appointed. Further it also clearly specify initial pay/wages scale or rate of pay of the post, allowances, if any to which he is entitled and the person/authority to whom he should report for duty. So all these things are categorically mentioned.

Every appointment shall be deemed to have been terminated on the expiry of the period of sanction of the post, provided, however, that the appointment may be continued for a further period by the appointing authority where the period of sanction for the post is extended by the competent authority.

After the selection has been made the candidates will have to produce the following original certificates/documents before entering into service:

1) State subject certificate;
2) Educational qualification certificate;
iii) Character certificate;
iv) Date of birth certificate to record the age of every employee.

Following documents are seemed to be satisfactory proof of the age at the time employee enters this corporation service:

1) Matriculation or MSLC Certificate;
2) Birth Certificate given by the Municipal committee or Town area committee or a certificate by a doctor of the state not lower than assistant Surgeon. Where a person has not attended school, school certificate duly verified as correct by a Gazetted Officer of the education department.

In case of those employee whose year of birth is known but not the date and month the last of July is treated as the date of birth. And when both the year and the months are known but not the exact date, 16th of the month is treated as the date of birth.

When an employee is unable to produce any evidence of his age, he should (will have to) state his age and make a written declaration that the age as stated by him is correct. Such employee is got examined by JKI Limited's authorized Medical Officer and the opinion which medical officer as to the employee's age shall be binding on all concerned and finally the
age of an employee as recorded with this corporation at the time of employment, is not thereafter altered in any case.

MEDICAL EXAMINATION

Every person, on first appointment to a post under the corporation, is supposed to produce a medical certificate of fitness from a medical officer. But persons belonging to the following categories are, however, not required to produce a medical certificate of fitness:

1) an employee of the central government or a state government, appointed to a post under the corporation on deputation or on transfer.

2) a retired or retrenched employee of the central government or a state government, who is re-employed after retirement, or employed after retrenchment, as the case may be, provided that the break between his retirement/retrenchment and subsequent re-employment/employment, does not exceed one year.

But if a person is employed afresh after resignation from the service of the corporation or after forfeiture of past service under the corporation he shall be subject to medical certificate on such fresh employment.

The medical certificate of fitness is issued by the medical officer. In furnishing the certificate of medical fitness, the medical officer shall use his own discretion as to the scope of general physical examination in each case, and shall judge each case on its merits, after taking into consideration the nature of the duties to be performed by the candidate in the service of the corporation.

Following are the Medical Officer's for the purpose of these rules:

1) District Medical Officers or Assistant District Medical Officers in the Government Hospitals/Dispensaries in the case of all classes of employees appointed or proposed to be appointed to posts the maximum of the scale of pay of which exceeds Rs 300/- per month;

2) Assistant Surgeon/Physicians or Registered Medical Practitioners of Corresponding States in the case of employees appointed or proposed to be appointed to posts the maximum of the scale of pay of which does not exceed Rs 300/- per month.

In the case of female candidates/employee, the appointing authority may accept a certificate signed by a female Medical Practitioner.

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Finally every employee at the time of entering service in the corporation is required to furnish his permanent address. Any change in his address shall be immediately notified to the company. Any communications forwarded by the company at the permanent address given by the employee shall be regarded as sufficient compliance for the purpose of giving any notice.  

There are certain limitations pertaining to recruitment and appointment of employees in the selected corporations which are as follows:

A person who has not attained the age of 18 years or whose age exceeds 40 years, is not ordinarily admitted into the service of this corporation, provided that the Managing Director may, at his discretion, relax this provision in individual cases in the interest of the corporation.

No person who had directly or indirectly by himself or as partner or agent, any, share or interest in any contract by or on behalf of the corporation can become or remain an employee of the corporation. This will not, however, debar person who is an employee of a contractor from applying for a post in the corporation provided that he ceases to be an employee of the contractor immediately before entering into the service of this corporation. The decision of the appointing authority, as to whether a person appointed or to be appointed to a post has a direct or indirect interest in any contract, is treated as final.

No person shall be appointed to a post under the corporation unless he/she furnishes a medical certificate of fitness in such form, from such medical authority, and within such period of time, as may from time to time be prescribed by the corporation.

No person who has more than one wife living or who, having a spouse living marries in any case in which such marriage is void by reason of its taking place during the lifetime of such spouse, shall be eligible for appointment to a post under the corporation provided that the Managing Director may, if he is satisfied that there are special grounds for so ordering, exempt any person from the operation of this clause.

Further every person on first appointment to a post under the corporation, should sign a declaration that if married, he does not have more than one wife living, and that he will not contract another marriage during the lifetime of his wife, without the permission from the corporation, even if such subsequent marriage is permissible under the personal law applicable to him.

No person being a partner or relative of a director of the corporation within the meaning of section 314 of the Indian Companies Act, 1955 shall be appointed to a post under the company except with the previous consent of the Board of Directors, accorded by a special resolution. Every person on first appointment to a post under the corporation is required to sign a declaration to the effect that he is not a partner or relative.
of the Director of the Company within the meaning of section 314 of the Indian Companies Act, 1956 and that in the event of acquiring such relationship, he will notify the fact to the company.

Not more than one employee is appointed to the same post at the same time, nor shall an employee be appointed except in an officiating capacity, to a post in which another employee holds a lien.

CONFIRMATION

On successful completion of his period of probation by a fresh entrant or the period of officiating appointment by a promottee and subject to availability of a permanent post, a temporary employee in a post, who has been found fit by the appointing authority after taking into consideration his past record of service, confidential reports, seniority and suitability may be confirmed by the management provided that the post is included in the sanctioned establishment of the corporation.

