Chapter 6

FINDINGS, CONCLUSIONS AND SUGGESTIONS

Contents

6.1 Findings and Conclusions
6.2 Suggestions
6.3 Scope for Further Study
The indigenous industrial scenario has undergone a sea change due to the globalization of trade, liberalization of business and the resultant competitive market economy. Indian industries, especially the public sector undertakings, are greatly affected in the changing scenario because of disinvestment, privatization, restructuring, closure, inflow of Foreign Direct Investments (FDIs) etc. They also experience downsizing, greater use of contract labour, outsourcing and externalization. These changes directly or indirectly influence the attitude and behavior of the working people. HR professionals working in call centers, the BPO industry, Public Enterprises and even in the IT industry all over the world are trying to formulate retention strategies with little success. Managing the human resources has become a dynamic and challenging task of industrial organizations, all the more so in the case of sick public sector units. It is often debated whether poor management of human resources is the root cause of the ailing public sector undertakings in Kerala.

Almost all countries of the world has recognized the importance of State interference for sound and balanced economic development. The Public Sector has occupied a pivotal position in the Indian economy especially in Kerala. At present Kerala has the highest number of state owned enterprises (120) in our country. However the performance of many public sector units in Kerala is below the national average and expectations of government. A good number of them are running on negative net worth with cash losses. The working of the public sector enterprises have come in for severe criticisms from all sections of the society. The public sector which has to play the role of spearheading development in key areas and mobilizing resources for faster economic development can fulfil its objectives only if it operates efficiently. But they are not working up to the expectations of the society.

One of the greatest problem faced by our government is, how they can rehabilitate these sick PEs. The Ministry of Finance has extended a very supporting hand for the rejuvenation of the PSUs. The rehabilitation packages
Findings, Conclusions and Suggestions

provided by the state Govt. to the sick PEs consist of financial measures such as rescheduling of debt, sanction of additional term loan for installation of new machineries; enhancement of working capital limit etc. However, no concrete measures are being taken to improve the management efficiencies, marketability of products, power and raw materials supply to these units. Unless these steps are taken simultaneously these rehabilitated sick units, are likely to fall sick again. Now the State Govt. is trying to improve the efficiency of public enterprises and wants to make these enterprises commercially viable and vibrant. They also recognize that the weaker part of the PSUs is the totally unprofessional and unaccountable management. It is sure that unless this issue is addressed all the other steps to revive and modernize the PSUs will not be fruitful since they are the people to implement the policies of government. So an attempt is made here to find out the areas of inefficiencies in the personnel management policy of Sick PEs in Kerala. The research problem was stated as “A Study on the Human Resource Management of the Sick Public Sector Units Under the Department of Industries in Kerala State”.

The study was carried out with the following objectives;

1) To study the recruitment, selection, training and development practices of sick public sector industrial units in Kerala.

2) To understand the promotion policies, industrial relations, safety and welfare measures and job satisfaction of employees in sick public sector industrial units in Kerala.

3) To understand a brief history and performance of Public Enterprises in India and Kerala.

4) To study the profile of sample units with special emphasis on their HRM practices.

5) To understand and analyze the zonal wise differences, if any, that exists in the satisfaction level of employees at different levels, on the HR practices followed in the sick public sector enterprises in Kerala.
Findings, Conclusions and Suggestions

6) To give suggestions on the basis of the findings and conclusions of the study

The hypotheses assumed by the researcher for the present study are listed below;

1) Majority of the HR professionals of sick public enterprises are not professionally qualified.

2) An effective HRM system is not prevailed in the sick industrial public sector units.

3) There is no significant difference between the opinion of the two categories of employees (workers and managers) regarding the recruitment policy followed in the sick public sector industries in Kerala.

4) Political influence adversely affects the work environment of the PSUs.

5) There is no significant difference between the opinions of the two categories of employees regarding the training programmes followed in the PEs.

6) A system for measuring the effectiveness of training programmes is almost absent in the sick PEs.

7) There is no significant difference between the opinions of the two categories of employees regarding the promotion policy followed in the PEs.

8) There is no significant difference between the opinions of the two categories of employees regarding the Performance Appraisal system followed in the PEs in Kerala.

9) There is no significant difference between the opinions of the two categories of employees regarding the Industrial Relation exist in the PEs in Kerala.
10) There is no significant difference between the opinions of the two categories of employees regarding the Welfare Measures exist in the PEs in Kerala.

11) There is no significant difference between the opinions of the two categories of employees regarding the Safety Measures exist in the PEs in Kerala.

12) There is no significant difference between the opinions of the two categories of employees regarding the Compensation Policy exists in the PEs in Kerala.

13) There is no significant difference between the opinions of the two categories of employees regarding the Job Satisfaction exists in the PEs in Kerala.

This descriptive study was aimed at assessing the extent of human resources management climate prevailing in sick industrial public enterprises in Kerala. The first three objectives of the study were pursued by the collection and analysis of secondary data, whereas all the other objectives have been achieved through collection and analysis of primary data supported by interviews and discussions.

