CHAPTER II

REVIEW OF LITERATURE

This chapter gives an overall view of the literature surveyed for this study, such as books, articles from journals, newspapers, annual reports and financial statements and profit and loss accounts of the authorities concerned. Some MBA dissertations have also been consulted. These form the secondary data. A few direct interviews with the authorities concerned and their interactions are to be taken as primary data. The recent developments in the concept of human relations in the changing environment of culture with reference to industry could be ascertained from the studies already conducted by experts in the field. Their concepts, theories and modules relating to human relations practice and their importance in the process of productivity have been used in this study. The supportive studies have been reviewed under thirty-two heads in this chapter, namely

1. Quality Circle
2. Quality Circle and Motivation
3. Quality Circle and Participation
4. Quality Control Development in Europe
5. Statistical Quality Control (SQC)
6. Cohesiveness
7. Conflicts and Quality Control
8. People First
9. Total Quality Management (TQM)
10. TQM and TPM
11. Quality
12. Teams
13. Self Directed Work Teams
14. Knowledge Workers
15. Success Criteria
16. Performance
17. Committee
18. QC a Social Promoter
19. Job Performance
20. Socialization
21. Employee Involvement and Motivation
22. Industrial Relations
23. Productivity
24. Bargaining
25. Participative Management
26. Human Resources
27. Human Relations in Management
1. Quality Circle

A model management framework for a total quality by excellent organisations is prepared on the basis of the following aspects by D.D. Sharma.¹

1) Defining and communicating missions, vision, values and objectives 2) collection of external intelligence about markets, customers’ needs and attitudes, competitors, and business environment. 3) Measuring internal business performance. 4) identification of improvement opportunities 5) implementation of cultural and structural changes by using teams; and 6) steering and co-ordinating the total quality programme.

In India, Q.Cs were first initiated in an engineering company – Bharat Heavy Electricals Limited (BHEL). Starting from engineering work shops, QCs were extended to other Departments in BHEL. Presently, QCs are found in Chemical, Pharmaceutical and even in Textile and Jute industries. Typical
examples are, BASF Hindustan Antibiotics, Durgapur Steel Plant Crompton Greaves, JK Jute Mills, National Textile Corporation (NTC) and Shriram Fibres.

The author has given elaborate accounts of the QCs. He has amplified the whole process of QC. The implementation of Q.C. programme has been described by the author is the prescribed format. He has given many case studies also.

Jerald Greenberg and Robert A Baron\(^2\) states that an approach to improving the quality of work life is through quality circles (QCs.) They meet regularly to identify and solve problems related to the quality of the work they perform and the conditions under which people do their jobs. To help them work effectively, the members of the circle usually receive some form of training in problem solving. Large companies such as Westing House, Hewlett-Packard and Eastmen Kodak, to name only a few, have included QC as part of their QWL efforts. Q.Cs have dealt with issues such as how to reduce vandalism, how to create safer and more comfortable working environment and how to improve product quality. One research has found out that although QCs are very effective in bringing about short-term improvements in the quality of work life (that is those lasting upto 18 months), they are less effective in creating more permanent changes. Some benefits have also been listed by them. They are increased job satisfaction, organisational commitment, and reduced turnover among work force, increased productivity and increased organisational effectiveness. So they caution
that, to implement the programme successfully, both management and employees must co-operate in designing the programme. Then the plans agreed to by all parties concerned must be fully implemented.

Barrie Dale and Cary Cooper\textsuperscript{3} give an account of Human Resource participation in total quality management. They define the QC as a direct form of employee participation in the business of any organisation. The QCs have a special character quite different from other methods of group working, or problem-solving. Team-building is a primary building block in TQM. It includes building mutual trust, developing inter-personal skills and adapting to people’s needs. The approaches are T. Groups, Role Negotiations, Structured Approach, Team Development Packages and Team Interaction Analysis.

Lawarance S. Kleiman\textsuperscript{4} defines QC as “an employee empowerment programme in which a team of six to twelve employees meets regularly to identify production problems within their unit.

The strengths as described by him are:

1. Getting valuable input from employees.

2. Improving communications

3. Increasing motivation through employee empowerment.

He has noted some failures also. He opines that employee empowerment can also be increased through the use of QCs. Barrien and Alexander\textsuperscript{5} summarise that
“To prepare circle members for their task, the organisation usually provides training in problem identification, problem solving, statistical control procedures, and group dynamics. Co-ordinators are typically trained in group dynamics, Paeswash opines that motivation, communication and the operations of QCs are effective.

These QC programmes have failed in more than 60 per cent of the organisations in which they have been implemented because of the following problems according to Liverpool.

Further he describes that at first, quality circles are often used as a quick fix and do not address the real problems underlying poor productivity, quality, and employee morale. Second, the use of QC often creates an “insider-outsider culture” where a non-circle member becomes jealous and hostile towards circle members.

Duetsch notes that the quality circles are some times operated improperly. Companies do not pay enough attention to who is selected for circle membership, what projects they do, and who should act on their recommendation.
2. Q.C. and Motivation

In studying Q.C. and its applications in respect of motivational process, K. Ganapathy, V. Narayana and B. Subramaniam have shown that the well tested theories of motivation which apply to QC activity are:

1. Abraham Maslow’s hierarchical needs.
2. McGregor’s assumption theory X & Y.
3. Frederick Herzberg’s theory of hygienic factors (dissatisfiers) and Motivating factors.

Maslow’s theory are based on five types of needs namely, psychological, safety, social ego and self actualisation. In Mc Gregor’s X & Y theory, the Y factors are the organisational objectives giving responsibilities, the work itself, rewards, recognition of the work and worker achievement, satisfaction and conducive work environment. The Hygiene factors as discussed by Herzberg are company’s policies and administration, working conditions, welfare measures, wages, security of the job, inter-personal relations, and supervision. The motivating factors are, challenging work, increased responsibility, sense of achievement, and recognition for achievement.

As Ganapathy and others describe, the quality circles have very close affinity to motivation and vice versa. They say, that the following three theories of motivation can well be applied to Q.C.
1. Abraham Maslow’s hierarchical needs.

2. Mc Gregor’s assumption theory X & Y.

3. Frederick Herzberg’s theory of hygienic factors (dissatisfiers) and motivating factors.

The psychological needs like food, clothing, shelter and physical comforts at work really do not motivate but their absence causes motivation loss. The safety or security needs are nothing for the sensitivity factors and help in human relations. Man is a social being and is gregarious by nature. He needs group affiliation, job status, prestige, knowledge of group goals and social interaction. QC ensures fulfilment of this goal. The very formation of QC as voluntary small groups and then identifying solving work related problems and recommending solutions to management give enhanced social status. The ego needs comprise self image, achievement in challenging work, responsibility, free communication and need for representation. These factors are again adequately achieved in QCs and needs no elaboration. The self-actualisation needs are the highest in the hierarchy of needs. A self-actualised person wants to realise his creativity, use his aptitude and abilities to the widest possible, wants to take up new and intense job challenge, needs personal fulfillment and to possess the highest level of self confidence. QC members should aim at this and the concept opens out new vistas for such self-actualisation. QC enables fulfillment of the higher factors.
According to McGregor’s X and Y theory, understanding human nature and behaviour can provide a basis for applying human relations to motivation and management practice. Quality circles, operate on the factors assumed under theory ‘Y’ and the theory itself finds practical application in Q.Cs.