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2. **RECRUITMENT POLICY AND PROCEDURE IN JAMMU AND KASHMIR MINERALS LIMITED, SRINAGAR (A J & K Government Undertaking)**

There is same procedure of recruitment and selection process in Jammu and Kashmir Minerals Limited also as it is in Jammu and Kashmir Industries Limited. The difference lies only with regard to educational qualification of employees in these corporations. The educational qualification required for the recruitment of employees in different grades and cadres of JKI Ltd. has already been discussed. And for those to be recruited in different grades of Jammu and Kashmir Minerals Limited the educational qualification is as under:

Managers of Factories should be in possession of a degree in Engineering/Industrial Administration/Business Administration/Technology and Mines Managers should be in possession of degree in geology mining. Project Officer should also hold a degree in Engineering or technology. The Secretary of the corporation should be either qualified I.C.S. graduate or should be at least a graduate with three year practical experience in the post next below in the line of promotion and the Executive M Engineer should be a degree holder in Engineering.\(^\text{37}\)

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The minimum education qualification for chemical technologist is post graduation in Chemistry or should held a degree in Chemical Engineering or Chemical Technology. Project Manager should be a graduate in engineering and those having degree in mining engineering are recruited as assistant Mines Manager. Similarly geologist should possess at least a post graduate second class degree in Geology. Medical Officer in the Corporation should be in possession of MBBS degree and Assistant Financial Advisor should have passed any of the following examinations:

1) I.C.W.A.
2) C.A.
3) S.A.S. of the A.G's Officer or equivalent.

For the recruitment of Sales and Marketing Officer, the minimum educational qualification is graduation in Engineering or Arts or Science or Commerce. Specialization in marketing management is a preferable qualification.

Assistant Manager should be graduate in Engineering or Arts or Commerce. Those who are engineering graduates they can directly be recruited for this post but/or others three years experience in the post next below in the line of promotion is also essential and the Assistant Administrative Officer should be at least graduate

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39 Personal Interview with the Managing Director and Secretary of Jammu and Kashmir Minerals Ltd. the Bund, Srinagar, Kashmir.
in any faculty. Cost accountant should have passed intermediate in costing. The minimum educational qualification for the recruitment of Labour Welfare Officer is B.A. with economics or B.Com. or B.A.LL.B. Those who have done post graduate diploma in social welfare (Labour) can also be recruited for this post, and the stateslician should be at least a second class M.A. in Statistics or a mathematics with statistics as a subject.

For the recruitment of foreman the minimum educational qualification is diploma in electrical or mechanical engineering. In case of a boiler foreman he should also possess class competency certificate for operation and maintenance of Boilers from the competent authority, of the state or the centre. The Chemist can be recruited one, who is impossession of a Bachelor degree in Chemistry or Chemical Technology.

Security Officer in Senior Scale should be graduate and should be the retired army/police officer and the security officer in Junior Scale should at least be a matriculation and should be not below in the rank of JCO in the army/police.

Office supdtds. comes by promotion and are appointed those who have done graduation and are having three years practical experience in the lower post in the line of promotion or 5 years in case of matriculate. The minimum educational qualification for

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41 Service Rules and Regulations Book, N. 38, pp 155-156
42 Personal Interview with the Establishment Officer, of JKM LTD. In Bund, Srinagar,
the recruitment or appointment as accountant is graduation with Economics as one of subjects in B.A. or B.Com.  

The educational qualification for the recruitment or appointment to the posts of Assistant Foreman is Diploma in Mechanical/Electrical Engineering and for technical assistant the educational qualification is diploma in Engineering and for Head Mechanics Mechanics (Sr.Scale) the educational qualifications is Diploma in Mechanical/electrical engineering. A Chemist in Junior scale can be recruited one who is in possession of bachelor's degree either in Chemistry or Chemical Technology. The educational qualification for the recruitment or appointment of non-technical assistants of all designations is graduation in case of those directly recruited and matriculation with two years experience in the post next below in the line of promotion in case of those who are appointed on the basis of promotion. Similarly accounts clerks should be in possession of bachelor's degree in Arts/Commerce or matric with three years office experience. For the recruitment of typists/clerks/timekeepers/assistant weigh Bridge Supervisor/Assistant Store Keeper/Supervisor (Staff) the minimum educational qualification is matriculation  

43 Personal Interview with the Secretary of Jammu and Kashmir Minerals Limited the Bund, Srinagar.  
44 Service Rules and Regulations Book, N.38, pp 156-158.
TRAINING

Having selected the most suitable persons for various jobs in the organization through the application of scientific techniques, the next function of personnel administration is to arrange for their training. All types of jobs in the organization usually require some type of training for their efficient performance. In order to cope up with the fast changes in requirement of skill and knowledge due to advancement of technology the need for systematic training has been felt in almost all organizations. Employees talent are not fully productive without a systematic training programme. Moreover, big organizations hire a large number of young people every year. Because the vast majority of these do not know how to perform job assigned to them in work organization, they must be trained by their employers. Even those who have least technical or professional conceptual work at some college or institution, must receive some initial training in the firm of orientation regarding the polices, practices and ways of their employing organizations. New jobs require some sort of special skills which may be developed in old work force only by giving them necessary training.

The employee tries to train himself by trial and error or by observing others if no formal training programme exists in the organization. But it is an established fact that "the absence of a systematic training programme will result in higher training costs at the same time the employee may not be able to learn the best operating methods."\(^{48}\) Thus adequate training is equally desirable for the organization and the employee. Training is valuable to the employee in terms of better job security and greater opportunities for advancement.

Whenever, new persons are appointed they must be trained for the efficient performance of their jobs. Even if a person is a skilled one, he requires, some training because many jobs in the organization consists of tasks which are unique and peculiar many other jobs do not resemble in work situations as found at the place of training\(^{49}\).

Training is an organized procedure for increasing the knowledge and skill of people for a definite purpose. The purpose of training is to achieve a change in the behaviour of those being trained. In the industrial situations this means that the trainees will acquire new skills, technical knowledge, problem-solving and new attitudes. Any good training programme lays down the procedure by which people gain knowledge and skill to perform their job effectively and efficiently\(^{50}\).

\(^{48}\) Mohappa, Arun and Saiyadain, Mirza, S., op. cit., p 138.
\(^{50}\) Monappa, Arun and Saiyadain, Mirza, S., op. cit., p 138.
Every training programme includes, trainees, trainers, a training programme and training material.

TRAINING TECHNIQUES

There are many methods or techniques for imparting training among trainees. The choice of any method will depend upon cost, time available, number of persons to be trained, depth of knowledge required background of the trainees and many other factors. The following are the various methods of training:

1) On the job-method
2) Vestibule training
3) Class room method

The last two methods are also known as off the job methods.

ON THE JOB TRAINING

This is considered to be the most effective method of training the operative personnel. That is why vast majority of all training carried on is of on the job variety. Under this method, the worker is trained on the job and at his work place.

51 Pigors, Paul and Myers, Charles, A., op. cit., p 291.
52 Ibid., pp 291-292.
This enable him to get training under the same working conditions and with the same processes, materials and equipment that he will be using ultimately. The responsibility of the training is given to his immediate supervisor, who knows exactly what the trainee should to do or to some outside instructor, who is the training specialist in the field. Effectiveness of on the job training depends primarily upon qualified trainers. Without them, it is simply the old haphazard practice of putting new worker with old hands who may have neither the inclination nor the ability to teach the new-comers properly.

Another important on the job method is under study whereby a senior and experienced employee teaches a new employee as his understudy. This method in fact consists of the following steps:

1) Allot a task, correct, guide and encourage or reprim and

2) Assess result;

3) Allot another task of the same type or a bigger one, depending on the response to the first steps.

The tasks allotted these should not be created for the purpose of training. These should be an integral part of the department's or company's activities. This must go on all the day and become a part of the relationship between senior and subordinate.

Besides this kind of day to day guidance, certain specific methods can be used. They are:

55 Davis Keith, *op. cit.*, p. 185.
1) Special assignments

ii) Committees

iii) Job rotation

**Special Assignments**

In the course of a department's functioning occasions arise when a special problem has to be examined or a job has to be completed which is not a part of the duly assigned activities. This gives a person (a sense of responsibility, and when the job is completed, a sense of accomplishment. It also provides experience of planning, organizing, dealing with people and so on. 56

**Committees**

To be attached to committees either as a member or a secretary can be a valuable experience. It often gives a young person an insight into the manner in which decisions are taken jointly and the various considerations and forces that are used in the formulation of decisions. It also gives insights into various aspects of an organization's activities which would not normally be available to a young person or relatively junior.

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person in the course of his routine work. In a way this is a special assignment. "Now-a-days many companies set up what in their organization a special committee. This helps employees including junior managers to receive a broader exposure to the points of view of the departmental heads. It acts as a training ground for broader insights by inducting them as a members of committee."

**Job Rotation**

"Rotation" is another method of training on the job. Its main objective is to broaden the background of trainees in various positions of jobs. The trainee is periodically rotated from job to job instead of sticking to one job and hence acquires a general background. In order to be really effective job rotation should cut across functional boundaries moving the person in the same job from one place to another may be a valuable experience.

**Vestibule Training**

The term vestibule training is used to designate training in a classroom for semi/skilled jobs in the plants/factory and the office. It is more suitable where a large number of employees need to be trained at the same time for the same kind of work.

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57 Ibid., p 389.
58 Monappa, Arun and Saiyadain, Mirza, S., *op. cit.*, p 149.
Where the method is used, there should be well qualified instructor incharge of training programme. Here the emphasis tends to be on learning rather than production. It is frequently used to train clerks, machine operators, typists etc.

Vestibule schools are adopted to some general type of training problem that is faced on the job training. A vestibule school is run as a special and endeavour of the personnel department. "An attempt is made to duplicate, as nearly as possible, the actual material equipment and condition found in the real work place". The vestibule school may be started when the amount of training that has to be done exceeds the capacity of the line supervisor.

**Class-room Training**

Class room instructions are most useful where concepts, attitudes, theories and problem solving abilities are to be taught. It is more associated with knowledge rather than skill. Besides, "there is public vocational school training or refresher course which may be arranged by the training director in cooperation with public or trade school authorities to provide training in shop mathematics, blue print reading, stenography, computer, programming etc".

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60 Ibid., p 291.
Apprenticeship Training

It is the oldest system used by modern industry. Apprenticeship comprises a combination of classroom lectures which prepare the background with demonstration for practical knowledge and actual workshop practice for experience. Thus apprenticeship system "involves a mixture of theoretical and practical training." Apprenticeship training is used in trades, crafts and the technical fields in which proficiency can be acquired only after a relatively long period of time in direct association with the work and under the direct supervision of experts.