The conclusion of Pittsburg studies made by F. herzberg was that when hygienic factors are met, employees feel that the management cared for them and they felt more positive about their work and put in more care, imagination, craftsmanship and creativity into their work and exhibited a desire for excellence. Hygienic factors are basic and in the absence of hygienic factors we cannot motivate employees. But hygienic factors alone do not give total satisfaction. Satisfaction and happiness come only with the motivating factors. QCs again amply fit the bill with respect to the motivating factors of Herzberg.

Q.Cs, though not expected to take up problems which may fall in the domain of the management, do take up such problems as it provides challenges and actually solves them and presents them to the management and also gets recognition. This leads to a sense of achievement. Such studies by QCs are demonstration of their willingness to take interest and responsibility. They receive recognition from the management through their approval of the project studies made by the QCs and their positive stocks in the form of appreciation.
3. Q.C. Participation

Some of the factors in the product sector of the economy, international competitive pressures and demands for high quality are the major forces affecting the management’s search for greater efficiency. In the service sector, high cost, decreasing profit margins, inconsistent quality of delivery and competitors in local markets are the forces. These factors lead to finding out a way to increase the contributions of employees to improve the quality of products.

In Japan, mixed success has been reported when tested with service workforce. But, for production, good achievement was the result. The authors Abo-Alhol et al.,\textsuperscript{11} report that the barriers of the positive factors are yet to be found out. Bank of America also noted that a drastic improvement in productivity increased morale through QCs. In their article, the authors have compared the QC activities of industrial sectors with those of service sectors. They have employed one way ANOVA and the results were analysed and concluded that both industrial and service QCs have shown that their companies were good places to work and were rather satisfied with their jobs. There was a significant difference found between the two groups as for willingness to extend their efforts towards commitment to organisational goals and values. Higher positive responses were found in Industrial QCs members. The Industrial members were more enthusiastic than service QCs members in terms of involvement in QC activities.
4. Q.C. Development in Europe

The results of a survey in 26 European countries by M. Bayer\textsuperscript{12} and eight other authors were published in the Journal Family Practice under the title “The Development of Quality Circles Peer Review groups (PRG) as a method of quality improvement in Europe”. This study provides the first comprehensive overview of the development of QC and RRG in Europe. Substantial development was found in ten countries. Aims and concepts of QCs/RRGs vary among the different countries. Patterns of professional development of general practice promote this development of QCs/RRGs. Other research findings, are The Netherlands and Germany show development is on-going.

Once the establishing a large number of QCs/PRGS is accomplished, peer review work changes to a method of professional supervision of practice-oriented education and evaluation, and should he integrated into more comprehensive approaches to improve quality of care. Following are the eight characteristics found active in their research:
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<th>Sl.No.</th>
<th>Characteristics</th>
<th>Countries where Active</th>
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<tr>
<td>1.</td>
<td>PRGs on a local level and the role of guideline adoption.</td>
<td>The Netherlands</td>
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<td>2.</td>
<td>Training Programmes for QC moderators</td>
<td>Germany</td>
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<td>3.</td>
<td>Implementing QCs by factor training</td>
<td>Poland</td>
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<td>4.</td>
<td>CME Groups with an emphasis on quality improvement</td>
<td>Ireland</td>
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<td>5.</td>
<td>The APO method in QCs prospective audit as a simple tool for quality development in primary health care</td>
<td>Denmark</td>
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<td>6.</td>
<td>PRGs to improve the quality of home care teams</td>
<td>Belgium</td>
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<td>7.</td>
<td>QC on pharmacotherapy</td>
<td>Germany</td>
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<td>8.</td>
<td>Diagnostic Peer Review</td>
<td>The Netherlands</td>
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5. **Statistical Quality Control**

K. Ganapathy et al.\(^ {13}\) state that the Statistical Quality Control is considered to be the most essential requirement for industry, whether it is manufacturing or service. Knowledge and practice of SQC system therefore are equally important for Quality Circle (QC) functions and Quality Improvement Team (QIT) activities. Ishikawa categorised the SQC into three:

1. Elementary statistical methods with seven tools.
2. Intermediate statistical methods
3. Advanced statistical methods
The ten tools in uses are:

1. Flow Diagram
2. Brainstorming
3. Data Collection
4. Graphs
5. Stratification
6. Cause and Effect Diagram
7. Pareto chart
8. Scatter Diagram
9. Histogram
10. Control charts.

6. Cohesiveness

The formation of quality circles enhances the cohesiveness of the team. The more cohesive the group, the more strongly do the members feel about belonging to it - the greater is its influence, illustrates James A.F. Stoner,\textsuperscript{14} and two other authors. Highly cohesive teams often have less tension and hostility and fewer misunderstandings than less cohesive groups do. The authors proposed the following four ways to increase cohesiveness 1) introduce competition, 2) increase interpersonal attraction, 3) increase interaction, and 4) create common goals and common destinies.
Gregory Shea and Richard Guzzo have found out that a group’s effectiveness is a function of three variables: task interdependence, potency and outcome of interdependence. Task interdependence is the extent to which a group’s work requires its members to interact with one another. A high level task interdependence increases the group’s sense of potency which is the shared belief of a group that it can be effective. Outcome interdependence is the degree to which the consequences of the groups’ work are felt by all the group’s members. The authors further explain how astute managers can create successful teams by giving each group a ‘charter’ – a clear and achievable set of objectives.

7. Conflicts and Q.C.

Eventhough Q.Cs have a goal, one process to resolve, the conflict between members is unavoidable. Knewyn Smith and Daviel Berg explain that conflicts emerge not only between teams but also among them. In an important book entitled “Paradox of Group Life”, the authors proposed a new way to understand such intragroup conflicts. Most people think that conflicts must be managed and resolved, but the authors suggest that such conflicts are essential to the very concept of group life. They see this insight as a ‘Paradox’ and they identified seven paradoxical aspects of groups: identity, disclosure, trust, individuality, authority, regression and creativity.
8. People First

As S.K. Breja\textsuperscript{17} has pointed out that the key factors for success or the means to achieving desired results in the present environment are:

- Leadership
- Setting and sharing of common goals.
- Sharing of principles, values, ideas and interests and inter dependence.
- Knowledge pooling and sharing of experiences.
- Adoption of flexible management solutions.
- Lateral thinking and finding out of the box solutions.
- Parrellel thinking.

Thus competitive advantage should be built around people. Further he says that, organisations which have knowledge workers and specialists, encourage and retain talent, promote creativity and harness human potential to the maximum are going to win the race and will be sustainable in the long run. Also he indicates that organisations have to cultivate people-first environment like Federal Express and Wipro. Japan was able to penetrate the world market by concentrating its energy in nurturing people skills, discovering opportunities for improvement, training people in problem solving in team environment and adapting the PDC and QC approach.
9. Total Quality Management (TQM)

TQM is customer centered philosophy – according to K. Maram and Raja.¹⁸ there are two key philosophies, one is a never ending push to improve (continuous improvement (or) Kaizen in Japanese), and the other is the goal of customer satisfaction, which involves meeting or exceeding customer expectations.

The authors have proposed seven basic concepts in TQM:

1. Committed and involved management to provide long-term top to bottom organisational support.
2. Customer satisfaction through design, quality and defect prevention.
3. An unwavering focus on the customer, both internal and external.
4. Effective and voluntary involvement in jobs and also optimum utilisation of the entire work force.
5. Continuous improvement of the business and production process.
6. Treating suppliers as partners.
7. Establishing performance measure for the process.

They have reviewed the TQM historically as follows:

a) F.W. Taylor – scientific management.

b) G.S. Radford – Quality consideration.
c) W. Shewhart (1924) – Statistical control chart to monitor production.

d) H.F. Dodge & H.G. Roming have introduced tables for accepting sampling.


g) Joseph Juran : Cost of Quality approach.

h) Armand Fiegen Baum: (1950) Total Quality Control (TQC).

i) Philip Croby (1960) : Concept of “Zero defects”.


k) Reactive approach - proactive approach.

Experts have different versions of applying TQM effectively to their organisations. For some, QM is driven by the need to ensure customer satisfaction. For others, it is the internal productivity or cost improvement programme. It is also viewed as methods that introduce participative management.

Further, the authors of the article, K.M. Chinnadurai, B. Kalpana and B. Sadhana, express that the TQM success depends on employee participation for improved quality product and customer satisfaction. So they stress the
employee involvement. They detail the following to be the features to be included in the strategy to develop Employee Development (EI):

1. Readiness Assessment
2. Communication
3. Training

Some of the views of experts on TQM have been given hereunder in short notes.

TQM is recognised as the first step on the path towards excellence - Van Der Wiele et al.,\textsuperscript{20} (2000). TQM can be defined as a holistic management philosophy aimed at continuous improvement in all functions of an organisation to deliver services in line with customer needs or requirements under the leadership of top management - Demirbag et al.,\textsuperscript{21} (2006). The management’s commitment and leadership in quality must be visible, permanent and present at all management levels since it acts as the guide and promoter of the TQM implementation process Calvo – Mora et al.,\textsuperscript{22} (2006). Top management commitment is demonstrated by creating the elements of quality management structure - Baidown,\textsuperscript{23} (2003). The influence of top management leadership has an effect on other quality attributes - Brah and Lim,\textsuperscript{24} (2006). When top management is committed to quality, adequate resources will be allocated to quality...
improvement efforts. Thus this efforts can be one of the manifestations of top management commitment to quality - Karnppasamy and Gandhinathan, 25 (2006). Focus on excellence is considered as a guide element in the adoption of all the principles that characterise TQM - Lee, 26 (2002) excellence as defined by Karuppasamy and Gandhinathan 27 (2006) in “The Outstanding Practice in Managing the Organisation and Achieving Results”.

R.P. Mohanty and R.R. Lakhe 28 have evaluated eight elements of TQM.

1. Leadership: Feigenbaum defines quality leadership as a policy commitment.

2. Leadership commitment: Top management should provide the vision properly.

3. Recognition and rewards: Whereby management shows the acknowledgement of the employees’ performance.


5. Customer-Orientation: Custer is the purpose for existence.

6. Team work and Employee Empowerment: To make all people to involve in the process to achieve the goal.

7. Feed Back Mechanisms: Success for management.

8. Statistical Process Control: To understand the nature of variations and to estimate the capability of process.
They concluded that TQM is for achieving excellence.

Putting the customer first that is achieving customer satisfaction is the heart of TQM. The authors of the paper Santosnkumar S. Badiger and Rajnalkan Laxmom\textsuperscript{29} advocate that the companies in India must move from a product-out mentality to customer-in attitude. Thus the emphasis has shifted from customer satisfaction to delighting the customer.

10. TQM and TPM

Dinesh Seth and Deepak Tripathi\textsuperscript{30} in their paper have discussed the TQM and TPM, both have acquired wide acceptance in industry. These quality and maintenance improvement initiatives are the outcome of the need to prohibit poor practices in the work of customers giving preference to quality competitive products. Today a strong middle class of about 300 million customers is willing to pay a premium for quality, which the manufacturing industry cannot afford to overlook especially in the presence of multinationals. The TPM is also getting into major initiatives particularly after 1990s. TPM is not a waste, but an investment like TQM. The TQM and TPM share many threads of commonalities like employee involvement, cross functional approach and continuous improvement. TPM is considered as an application of TQM concepts to equipment, for zero break downs and minimal production loss.
11, Quality

“Globalisation of economy and free trade have changed the situation. The customer started getting due importance and quality is attaining new dimensions and values. Quality control or quality assurance is being increasingly talked about and has become critical for survival in the market place” are the words from K.Ganapathy and two other authors. They have quoted many Japanese experiences in controlling the quality of product and workforce. The definition of TQC (CWQC) given by Ishikawa is “Control or management of quality of services business, human beings etc and control of everything should be executed through all departments and all employees, that is from top management, middle management to the bottom, QC circle leaders, members and non-members”. The distinguished features of CWDC are:

a) Quality first, profit next
b) Customer-oriented quality assurance
c) Adoption of the concept next process is the customer.
d) Application of SQC techniques.
e) Practice of quality control circles (QCC)
f) Practice of humanistic thought in management.
12. Teams

Stephen P. Robins lists four types of teams namely problem-solving teams, self-managed work teams, cross functional teams and virtual teams. The quality circle comprises the characteristics of most of all the four teams. As stated by Gil Mosard, a QM specialist at Boeing. “When your measurement system tells you your process is out of control, you need team work for structured problem-solving”. As one author put it, “none of the various (quality management) processes and techniques will catch on and be applied except in work teams. All such techniques and process require high levels of communication and contact, response and adaptation, co-ordination and sequencing. They require, in short, the environment that can be supplied only by superior work teams. Thus teams provide the natural vehicle for employees to share ideas and to implement improvements.

13. Self-Directed Work Teams

Steven L. McShane, Marry Ann Von Glinow and Radha R. Sharma, in their publication, have described Self Directed Work Teams (SDWT). Over two thirds of the medium and large organisations in North America use. SDWT structure for part of their operations. These teams vary somewhat from one firm to the next. SDWTs complete an entire piece of work requiring several independent tasks and have substantial autonomy over the execution of these tasks. The team
assign tasks that individual team members perform. In other words, the team plans, organises and controls work activities with little or no direct involvement of higher status supervisor. The team has total authority to make all decisions. The Socio-Technical Systems (STS) theory is the main source of SDWT practices. They have identified four main conditions for high performance SDWTs.

1) SDWTs are a primary work mint.
2) SDWTs have collective self-regulation.
3) SDWTs control key variances
4) SDWTs operate under joint optimization.

This SDWT seems similar to QCs. Most of the characteristics of QCs are in the SDWTs. However the nomenclature is different. The team with high performance and efficiency will be of greatest asset to a company to manage without much hardships in a lucid way.