TRAINING SCHEME AND METHODS OF PUBLIC SECTOR INDUSTRIAL UNDERTAKING IN INDIA AND IN JAMMU AND KASHMIR STATE

The problems of training concern every Government undertaking whether it is banking, insurance, or a commercial or a trading activity or a manufacturing establishment, but we may refer here particularly to industrial undertakings. Because of the nature of industrial undertakings with which the government is concerned, it is necessary to make special provision for training as a part of project preparation itself. "Where the project is entirely new in mind, such as the heavy electrical project at Bhopal and the

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62 Strauss, George and Sayles, Leonard, R., op. cit., p 446.
Hindustan Machine Tools at Bangalore, the training programme has to precede the establishment of the project itself. For Hindustan Machine Tools, the training establishment was first set up. This training is not only in the parent firm of the technical collaborations at Zurich in Switzerland, where indeed only a few Indian personnel were trained, but also at the new premises Hindustan Machine Tools at Bangalore. It was the training given there, the quality of that training and the number of persons trained, that the establishment of the project, its working to sufficient capacity and its further development especially in diversifying its production programme, largely depended.

In case of Coal, the erstwhile National Coal Development Corporation had an extended scheme of training to match the programme of expansion envisaged in the production of coal. In the Heavy Electrical Project, a large training scheme had also likewise to be established as the very first part of the project. A number of trainees were recruited with the assistance of the technical collaborators the Associated Electrical Industries of Britain, long before the project began even to be designed. They were drafted to places like the Aristocrated Electrical Industries training establishment at Trafford Parkin Manchester. There was also established at Bhopal which is the site of the Heavy Electrical Project, a training scheme as an integral part of the project.

64 Khera, S.S., op. cit., p 270.
65 Ibid., pp 270-271.
In the case of steel, quite massive training schemes have had to be introduced. At the Bhilai, under the Indo-Soviet agreement training was provided for on a really big scale from the very inception of the project. "Hundreds of recruits were taken on, and sent to the U.S.S.R for training purposes".  

Besides this in India there are National Laboratories where basic research is carried on but with many practical applications for Industry, five higher Institutes of Technology have been set up. A large number of polytechnics have been established, and a number of management training schools. There are also three Institutes of Management at Calcutta, Ahmedabad and Bangalore.

Training in Jammu and Kashmir Industrial Undertakings

Gaining from the experience in the past, almost all the public enterprises in India have organized training schemes as an integral part of the project. But in case of Public Sector Industrial Undertakings (Manufacturing Units) in Jammu and Kashmir State no such training schemes have been established. With the exception of Silk Group Industrial units functioning under JKI Ltd., there are no special schemes or institution to impart training to the employees.

66 Ibid., p 271.
There are four training institutes which impart training to the employees in Silk group of factories of JKI Ltd. in Jammu and Kashmir State. There are J.S.C. (Junior Sericulture Course Srinagar) and JSC at Rajouri in Jammu Division. These two institutes impart training to the S.I's and Inspectors in the factories. This training is for the supervisory staff. Managerial Staff of this group of factories gets training from two other institutes. These are: (i) Central Sericulture Research and Training Institute Mysore in Karnataka and (ii) Central Sericulture Research and Training Institute Bahrampur in West Bengal. The training period is one year and three months. Thus excluding this group of factories there is only on the job training in all the industrial units, functioning. Under JKI Ltd. Further, these corporations have no contract with any of the technical or professional institutions either outside the State or country, which could have provided training to the employees. There is not even well established pattern of on the job training. It takes lot of time to make them technically trained and experts in their respective fields of job. There are "apprentice trainees in the Industrial Units under JKM Ltd." But this method of training is desirable in industries such as the metal trades, printing trades and building construction, which require a constant flow of new employees who expect to become all-round craftsmen. Since the training programme is long and requires

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69 Personal Interview with the Manager Director of Jammu and Kashmir Industries Limited, Srinagar
70 Personal Interview with the Advisor of J&K State Government's Sericulture units J&K, Srinagar, Kashmir.
71 Personal Interview with the Manager of J&K State Government's Weaving Factory, Rajbagh, Srinagar, Kashmir.
72 Personal Interview with the Secretary of JKM Ltd, the Bund, Srinagar, Kashmir.
continual supervision, this method of training is expensive. Furthermore, after the long period of apprenticeship is completed, there is no assurance that apprentices will remain with the corporation/factory that trained them.

Apart from the provision for training as part of the corporation/project/factory itself no attention has been given to arrangements for technical training, as well as basic scientific work. These three things are directly related to one another but in the state this is not realised. As result of this 99% of the manufacturing public enterprises under JKI Ltd. and JKM Ltd. are always running into losses and have retarded the economic development of the State. Basic efforts in training in scientific work and research, technological development training experience on the jobs and the simple technical training are vital to the state economy and its development. But these things are not getting requisite attention in the state of J & K. If state is to make headway in economic and industrial advancement it must learn and must make itself capable not only of buying and installing equipment either from Government of India or from abroad and getting employees trained to operate it but to plan initial the designs of these projects with stages preceded by elaborate training programmer to employees. They must be able to design the process, the equipment, the layout and to provide the infrastructural equipment the project from within the state. It is in this connection that relationship between basic scientific
research work and the technological and technical training and experience is of the highest importance to the states like Jammu and Kashmir and especially in the present phase of its industrial development. Training to the employees of different industrial units in the state be given in the State Institute of Management and Public Administration, Srinagar (Jammu and Kashmir).