14. Knowledge Workers

“Growth is neither fat nor inflation, but true growth in economic capacity, output and performance” Peter F. Drucker. So to have better performance, people are the key to play a vital role. People stands for the complete qualities of people like behaviour, skill, knowledge, attitude, culture, leadership, decision-making. These qualities are to be converged and be utilised in optimum level
through a system strategy. One of the systems or strategies is the QC. Drucker states that knowledge work is work. Increased productivity is not the result from hard work but from “working smarter”.

Further he says, that in knowledge work, on the other hand, the decision on goals, priorities and abandonment are clearly the central factors. At the same time, these decisions require the active and responsible participation of the knowledge worker and his understanding. So according to Peter F. Drucker, Q.C. is the right forum which can help in the above situation.

He points out that eventhough knowledge workers are not more intelligent than blue collar workers, they do have a wider horizon, know more, are better informed. Further he states that to the employee, ‘productivity’ is a dirty word. To an owner, “productivity is what he pays management for”. He emphasizes a shift in workforce structure to the knowledge-worker which should prove helpful for the knowledge worker anyhow sees himself, as a rule, in a dual capacity at once as an employee and a member of the managerial decision making groups.

15. Success Criteria

The words of P. Thomas J. Peters and Robert H. Waterman J., in their book, “In Search of Excellence” emphasize that any intelligent approach to organising has to encompass, and treat as interdependent, at least seven variables,
structure, strategy, people, management style, systems and procedures, guiding concepts and shared values (that is culture), and the present and hoped – for corporate strength or skills. They have defined this idea more precisely and elaborated what is known as the McKensey 7.S. framework. They have advised to follow all the 7.S. to be a successful manager of a corporate.

They also quote Akio Morita of Sony, who chided American managers as being too little concerned about their workers. As they quote from one commentator, “the productivity proposition is not so esoterically Japanese as it is simply the human.. loyalty, commitment through effective training, personal identification with company’s success and, most simply, the human relationship between the employee and his supervisor”. So the Japanese are very different from the rest of the world. Their only natural resource is the hard work of the people.

Treating people not money, machines, or minds-as the natural resources may be the key to it all. Kenichi Ohmae, head of Mckensy’s Tokyo Office, says that in Japan organisation and people (in the organisation) are synonymous. In Japan, the individual employee is utilised to the fullest extent with his creative and productive capacity. The full organisation- the proposal boxes, quality circles, and the like – looks “organic” and “entrepreneurial” as opposed to ‘mechanical’ and ‘bureaucratic’.
They have dealt very exhaustively with the positive reinforcement. Also they indicate that the way of reinforcement is more important. The reinforcements should be in the following manner, as specified by skinner.

1. Specific
2. Immediate
3. Feed back mechanism- achievability.
4. Feed back should be in the form of intangible.
5. It should be unpredictable and intermittent.

The authors believe mostly in intrinsic motivation. When they describe quality circles they say QC are only the latest in a long line of tools that can either be very helpful, or simply serve as a smokescreen while management continues to get away with not doing its job of real people involvement. Ten years ago, it was job enlargement.

The authors found that the rich system of monetary incentives is working well with the employees and not the QC and team-building. They also found that the incredible array of non-monetary incentives and an amazing variety of experimental or newly-introduced programmes, no one device, even in the best institutions, is likely to be effective ineffectively.
In the HP philosophy, the very first sentence reads, “the achievements of an organisation are the result of the combined efforts of each individual”. Even though Hewlett Packard have a light military type organisation, they give people the freedom to work toward overall objectives in ways they determine best for their own areas of responsibility.

16. Performance

Further Perlson enumerates, that even for nearly half a century, behavioural scientists have tried to prove that employee satisfaction and job performance are directly connected. The economic demands of a production operation are to produce more at less cost. These demands violate every rule of human behaviour. So in this context, the QC may give some solutions on the lines of the economic demands. He emphasizes further that, to have better performance, some enforcement factors namely, money and motivation may boost up the performance.

17. Committee (QC)

“Even a committee structure has its place in the moon”, when the process is exceedingly more important than the content, such a structure may afford a large number of people the opportunity to speak and hear. In this Michael R. Perlson writes that in an organisation with huge members, only a handful does
the work and the rest are just ceremonials ones. Thus, he argues that the group dynamics is an interaction between the conflict of differing individual levels of motivation and the need to control behaviour to accomplish tasks.

While talking about team, he sees that influence is a key variable. A team structure offords members maximum influence, when combined with strong control, it can yield very high productivity. He further states that an authoritarian structure has strong control, but its influence among members is minimal. The result is often significantly lower productivity. Also the team structure may increase workers’ satisfaction. Hence it is understood, that he prefers the team that is, otherwise called the QC.

18. QC a Social Promoter

Managing the behaviour of an individual in an organisation is more important in managing it. Individual behaviour varies according to culture, language, system, situation, environment and so on. The same is applicable to group also. The QC is the composition of different types of individuals. Stolyarenko, in his book “The Psychology of management of labour collectives” describes these factors. He says that, individuals and groups, as the objects and subjects of management, act as the carriers of certain social functions, in performance of which the individuals and groups pursue definite goals and satisfy their needs, following their interests, ideals, and convictions, to the extent of their
abilities, as well as knowledge, skills, customs, habits and traditions. Therefore the management in social system is separately connected with the phenomena, mechanisms, and laws of psychic activity. According to him, the psychology of society is rooted in its economic basis, but the consciousness of the masses is a transforming factor rather than a passive reflection of social reality. According to the view stated above, the QC acts as promoter of social activity.

19. Job Performance

With increasing complexity of work in the organisations, the nature of understanding of the job performance by various people in the organisation has been undergoing drastic changes. In this regard, Udhay Pareek and T. Venkateswara Rao emphasise that the study of work or the job is important not only to prepare details for recruitment and salary administration, but also to help people develop in the organisation. The following terms have been described by them for analysing and describing work people do in an organisation. Some of these terms are ‘Task’, defined as specific element and specific activity quite often bound by time in a particular job. Second one is ‘Job’, which is the specific requirement to get a product, or achieve an objective. A series of tasks may constitute a job. The third one is ‘position’ or ‘office’, that is a specific point in the organisation. The fourth one is ‘role’. It is the position or an office a person occupies as defined by expectations from significant person in the organisation,
including the person himself. The last one is the ‘work’, which is an activity a person is involved in.

20. Socialisation

Uday Pareek\textsuperscript{40} further states, that the socialisation process integrate the individual in the organisational culture which is an important component in the QC. Some of the practices contributing to socialisation are, communication, reward system and nurturing people through mentoring. Further the authors in the book “Designing and Managing Human Resource Systems” state that, cultural aspects are the most neglected part of the HRD, although these have attracted some attention in the last few years. Interest in culture has been aroused by the examples of Japanese success of farming QC. They have pointed out, that M/s. Maruti Udyog and Sundaram Clayton have adopted the Japanese practices, because of positive pressure of Suzuki. The practice is that seven hours and forty five minutes shift, zero defect production, cost cutting and discipline. So they have developed a new organisational culture to go along with TQM.

21. Employee Involvement and Motivation

Employee involvement has become a convenient catchall term to cover a variety of techniques. Stephen P. Robins\textsuperscript{41} further reports that, it encompasses popular ideas such as employee participation or participative management, work
place democracy, empowerment and employee ownership. According to Robins, each of these ideas has some unique characteristics. They all have a common core - that is employee involvement. Also he notes that participation is a more limited term. It is the subject within the larger framework of employee involvement. He says that dozens of studies have been conducted on the participation – performance relationship. The findings however are mixed. When the research is reviewed carefully, it appears that participation typically has only a modest influence on variables such as employee productivity, motivation, and job satisfaction. Of course, that did not mean that the use of participative management can’t be beneficial under the right conditions. What it means is that the use of participation is no sure means for improving employee performance.

He gives some types of involvement programmes in the organisation.

1. Representative participation
2. Quality Circles
3. Employee stock ownership plans (ESOPs).

He also cites some of the motivational theories in this regard. Theory ‘Y’ is consistent with participatory programme. In terms of two factor theory, employee involvement programmes could provide employees with intrinsic motivation by increasing opportunities for growth, responsibility and involvement in the work itself.
The ERG theory is also compatible with and efforts to stimulate the achievement need. The opportunity to make and implement decisions, and then seeing them work out, can help satisfy employees’ needs for responsibility, achievement, recognition, growth and enhanced self-esteem.

Robbins suggested the following five to motivate employee in an organisation:

1. Recognise individual differences
2. Use goals and feedback.
3. Allow employees to participate in decisions that affect them.
4. Link rewards to performance
5. Check the system for equity.

22. Industrial Relations

The term ‘industrial relations’ is normally used to describe the process of consultations and negotiation. There are two important aspects of industrial relations, namely, Consultation and Negotiation. These two are aimed at maintaining harmonious relations in the organization, which is very important for increased productivity. The role of the State that is Government has been emphasized in maintaining such relationship between the organization that is, the employer and the employees. The State has passed many acts and appointed
many commissions to safeguard the employees’ welfare and their relation with the organization. The State also is benefited by increased productivity. N.K. Khare has dealt with this aspect in his article “Changing Concepts of Industrial Relations”.42

The controversy as regards collective bargaining, in preference to compulsory adjudication, as the best method for settlement of industrial disputes has been examined by the National Commission on Labour, and the Commission after considering the pros and cons has come to the conclusion that any sudden change replacing adjudication by a system of collective bargaining would not be desirable. The process has to be gradual. A bargaining has to be made in the move towards collective bargaining by declaring that it will acquire primacy in the procedure for settling industrial disputes. Further K.R. Wazkar says that collective bargaining to be effective pre-supposes, (1) strong trade union at the industry or plant level, (2) recognition of such union by the employer for the purposes of bargaining and (3) readiness of the employer to meet the representative of the union and discuss in “good faith” the problems or issues under consideration.43

**23. Productivity**

New and more sophisticated machines, a well-regulated supply of good raw material, adequate amounts of money and improved methods can increase
productivity. But the quantum and quality depend not on the machines, but on the diligence and co-operation of the man behind the machine, who is making use of the raw material and is translating the improved method into practical action.

While talking about productivity and when human resources being used in the process of production, the behaviour of the individual has to be given importance. Also the human relations policy involving management attitudes and leadership ultimately determines the climate in the organization. The behaviour of the human factors is considered to be the fundamentals of sound personnel management. B.S. Kalsi advocates some principles for better productivity. The personnel people are to be full-fledged participants on the management team. They must demonstrate the ability and take an active part in helping management to remove impediments to understanding co-operation and productivity. He has pointed out some day-to-day problems arising out of favouritism, sectarianism and sometimes corruption in recruitment. The desire for material severity is, in modern times, a motivating force. The fear of being laid off, being suppressed and of losing his main and usually only source of livelihood is considered to be very real for the present industrial worker. Good leadership and participation in the industry are significant factors for improved productivity.  

The Maslow’s need theory is well stressed as a significant motivational process by V. Ramachandran. Satisfaction of social and psychological needs
among workers gives impetus to motivating a worker. The satisfaction of the above needs depends on management. He has examined some of the conditions necessary for improving productivity. They are (1) physical working conditions, (2) work and the worker, (3) inter-personal relationships and (4) communication. When people give their heart and soul to the organization, there is productivity. However, improving all the above conditions will not increase productivity. So he favours a right leadership. Once morale is there, one can sense it in the atmosphere of innovation and growth of the organization and the satisfaction of employees working therein.45

There are three main approaches to productivity - the capital-intensive approach, the management intensive approach and the labour-intensive (efficiency) approach. All the three approaches to productivity endorse the conventional thinking that productivity is mainly a “management” problem or that good management is another name for higher productivity. Eventhough machines, materials and capital are available, the person making use of raw material and translating the improved methods into practical action is an important factor in production. Most of the problems concerning productivity seem to stem from three sets of diverse perceptions namely (i) the apparent conflict between economic objectives of the enterprise and the requirements of social justice, (ii) management’s impulse for resorting to highly capital-intensive methods of production and the worker’s apprehension of losing their means of
livelihood thereby, and (iii) lack of effective organization of human relations and
coop-erative team spirit at the work place. Further, the situation becomes more
difficult to tackle where the union-management relations are more personal in
character than organizational and where the parties reflect a legalistic attitude and
litigious mind. In such a situation the good labour relations is hardly conceived
and its significance, rarely understood. So trade unions participation is widely
considered and broadly thought of and heartily appreciated to solve all such
problems arising out of personnel functions.46

In India, one is currently witnessing a new environment – an environment
of change – a change which has been brought about by a conscious awakening in
the masses who look for a fair deal not only for themselves but for their children
as well. A great social obligation, therefore, rests on industries. While talking
about efficiency and incentives, efficiency refers to “energy input” but incentives
are measures which stimulate human exertion. These are fundamental aspects of
human activity. While an incentive affects the quantitative basis of what an
individual does, it may not necessarily raise efficiency. At the same time it raises
productivity. The application of incentive should not merely aim at increasing the
rate of production but rather at maintaining the rate of work at a level as near as
possible to the optimum level. The National Commission on Labour
(Recommendation No 110) has recommended incentive schemes to raise
productivity. The study group on productivity and incentives has examined some
points in the recommendations and suggested seven points on incentives. The National Productive Council (NPC) also surveyed and suggested various measures to be taken as incentives schemes to improve production. The Trade Unions role and environmental impact were also studied in this process.47

24. Bargaining

There are two types of bargaining namely collective bargaining and productivity bargaining. Productivity bargaining can take place only in the context of collective bargaining. The main purpose of productivity bargaining is not only to offer and accept economic benefits but also to improve the economic health of the community. Increase in production cannot be achieved by the efforts of only the workers. There are other factors like good management, better machines and rationalized methods. Trade union leaders emphasise the need for workers to get a fair share in the gains of productivity. In the long run, the workers will get higher wages and improved conditions of service only from increased productivity. In England, productivity bargaining has made very good progress. Productivity movement must, therefore, be built on the sound foundation of enlightened management, responsible trade unionism and healthy industrial relations.48