PROMOTION

A promotion is the transfer of an employee to a new position which commands higher pay, privileges or status as compared to the old one. A promotion is the advancement of an employee to a better job - better in terms of greater responsibilities, more prestige or status, greater skill and especially, increased rate of pay or salary. Better hours or better location or working conditions may also characterize the "better job" to which an employee seeks "promotion" but if the job does not involve greater skill or responsibilities and higher pay, it should not be considered as a promotion. Promotion implies several things to the person concerned - higher status, more pay and fringe benefits, greater job security and a more senior position from which a person renders a better service to the company. If

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73 Scott, Walter Dill and Clothier, Robert C.; op. cit., p 78.
properly administered, transfers and promotions provide moral
stimulate efficiency and provide opportunity for advancement to
loyal employees. Generally the following reasons for promoting
employees are advanced:

1) promotion is the stepping up of an employee to a position in
which he can render greater service to the company;
2) promotions from within the company are not so apt to be
mistaken as are selection from without;
3) the knowledge that deserved promotions are being made,
increases the interest of other employees in the company and
the desire to serve the interests of the company;
4) it creates a feeling of content with the present conditions
and encourages ambition to succeed within the company/corporation.
5) it increases interest in training and in self development
as necessary preparation for promotion;
6) it builds loyalty, moral and a sense of belongingness of the
employee to the organization.

A sound personnel policy demands that whenever there is a
vacancy in higher job, it should, if possible, be filled in by

promotion from within if all higher posts are filled up from outside, there will be no inducement for the staff to increase their efficiency. "A sound promotion policy should give preference to internal candidates for senior posts. However, for certain highly skilled or professional jobs it is often necessary to recruit for specific openings from outside".

Basis of Promotion

In case of promotion an important question which arises is whether seniority or merit should be the more important consideration. Seniority is based on the employee's length of service and is computed from the date of his joining the organization.

The benefits of promotion by seniority include the following:

1) It contributes to ability up to some point; the longer an employee work at one job, the more qualified he becomes for promotion to the next higher job.
2) It is a simple system to understand and execute;
3) It needs the older member's desire for respect;
4) It insists discipline and respect for seniority itself.
5) It generates a sense of certainty in the employee in perceiving his future job prospects.

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There are, however, disadvantages of this system, viz. competent and hardworking individuals are likely to be frustrated as they have to wait in terms of time instead of competence for their promotions.

The benefits of the promotion by merit system are:

1) it recognizes and rewards extra knowledge, competence and initiative;
2) it generates greater motivation in the competent employees as they do not have to depend on more seniority for their advancement.
3) competent employees are likely to be retained instead of being lost to the organization.
4) it generally results in increased productivity as promotion will be based on an evaluation of the employee's performance.

In principle, it is agreed by all that promotion should be based on merit. The use of merit as a basis for promotion causes difficulties because what management regards as merit, union may consider as favouritism and can distrust the sincerity of management when it claims the right to promote solely on merit. When management adopts merit as "basis for promotion, it must evolve

effective controls to recognise merit objectively which will refute the allegations of favouritism. As far as possible, merit rating should be based on operating facts. In practice, "a compromise solution has often to be adopted which can be termed the merit-cum-seniority method". Every organization must decide on the relative weightage it will give to merit, ability and seniority in making promotion decisions.

In case of public sector undertakings in Jamu and Kashmir State the basis of promotion also seniority-cum-merit. The promotion policy adopted by JKI Ltd and JKM Ltd. has been discussed below:

1. **The Promotion Policy Adopted by JKI Ltd.**

   The following procedure is adopted in regard to promotion of employees:

   a) All promotions to next higher posts in respect of the posts reserved for departmental promotion are made on the basis of merit and qualifications as prescribed in the cadre rules, having regard to seniority;

   b) A departmental promotion committee (DPC) consisting of a minimum of three members including an officer of the

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80 Davar, R. S., *op. cit.*, p 146.
81 Service Rules and Regulations Book of JKI Limited, pp 150-152.
personnel department (establishment department) is constituted at the beginning of every calendar year by the Managing Director or the Board of Directors as the case may be.

c) the departmental Promotion Committee, first of all, prepares a list of all the eligible persons of the lower grades who possess the qualifications and have attained the required qualifying service as prescribed in the cadre rules, for promotion to next higher grade in the normal channel of promotion.

d) persons who are included in the list are then classified as "Outstanding" (Very Good), "Good" and "Unfit" on the basis of merit, as determined by their respective records of service and lists where the departmental promotion committee feels that such lists will be helpful. A list then is prepared by placing the names in the order of three categories i.e. of those in grading 'Outstanding' first. Those in grading "Very good" second and those in grading "Good" as third without disturbing the seniority interse within each category. The list so framed will be the select list.

e) promotions to the available vacant posts time to time are then made from the "select list" in the order in which the names are finally arranged subject to the "select lists" being approved, by the appointing authority.
f) those who are included in the 'select list' for promotion if not promoted during the calendar year for want of vacancies, will be considered afresh by the departmental promotion committee held in the succeeding calendar year along with other eligible persons who would also be included in the field of choice for the "select list" for the subsequent period.


The following procedure is adopted in regard to the promotion of employees from a post in a time scale to another post in a time scale of pay with higher responsibilities:

"All promotions are made by the appointment authority on the basis of recommendations made by the selection committee in accordance with the prescribed rules. The posts are divided into six grades besides the selection grades, as under:

1. **SELECTION GRADE**
   a) Financial Advisor & Chief Accounts Officer
   b) Agent (Mines)
   c) Chief Project Officer (F)

82 Service Rules and Regulations, No. 38, p 149.
2. **Grade-I**

a) Manager of Factories/Mines/Plants;
b) Project Officer;
c) Secretary;
d) Deputy Controller of Purchases and Stores
e) Executive Engineers;

The Grade II, III, IV, and V posts are given in Appendix

Promotion to selection category and Grades I and II are made on the grounds of merit and ability and qualification or experience. Seniority is considered only when merit and ability are approximately equal. Promotions to Grade II, IV and V are made on the basis of seniority subject to rejection of unfit from among persons as may possess the post and subject also to passing of any test prescribed in this behalf unless:

i) promotion of an officer has been withheld as a penalty; or

ii) the officer is given such promotion for outstanding-merit and ability on the recommendations of the Departmental Promotion Committee. The DPC records in writing the reasons for such recommendations:

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83 Ibid., p 149.
84 Ibid., para 4, p 149.
"But where it is necessary, in the interest of the corporation, owing to an emergency which has arisen and could not have been foreseen to fill immediately a vacancy by promotion from lower grade and where promotion is in accordance with this policy, would involve undue delay or causes administrative inconvenience, the appointing authority may promote a person otherwise than in accordance with this policy temporarily until a person is promoted in ordinary course. All such temporary promotions does not exceed three months in any case. A person so promoted temporarily shall not be entitled by reasons only of such temporary promotions to any preferential claim to future promotion or any advancement in his seniority".

In case of Grade I, II and III, there is 50% of reservation of posts for departmental promotion, and for other Grades, the reservation of posts for departmental promotion is 75%. But if adequate number of officials is not available for being promoted, the posts so reserved for promotions will be treated as unreserved and filled by open competition.

The minimum qualification and conditions necessary for promotion to various posts are fixed. But the Managing Director with the prior approval of the Chairman in respect of posts included in Grade II and III and the Board of Directors in respect

85 Personal Interview with the Managing Director of JKM Ltd., The Bund, Srinagar.
of posts included in selection category in Grade I can relax
the qualifications in the interest of the Corporation.\(^{87}\)

The following procedure has been adopted for the preparation
of promotion panels in various grades: \(^{88}\):

a) departmental promotion committee consisting of the following
   is constituted to consider cases of promotions to various
   grades:

   A: for promotion to selection grade:
   1. Chairman, J & K Minerals Ltd. Chairman
   2. Managing Director, J & K Minerals Ltd. Member
   3. One member of Board of Directors to be
      nominated by the Chairman Member

   B: for promotion to grade I & II
   1. Managing Director JKM Ltd. Chairman
   2. One head of the department to be
      nominated with the approval of the
      Chairman, JKM Ltd. Member
   3. head of department in which
      promotion is to be made Member

\(^{87}\) Ibid., para 2, p 150
\(^{88}\) Ibid., p 150.
e) **for promotion to grades III, IV & V**

1. head of the department in which the promotion is to be made.
2. One head of the department to be nominated by the Managing Director;
3. Secretary.

The DPC decides upon the number of officers who should be considered for promotion to a particular post. The number of officers does not ordinarily exceed three times the number of vacancies expected during the period for which promotions are considered. The officers are tested according to their seniority and the lists is called the "Field of Selection", but the DPC has also the exceptional power to consider an eligible officer known to possess exceptional or outstanding merit, even though he may not be in the field of selection within the above limit. From among the officers in the field of selection, those who are considered unfit for promotion are excluded. The rest of them are classified as "Outstanding", "Very Good" and "Good" on the basis of merit as determined by their respective records of service and other relevant particulars available to DPC and on the basis of such other information regarding their performance of work and conduct as may be called for by the DPC. The field of selection then is prepared by placing the names of officers in order of these three categories, without disturbing the seniority
The select list then is drawn up from the field of selection as determined above by taking officers from the top of the list equal to the number of vacancies with a reserve of 10% to cover for likely vacancies during the period of operation of select list and other short term vacancies.

The DPC does not interview the candidates unless, in the special circumstances of a particular selection, the Chairman of the DPC concerned decides that the interviews shall be held. The select list is reviewed once a year and the officers who had already been promoted on the basis of previous select list and officers who had officiated continuously for a period of not less than months immediately before the preparation of new list, are removed from the list and the rest of the names along with others are considered for inclusion in the new list. No officer who does not possess requisite minimum qualification prescribed for the post to which promotions are considered is included in the field of selection. But in exceptional circumstances and for reasons to be recorded in writing. This condition can be relaxed with the approval of the Chairman J & K Minerals Limited.

The recommendations of the DPC are forwarded to the appointing authority who makes promotions within the available promotion quota strictly in order of the names in the select list, excepting

89 Ibid., p 151.
90 Personal Interview with the Secretary of JKM Ltd., The Bund Srinagar.
when short term vacancies of not more than three months duration have to be filled on/or adhoc basis/local. Such local or adhoc promotions, however, do not give the officer a superior claim in seniority or for confirmation\textsuperscript{91}.

All units of the corporation assess before commencement of year, the number of vacancies likely to be available in the year and report to the secretary of the corporation the number for direct recruitment and departmental promotion in accordance with the ratio prescribed for such recruitment and the secretary of the corporation takes steps to ensure that the select lists are prepared in accordance with this policy in time to enable promotions to be made\textsuperscript{92}. An officer who is under suspension or facing departmental enquiry is also considered for inclusion in the select list provided he falls within the field of selection. If he is included in the select list, the appointing authority shall fill the vacancy which, but for his suspension or departmental proceedings, would have gone to him on officiating basis, by the next person in the select list. If the officer concerned is completely exonerated and the suspension held wholly unjustified he shall be promoted after conclusion of departmental proceedings in accordance with his place in the select list, officiating arrangement, if any, made for the post being reserved\textsuperscript{93}.