Collective bargaining is still considered the great royal path for long-term healthy industrial relations. The Indian Labour Conference (ILC), National
Commission of Labour (NCL), the Central and State Governments, all seem to be unanimous in their views that collective bargaining must be encouraged. Issues connected with productivity where co-operation of labour is to be sought will squarely form part of the collective bargaining process. Any discussion on productive bargaining is essentially related to collective bargaining. It is restricted to a specific area – comparatively a smaller one – connected with the ‘productivity’ in the organization. It relates itself to sharing of surplus, due to higher productivity. The proportion of share is to be determined through bargain. Various factors involved in productivity bargaining include the Government, Trade Unions, Management, Environment and Economic conditions which are discussed by P.Kulkarni in detail.49

25. Participative Management

Participative management is the means by which democracy in industry is made a reality. In an area of planning and in a welfare state that aims to usher in a socialist society, the nature and scope of participative management will assume new importance. Efforts are about in different countries of the world to evolve new techniques of management to tackle new problems. In this context the concept of participative management has generated world-wide interest. The term ‘participative management’ is very widely used but is not clearly defined.
It has two aspects. One is participation of managers in management and the other is participation of labour in management. The essence of participative management is diffusion of power and authority. This cannot be done unless knowledge and expertise gain adequate recognition. Close and meaningful cooperation based on ideas of equality is the only answer. In Japan, they have blended their traditional approach with modern technology. They adopt a consensus method in decision making. It is not possible to survive in the present competitive world with obsolete methods of production. There must be a realistic assessment of the situation both on the macro level of national planning and in individual industrial units. So, V.G. Karnik has advocated adapting modern method of management with necessary modifications so as to suit the needs and objectives and the cultural conditions. Judicious blending of tradition and modernity may be the answer. Exchange and sharing of information and opinions between top management and those with lower supervisory positions could contribute to sharing of objectives and responsibilities. So working as a team is appreciated.

In order to make participative management a success, it is necessary that the workers and the supervisors are given opportunity to learn the dynamics of mechanics of policy formulation and implementation and an occasion to practise what they have learnt. The Government of India is already engaged in devising ways and means to give representation to workers on the board of management.
and in the interest of participative management, employees at all levels, should be involved in choosing their representatives for the board of management. In this aspect, V.S. Murti, stresses the training programmes for the supervisors and for the workers. He has suggested various methods of training programmes namely “The Syndicate Method”, “The Case Study Method”, “Seminar” and “On the Job Training”. The syndicate method is based on self-education by means of groups called “Syndicates”. This method was started at the Administrative Staff College, Henley-on-Thames in U.K. The “Syndicates” are otherwise called working groups. Training assumes a special significance in the context of participative management, as the employees should rise to the occasion to make it a success. Training will reduce the gap between the workers and top management; will reduce small thinking and will pave the way for a democratic, progressive and prosperous society.

Professor Davis has given a lucid definition of participation. Participation is defined “as mental and emotional involvement of a person in a group situation which encourages him to contribute to group goals and share the responsibility in them”. R.P. Siddhanti, has given the different forms and stages of participation.

1. Participation in ownership.

2. Participation in receiving a share of the company (Profit-sharing)

3. Co-determination in Yugoslavia or Co-management in Germany.
The different stages as described by Doratha De Schweinitz in her work “Labour Management in a Company Enterprise” are:

1. Information-sharing
2. Problem-sharing
3. Idea-sharing

Similarly Ernest Dale gives four degrees of co-operation.

1. Informational co-operation
2. Advisory co-operation
3. Constructive co-operation
4. Joint determination

Dr. V.G. Mhetras in his work entitled “Labour Participation in Management” has categorized five stages:

1. Informative participation
2. Consultative participation
3. Associated participation
4. Administrative participation
5. Decisive participation

Further Siddhanti has explained very broadly the experiences of various countries and the Indian scene. He has given the details of evaluation of the
participative management in India and stressed the need for the participative management in the organization.\textsuperscript{52}

Training for participative management has been prescribed by V.G. Mhetras. He has advocated some training methods such as summer institutes, for top management, training programmes for senior executives, training course for middle-management and intensive course for junior executives. Joint training programme for management and labour is also recommended by him. The training programme should be need-based, and have function-developing character. The leadership development could be achieved through a tailor-made extensive and intensive training programme at all levels. Model training programme as formulated by T.M. Mosson is given below:

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<th>Cadre</th>
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<td>a) Top management and Senior Executives</td>
<td>Conceptual skills and thinking</td>
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<tr>
<td>b) Middle Management</td>
<td>Human skills and thinking</td>
</tr>
<tr>
<td>c) Junior Executives</td>
<td>Technical skills and thinking</td>
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The training in participative management programme will minimize a feeling of antagonism, suspicion and consequent organizational tension. Further it will help modify rigid attitude and create better climate of co-operative teamwork. Besides it will improve the spirit and mutuality and good will.\textsuperscript{53}
The eminent Anthropologist, Margeret Mead declared: “This generation is different and will stay different even as it matures. This generation is not just another one. It is unique”. The reason for uniqueness, she maintains, has been the rapid rate of world-wide change in a space and global communications age. There were various styles of management advocated by various experts promulgating different theories and modules. Some of them are Herzberg Motivational Theory, Theory ‘X’ and Theory ‘Y’ of McGregor, Managerial Grid Concept, Renis Likert’s Concept, and The Other Fellow concept by Lawrence Appey. Besides all these theories, concepts and modules, what is suitable to the present changing environment is to be studied. Rudrabasavaraj has studied and emphasized the socially responsible management style as one of the key styles required at this juncture in India.54

26. Human Resources

Human resources is an important resource without which the other resources could not be put to any productive use. The role and style of functions of HRM have undergone a drastic change in a rapidly changing business environment. The contemporary organizations have to strategically align their human resource policies in line with the corporate goals and usher in innovative practice in human resource so that emerging challenges could be tackled
successfully. The following are considered to be the emerging challenges in contemporary H.R.

1. Higher level of education and expectation.
2. Changing work force, demographic life styles
3. Corporate reorganization
4. Economic conditions
5. Technical explosion
6. Quality of work life
7. Government legislation
8. Achievement of competitive advantage.

There are some new challenges in recruiting young blood. So HR has to develop fully “self expressed” individuals to facilitate effective participation in teams. The emotional needs to be taken care of by the organization should build a good culture and make HR act as a change advocate.55

Human capital has become a key factor in business competitiveness. Managers are being challenged to perform under great pressure and this requires new skills and attitudes. Management development programme will be the answer to the above. As suggested by Joseph Prokupenenku and Others (1998) there are five types of changes that are called for:
1. A shift from a fragmented approach to training to an integrated training strategy.

2. A shift from academic training to developing practical skills.

3. A shift from trainer-centered standardized programmes to learner-oriented programmes.

4. A shift from viewing training as a cost to realizing that it is an investment.

5. A shift from outside training programmes to in-company task-oriented management development.

In view of the above the MDP to be developed should keep in mind two dimensions effectiveness and efficiency. Through the MDP, apart from achieving a good relationship between the employee and the employer, through the efficient functioning, the achievement of goal by improving the productivity can be realized.56

There has been much talk of industry and academic collaboration. However, till recently, examples of this were few and far between. Now in the last few years, there have been many initiatives and more are in the pipeline. The Information Technology (IT) industry has been at the forefront of this effort. It continues to support education at the grass-roots level, particularly through work in primary schools in rural areas. Collaboration with institutions of higher learning is growing. Sadly, of the large number of engineering and other
graduates being churned out every year, only about ten per cent are employed in IT industry which is the largest industry having employment opportunities. Presently, 1.3 million people got employment and further 5 lakhs professionals are needed. Most are unsuitable because of lack of soft skills, particularly communication skills which are essential in the IT industry. From focus on recruitment and in service training, human resource professionals now need to broaden their horizons and be outward rather than inward focused. The transition from locating talent to retaining talent has now moved to creating talent. The above views give an idea of the strong and excellent academic background, for which the curriculum of the higher educational institutions is to be strengthened and streamlined. The changing role of HR professionals is the concept of dramatic change in the global environment in technology and culture.  

The mandate is out, top-notch talent is at a premium! In a tight labour market, attracting qualified and skilled candidates is tough indeed. The subsequent war for talent has led to an unprecedented rise in starting salaries, as companies are willing to pay the best in their bid to entice the pick of the bunch.

Companies can identify any salary compression by examining discrepancies within pay structures. They should calculate the pay differentials by comparing years of experience and performance level vis-à-vis the salary
Jarring differences between new and old personnel or good and poor performers spells trouble ahead.

The solution would be to raise current salaries across the board to keep them ahead of entry-level hires. But, the catch is that it will leave the company in danger of bankruptcy. Instead, companies should adopt sound remuneration structures by restructuring their pay policies.

Companies can relate employee experience, tenure, value of loyalty with quality of work-life techniques and progressive benefits. Incentives like stock options, paid sabbaticals, company cars, club memberships and laptops are both cost-effective and also keep employees content and productive. Special privileges like a professional development account and training opportunities to long-serving staff will give them an edge over new recruits. All said and done, fighting salary compression is an ongoing battle with no one-time solution.  

27. Human Relations in Management

If human relations are to succeed and operate in supervision – the psychological needs of supervisors have to be developed and met in Industry. The following qualities are expected from the superiors to practical human relations.

1. Quality of likeableness

2. Qualities of leadership
3. Quality of patience
4. Quality of persuasiveness
5. Quality of tranquility
6. Quality of laughter
7. Quality of tolerance and understanding
8. Quality of fair-play or justice
9. Quality of motivated men to better performance.

A good supervisor thus can help his subordinates to do a better job by developing, in himself and others, positive motives of acceptability and a feeling of being respected. self-respect, self-acceptance and adequacy, affection and friendliness towards others, valuing effort and enjoying work for its own sake, enjoyment of healthy competition, taking joy in co-operative effort, and analysing with scientific methods and examining all data before acting.

So the role of supervisor is an arduous one and calls for many qualities of head and heart which can be successfully developed provided the will to “arrive” is present. This, in turn, will help to maintain good relationship between management and workers.59

When Sir Alex Ferguson, Manager of Manchester United, shouts into players’ faces, it is known as “the hairdryer treatment”. But if you don’t fancy a dose of it in your own workplace, you may be out of luck. A culture of rudeness
is creeping into today’s office with the hard-nosed management styles finding their way to a boardroom near you.

While almost all companies pay lip-service to consensus management, many managers resort to command-and-control methods and are too critical of their workforce. In a survey for workplace communications consultancy, CHA’s Business Behaving Badly report, four out of 10 employees felt their organizations had not worked out how to give constructive criticism, with a similar number saying they were lacking when it came to giving praise, too. Nearly half of employees said they were sometimes bullied into doing things; over half revealed that reprimanding staff in front of others was common place.

Brutal styles of ruling the roost can get results in the short-term, says Cary Cooper, Professor of Organizational Psychology and health at Lancaster Business School. “But in the medium to long term, you lose good people and even if they stay, they become less productive and there’s every chance they’ll burn out or become ill”.

Occupational psychologist Paul Brewerton adds that many managers simply don’t have people skills. “Time and again, I see people being promoted because they are technically very good at their jobs, but they have no training in considering their team’s feelings or motivation.
Worse, perhaps is the idea that a quarter of managers surveyed for CHA’s report said that if they praised the work of staff, they thought that they would ask for a pay rise. Colette Hill, the author of the report, says that she wasn’t surprised by the findings “because there is evidence of less courteous behaviour in every sphere of life. There have long been rumblings of unease about how we treat each other in an increasingly bad-tempered Britain she says.

If you want to find the hub of disrespect at work, it’s the meeting rooms. Complaints range from people trying to dominate meetings and turning up late, to cancelling them at the last minute or checking emails and mobiles during discussions. The assumption that impoliteness is the sole preserve of bosses is also incorrect. “Full-time staff can be discourteous to part time staff” said one respondent to the survey. Customers can be even worse.60

Psychology is concerned with understanding behaviour, pathological behaviour in particular. This understanding is achieved through the application of scientific methodology and not speculation or intuition. Further, Dr. Julie Evans clarified, that the psychology is not the art of mind-reading but the study of common sense, the same as psychoanalysis or counselling or another word for psychiatry. One very important area of psychology was individual differences, which was concerned with how and why people differed from one another. The characteristics that create differences were personality, intelligence (or intellectual
ability), motivation, creativity and emotion. Knowing about individual differences is very important for every day life, as it can help one in choosing the right occupation, the right degree course and the right partner in life. Personality is a causal force. It helps determine how the person relates to the world”.

Studies suggest that people harbour more biases and prejudices than they think and this is often implicit. However hard managers try to have an unbiased approach, the inherent biases sometimes influence their actions. This will lead managers to take flamed decisions in a number of areas - hiring, promotion, training opportunities and project assignments. Implicit bias affects company’s operations, especially in recruitment and retention. In turn, these decisions can affect employee turnover and quality of work life. The organization encourages HR department to look at the hiring and promotion rates, career path movement, and compensation among different employee groups. Experts recommend adding statistical analysis on performance appraisals to spot biased evaluations. Finding out biases and ways to remove have been recommended by Hema Gopalakrishnan.

Bridging the age gap in industrial organization now seems to be a big process. It is natural that there may be gaps between the older and the younger, the new and the fresh recruits. If the gap widens, then there will be decrease in efficiency. So these two groups are to be blended in all areas of work. So both
have responsibility in this. Both should have scarifying tendency. Both should respect their skills, intelligence, strength, experience and expertise in the field. In this process, management has to play an important role. Mutual understanding and co-operation between these two groups should be bridged for the betterment of the organization. Since every one has a common goal, the young and the old should take up complementary roles for the smooth functioning of the organization.63

28. Human Relations and Productivity

Productivity improvement programmes attempt to increase employee productivity. These programmes help the organization and have dramatic effects on production quantity, quality and efficiency. These programmes motivate employees to engage in the appropriate behaviour. Before implementing the programmes it is to be understood what motivates the employees in that organization. Expectancy theory is considered to be the important one in motivating employees says Lawrence S. Kleiman. He has listed some programmes. They are (1) pay for performance programme-merit-pay plans, piece rate plans, gainsharing plans, profit sharing plans, (2) employee empowerment programme – informal participative decision making programmes, job environment, quality circles, continuous improvement and self managed work teams, (3) productivity improvement programmes and the manager’s job, (4) how
the HRM Department can help imply changing corporate culture and training the employees, (5) HRM skill – yielding for managers implies the reinforcement theory to use exact rewards to motivate employees and using intrinsic rewards to motivate with the help of McClelland’s need-achievement theory. So the workers and the managers together contribute themselves to the cause of improvement of productivity in the organization.64