\textsuperscript{91} Service Rules and Regulations Book, No. 38, p 152.
\textsuperscript{92} Personal Interview with the Secretary of JKM Ltd., The Bund, Srinagar.
\textsuperscript{93} Service Rules and Regulations Book, No.38, pp 151-152.
All promotions within the same grades are made on the basis of seniority subject to rejection of unfit from among the officers possessing requisite minimum qualifications. Promotions are not considered against a post, which though having fallen vacant is not required to be filled on the basis of work load to be performed at the time. An examination of the requirement of the post is made in consultation with Financial Controller and a post is deemed to be available for promotion only if the result of the examination indicates that the continuance of the post is necessary.  

Although these public sector undertakings have adopted a detailed formal procedure and policy of promotions of employees, yet all this is mostly on papers. These Public Undertakings in J & K State have already surplus staff and there is lot of stagnation in relations to recruitment and promotion. Some of the employees/officers get salary when they have no work to do either in the field offices or at the headquarters of these corporations. Though such employees are experts in some fields but their areas and fields specialization are not available in these corporations where they can exploit their talents and can contribute to production. Mostly the recruitment to higher positions or posts in these corporations is made by departmental promotion committee even if it is given in the statutes that in a

94 Ibid., p 152.
scheme 50% of the recruitment pertaining to Grades I, II and III and 75% pertaining to other Grades will be made by departmental promotion and remaining 50% and 25% recruitments of Grades I, II and III and other Grades respectively will be made by direct recruitment. Similarly competence is not taken into consideration in practice. Many personnel are promoted to next higher positions, even if they do not possess the special or technical qualifications required for the job or department to discharge the responsibility in the true sense such factors have run down the efficiency and effectiveness of these public undertakings in the state and ultimately have retarded the economic development. For certain highly skilled or professional jobs, it is often necessary to recruit persons with high competence, expertise and training even though these may have to be recruited from outside of Jammu and Kashmir State.

EMPLOYER-EMPLOYEE RELATIONS

We may deal briefly now with certain aspects of workers management or employee-employer relations. The traditional concept of industrial personnel management has been a division of the whole work-force into two categories. The managers, the so-called white collar staff, representing the interests of the proprietors and the lower level workers, the main work of the establishments, representing their own opposite interest. The
confrontation between the two grounds has constituted the main field, or battle field not only in private sector but in public sector industrial relations too.

The principal mode o for the representation of the workers interest has for over a hundred years been the trade union movement. Till recently, industrial relationships in all their different forms, including the confrontation in and settlement of industrial disputes, have proceeded from the basic premise that the managers and the workers have different and opposite interest "and never the twin shall meet". The former are the employers and the latter the employees. This attitude has been shared equally by the managers and by the trade unions. It has proceeded from the somewhat crude proposition that the managers are there to manage and to give orders, while the workers are there to work and to carry out those orders, furthermore, it is function of each to look after their own separate, and opposing interests. In Britain, "the trade union organizations have consistently opposed the suggestions made from time to time that they, and the workers they represent should participate in some measure in the process of management. This attitude flows from the fear that "any closer association with the management that confrontation and negotiation across the battle - line between the two would dilute the clear cut separation of interests and

95 Mehetras, V. G., Labour Participation in Management (Bombay: Manak Tales, 1960, p 37.
would lend to weaken the workers in their struggle to obtain as much as they can get in the form of emoluments, benefits, working conditions and so on, the struggle being carried on through the well established processes of wage claims and the like, backed by negotiating strength combined with the threat of strikes for their part, managements have been equally reluctant to involve the workers in any degree in the processes of management, their weapons of sanction being lay off shut-downs, lock outs and so on.  

In India one of the hangovers from the pre-independence period had been just this seemingly, unbridgeable gulf between the management and the workers. Giving evidence before a parliamentary committee, the representatives of a leading All India Trade Union said, "We are against the proposal for a representation on the management board, because we consider that the Indentity of the union must be kept separate and the identity of the management should be kept separate."

In India many experiments have been tried in the past, to being the workers closer to the management in the working of public enterprises. These included Joint Management Councilles, works committees, Production Committees and so on. Except for a very temporary period of moderate success here and there, all these experiments, each introduced as if it would be the answer.

to the problem, they have all ended in failure to achieve the main purpose\textsuperscript{99}. Code of discipline, the Central evaluation committee to administer the code and the Bonus Commission for workers in Industrial Employments set up on 7th December, 1961 are some of the other remedial measures taken by the Government of India to bring the workers closer to the management in the working of public enterprises.

In this connection, the code of discipline and its administration, special attention has to be given to it as the system appears to have been working satisfactorily, and is concerned with all the states including J & K State. The Code of Discipline which has been established as one of the methods of dealing with industrial relationships and industrial disputes in India, equally applies to government undertakings as it does to private undertakings. The code of discipline has been in operation since June, 1958. While it applies to both the public and private sector, however, certain concerns such as Banks, Insurance Companies, Posts and Telegraphs and Railways etc. are not at present covered by the code. But it does apply to practically all the government undertakings of the normal industrial sort. The code of discipline lays down certain guidelines to be followed by employers and employees in order to maintain discipline in industry. It states first,\textquoteleft there should

be a just recognition by the workers and the employers/managers of the rights and responsibilities designed by the laws and agreements relating to both the parties, and a proper and willing discharge by the parties of their obligations. The code also mentioned that the two parties should provide a spirit of cooperation at all levels to avoid strikes and lock-outs and to settle disputes and grievances by mutual negotiation. Third, the managements on their part should agree not to increase work loads without previous consideration with labour representatives and not to interfere with employee's union activities or in any way abuse the authority. Fourthly, the unions on their part were to abide by certain rules, such as not to engage in "Physical duress", or permit rowdy behaviour or demonstrations on the part of the workers and not to engage in union activities during working hours.

A central evaluation and implementation machinery in the Ministry of Labour and Employment is in charge of cases dealing with a breach of the code of discipline. "The C.E.C. consists of equal numbers of representatives of employers and workers. It is presided over by the Union Labour Minister". Implementation units function also in all parts of the country. The system appears to have been working satisfactorily.

The implementation machinery in the various states took steps to prevent strikes, lockouts and other major troubles. In Assam, four strikes were averted. In Bihar, wherever there was any apprehension of strike or lockout in any factory, the machinery analysed the causes of disputes and took steps to remove the genuine grievances of the party concerned. Thus, strikes and three lockouts were averted. A strike by D.T.U. workers was averted in Delhi while five strikes were averted in Gujrat. Eighty five strikes in Madras, one in Maharashtra, four in Mysore and three in Orissa were called off due to the efforts of the Machinery in these states. In U.P., twenty two strikes were called off. In West Bengal, two strikes in Jute and Cotton Mills and one general strike by the Municipal employees were averted.102

In Jammu and Kashmir State, the workers of public undertaking never resorted to long-drawn strikes or lockouts. In 1984 and this year also some IV class daily wagers in Sericulture units resorted to strikes and gave dharna just for few days and they were assured of the fulfil their demands by the authorities and they called off their agitation.103 There is only one trade union named as state-central labour union. Workers of public sector industrial units in the state are also the members of this union. Workers in public undertakings in Jammu and Kashmir possess lesser degree of awakening and consciousness. They never

102 Ibid., pp 277-278.
resort to big strikes and lockouts even if they have not been given sufficient incentives. Mostly there are unskilled workers. "They are not represented in the management councils, works committees or production committees and so on". Further the representatives of workers are not from amongst the workers themselves. Mostly, they are either the politicians or those having urban background and those who belong to the upper classes in the state. At present the son of Ex-Chief Minister of the State, Mr. G. M. Shah, Mr. Muzafar Shah is the President of one such union. There is excessive work load discharged by the workers and the representatives of the workers in this regard are not consulted. Further the workers are not provided with sufficient incentives and amenities. Since all most all the industrial units under JK Industrial Ltd. and JK Minerals Ltd. are running in losses, there cannot be given a question of extra profit bonus in addition to minimum profit bonus as a profit reward to the workers. Every year these undertakings are incurring losses to the tune of millions of rupees. Above all the workers in these public concerns are scared of the tough bureaucratic attitude of the management. The official cadres, think, that they are some superior beings and the worker are inferior people. The normal human relations that should exist between man and man are not available in these public undertakings. Inspite of all this, the workers give full cooperation to the management but they are not rewarded properly, even if they put sincere efforts to increase
production. There is lack of participation of the workers in the decision making process through their representatives. Even indirect participation or consultation is not allowed.

The official cadre opposes workers participation for the fear of reducing the managerial powers of the class. The internal arrangement for workers participation in management of public undertakings of Jammu and Kashmir state is also inadequate. "To nourish, sustain and enrich the participative and collaborative process, it is necessary to develop an infrastructure strengthened through healthy communication system. And for this purpose, even institutionalization of the scheme - as has been done in a few countries like, Yugoslavia, West Germany, U.S.A. with the introduction of the scanton plan may be advisable." Unfortunately even in India not to speak of Jammu and Kashmir State prior to the reformation of the Joint Management Councils in November, 1975 which offered some sort of institutionalized arrangements for workers participation, structural arrangements for facilitating worker's participation from top to bottom have been inadequate. Again in public undertakings of Jammu and Kashmir State the upward and downward channel of communication that help to strengthen the formal arrangement of participation are not well developed and clear enough for quick rolling of ideas. Despite the theoretical justification for a structural system of

communication resembling a system of chainliness, it is a hard fact that channelization of ideas from one chain to another is not effected timely and in an adequate way. Consequently, formal or structural arrangement for workers participation scheme is not properly strengthened in Public Undertakings of Jammu and Kashmir State.

For real industrial democracy one will have to look even beyond the formal arrangements. Mere creation of institutional forms or structural arrangements will not ensure effective and meaningful participation. Ability and skill alongwith willingness to participate are equally important. But it has been found that the workers in the selected public undertakings of Jammu and Kashmir have poor propensity to participate. According to K.F.Walker "Workers propensity to participate depends upon three factors: Attitude; Capacities, and Perceived power.

On the level of attitudes, depressing functions to a larger extent immanent, from psychological factors such as worker's role perception as "wage - earners", their inferiority - complex etc. V.K.R.V. Rao has rightly observed, "Moreover, the workers have an uneasy feeling that they do not understand the intricacies of management"105. But as already has been stated that the workers in Public Undertakings of Jammu and Kashmir State are scared of the bureaucratic attitude of manager and they have got inferiority complex.

Mostly they are illiterate and unskilled workers in the Public Undertakings of Jammu and Kashmir State. But workers' education is a pre-requisite for successful working of joint consultation. Workers' skill and ability to participate must be improved. Moreover, education and training have also the tonic effect of improving attitudes. Unfortunately, the Public Undertakings of Jammu and Kashmir happen to be less conscious for providing managerial education to the working people. In the selected Public Corporation of Jammu and Kashmir State it has also been observed that there are no staff welfare facilities. It has also been observed that there is no accommodation arrangement, staff quarters or quarters for the workers, canteen facilities, medical facilities, recreation facilities, sports etc. and setting up of cooperative stores and holiday homes facilities etc. for the workers in the selected Public Undertakings of Jammu and Kashmir State.

Thus from the above, it is clear that Public Undertakings in Jammu and Kashmir face many personnel problems and have obstructed the industrial growth as well as the development of the State Economy.