Productivity is severely limited by the availability of time and effort. A team structure affords members maximum influence, and when combined with strong control, it can yield very high productivity. On the other hand, an authoritarian structure also has strong control, but its influence among members is minimal. The result is often significantly lower productivity. Nowhere is there greater disparity between goals and norms than in the production function. The real culprit is the traditional brittle structure that remains static while conditions cry out for change. Behavioural scientists have tried to prove that employee satisfaction and job performance are directly connected to productivity. The economic demands of a production operation are to produce more at less cost. These demands violate every rule of human behaviour. The productivity is the combined effort of competence, effort and behaviour.65

Human relations is frequently used as a general term to describe the ways in which managers interact with employees. When “employee management”
stimulates more and better work, the organization has effective human relations; when morale and efficiency deteriorates, its human relations become jeopardised. Howthorne studies spoke about the importance of human relations. Now behavioural science approach is popular. The modern management theory is really a rich mosaic of many theories. The systems approach, considering the organization as an unified, purposeful system composed of interrelated parts is one component of the modern theory of management. Subsystems work in the above system. Synergy, open and closed systems, system boundary, flow of information, and feed back are considered to be the other elements supporting the above system. The contingency approach is another one. Then no one is entering the era of dynamic management, which best expresses the vigorous way today’s most successful managers focus on human relationships and quickly adjust to changing conditions overtime. In Deming’s eyes, training is something more than merely teaching employees how to use tools, such as statistical quality control, for improving quality. Training also translates into making sure that workers get adequate knowledge and skills for the roles for which they are responsible. Deming considers the barriers between functional departments to be counterproductive. Employees can improve productivity by learning from one another and co-ordinating efforts, regardless of their functional expertise. Deming, Juran and Others favour TQM approach with the following ideas for productivity
increase. (1) A system approach, (2) The tools of TQM, (3) A focus on customers, (4) The Role of management and (5) Employee participation.\textsuperscript{66}

29. Social Security

The reports of Hanumantha Rao Committee and also the National Labour Commission’s recommendations made the National Commission for Enterprises in the unorganized sector decide on implementation of social security system for workers by the Government of India. This was disclosed by the the Chairman and Rajya Sabha (Parliament) member, Arjun Sengputa, in an interview to the newspaper “The Hindu” on 15\textsuperscript{th} June 2006. The Commission has recommended an insurance scheme to workers, which is dependent upon the number of people concerned as that reduces the risk and the cost involved. The scheme should be a cashless proposition. No monetary transaction will take place until the end when either pension or provident fund is to be received. An account will be opened in the post office in the name of the registered workers and they will be given a number based on which they will be issued smart cards. In that account, the worker’s, Governments’ and employer’s contribution will be deposited. However, one cannot withdraw the money but for the purpose it is meant. If the worker is hospitalized, the money will go to the hospital directly. So there is no scope for exploitation, because money will not be paid to the worker or
intermediary. The workers facilitation centres established by the Government will persuade the workers to register themselves in the scheme. 67

30. Job Satisfaction

Job satisfaction is sometimes regarded as a single concept, dealing with a person’s satisfaction with the job. However, it actually is a collection of specific job attitudes that can be related to various aspects of the job. The Job Discipline Index (JDI) measures satisfaction in terms of five specific aspects as a person’s job. Pay, promotion, supervision, the work staff and workers. Of special interest to managers and employees are the possible relationships between job satisfaction and various job behaviour and other outcomes in the workplace. A common sense of notion is that job satisfaction leads directly to effective task performance, that is a happy worker is a good worker. Job satisfaction is strongly linked to absenteeism, turnover, physical and mental health problems. Job satisfaction represents an outcome of the work experience. Hellriegel and Others have explained in detail the competence of managing self, managing communication, managing diversity, managing ethics, managing across cultures, managing teams and managing changes in their book. Those qualities are mostly required for better management in an organization. 68
31. Incentive or Reward

Using innovative incentive plans, as part of their commitment-building programmes, organizations can boost the productivity. There are other programmes like merit programme, which is nothing but payment of merit salary based on their individual performance. Another one is pro pay programme. Employees can receive lump-sum merit bonus once they reach the top of their pay range. The other one is star/super star programme, that is salaried employees with a specified performance rating may be nominated for a star/superstar lump-sum loans. The MIC and PIC programmes generally reward achievement of divisional and corporate profit goals. In the MBO or PBO bonuses are tied to individual attainment of people, service, or profit-related goals. Bravo Zulu voucher programme was established, so managers could provide immediate rewards to employees for outstanding performance above and beyond the normal requirements of the job. Except merit programme all other programmes are forms of variable compensation, which means one time awards that do not permanently increase fixed pay roll costs. Employees should press only for productivity and quality measures while they opt for gain sharing programmes. Because, the productivity and quality are controllable and also the employees are responsible for it. Whereas profitability is not controllable due to influence of various factors like competition and government regulations.69
In trying to do the right things, there is a chance to fall into the trap of rewarding the wrong activities and ignoring or furnishing the right ones. The greatest single obstacle to the success of today's organizations is the giant mismatch between the behaviour one needs and the behaviour one rewards. Highly productive factory workers are needed but they are not paid adequately to produce. The following are the strategy for reward:

32. The Basics

1. The things that get rewarded get done

2. If you are not getting the results you want, ask the magic question:
   “What’s being rewarded?”

Strategy: What to Reward

The 10 / 10 Management System

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<tr>
<th>REWARD</th>
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<tr>
<td>2. Risk taking</td>
<td>2. Risk avoiding</td>
<td>2. Recognition</td>
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<tr>
<td>5. Smart work</td>
<td>5. Busywork</td>
<td>5. Favourite work</td>
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<td>7. Quietly effective</td>
<td>7. Squeaking joins</td>
<td>7. Freedom</td>
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<tr>
<td>Behaviour</td>
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Action: Who and How to Reward
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<th>Manage Others</th>
<th>Manage Your Boss</th>
<th>Manage Yourself</th>
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<tbody>
<tr>
<td>1. Choose the result you want</td>
<td>1. inventory strengths and weaknesses</td>
<td>1. Choose a new habit</td>
</tr>
<tr>
<td>2. Identify the behaviour needed</td>
<td>2. Build on the strengths</td>
<td>2. Choose a fitting reward</td>
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<tr>
<td>3. Decide on the proper rewards</td>
<td>3. Decide how you want to change your boss’s behaviour</td>
<td>3. Practise the habit for three straight weeks</td>
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<td>4. Use the power of positive feedback</td>
<td>4. Reward your boss for signs of positive change</td>
<td>4. Give yourself the reward enjoy success and choose a new habit</td>
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<tr>
<td>5. Dispense rewards, enjoy success and set new goals</td>
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REFERENCES


10. *Ibid*.


37. Ibid.


40. Ibid.