Based on survey of the literature and an examination of the existing measures on effective HRM a questionnaire was developed for collecting the primary data. Before that a Pilot Study was conducted to test the appropriateness of the questionnaire. Two sections are included in the questionnaire viz- Personal data and Personnel (HRM) views. In the first section respondents were asked to indicate their gender, age, total service, qualification and salary. Thirty nine questions were given in the second section for collecting the opinions of employees about the present HRM practice in PEs. The items mainly covered in this section were Recruitment and Selection, Training and Development, Promotion and Performance...
Appraisal, Industrial Relations, Safety and Welfare Measures and Job Satisfaction.

As per the Review of Public Enterprises published by the Bureau of Public Enterprises in Kerala (2010 Feb.) there are 14 Sick Public Enterprises under the Department of Industries in Kerala. Out of these 14 units, 4 units are located in the South Zone, 8 units in the Central Zone and 2 units in the North Zone. As it is difficult to study all these units fifty per cent of units from each zone is considered for the study. Convenience sampling method is applied in selecting the sample units. So the data used in this study were collected from 7 organizations (2 from South, 4 from Central and 1 from North) consisting of five from manufacturing sector, one from mining and one from the other sector.

Since the population from which the sample is taken is not homogeneous, Stratified Sampling Technique was applied for the selection of sample employees. The total population is divided into two sub-populations (strata) namely workers and supervisors/managers of sick public enterprises. The population comprises 2180 workers and 455 Managers spread in 7 sick PEs selected for the study. From that 436 workers, which is 20% of the total workers and 182 managers which is 40% of total managers was selected. So a total of 618 respondents were selected and questionnaire was applied to obtain the responses.

The data collected was recorded in a Mother Chart (MS-Excel) for classification and analysis, keeping in view the objectives of the study. For analysis, the State is divided into three zones-South, Central and North. Zonal wise analysis of the responses of workers and supervisors/managers is separately made in order to ascertain whether there are zonal differences in the views of employees in the public sector units in Kerala. In addition, a category wise analysis between the views of workers and managers is conducted to find out whether there exists any difference in their opinions.
regarding different aspects of HRM policy followed in these units. For the purpose of analysis, statistical tools such as averages, percentages, weighted mean, Chi-square test, Friedman’s Repeated Measures Analysis of Variance, Ranking techniques were used. The weighted mean was used to assess the order of preference associated with the selected variables. Chi-square test was applied to ascertain any zonal difference in the opinion of employees and to examine the significance of variation in the opinion of different categories of employees in the PEs.

6.1 Findings and Conclusions

Having identified the variables and their linkages with the existing body of knowledge on the subject, the following findings and conclusions are arrived.

6.1.1 Respondent Profile (Findings)

1) Primary data was collected from both the Workers and Supervisors/Managers of seven sick public sector units in Kerala. Regarding the gender of workers, a majority (69%) of them falls under the category of male and the remaining 31 per cent are female workers. Among the Manager respondents 76 per cent are male and the rest female.

2) With regard to the age of workers 39 per cent of them falls under the age group of 30 to 40 years while a good number (47%) of the managers are in between the age group of 40 to 50.

3) As far as total service rendered by the workers is concerned 40 per cent of them have service between 11 and 20 years and 12 percent have service more than 30 years. In case of managers 46 per cent of them rendered a service between 21 and 30 years. It shows that majority of the managers in the PEs are highly experienced.
4) Out of the total 436 workers, 72 per cent are having the qualification of SSLC and 12 per cent are below SSLC. As for managers were concerned, only less than half (49%) of them possessed professional qualification. Others hold either a degree or a post graduation.

5) Two by third of the workers received a basic salary ranging between ₹ 5,000 and ₹ 10,000. In case of managers 45 per cent received a salary more than ₹ 20,000 and 38 per cent received a salary in between ₹ 10,000 and ₹ 20,000.

Conclusion: Analysis of the personal profile of employees in the SLPEs revealed that the Public Enterprises in Kerala is dominated by male workers and managers. The study concludes that more than seventy per cent of the work force in the PEs of the State is male. Forty per cent of the workers are of less than forty years of age while thirteen per cent are above the age of fifty. The study also reveals that the managers are more experienced than the working class of public sector undertakings. Majority of the managers and other professionals were not professionally qualified which is essential for attaining excellence in management. It is also noticed that flight of personnel from public enterprise to private enterprise is a threatening problem faced by PEs because of low salary and less chances in personnel development.

6.1.2 Recruitment and Selection

1) Regarding the imperativeness of HRM views of workers in the three zones are identical. Ninety percent of the workers in total opined that an effective HRM department is essential for the successful working of their unit. As far as managers are concerned cent per cent of them in all the three zones support the importance of a well defined HRM policy and a separate department for the effective working of an organization.
2) A good number (70%) of the workers in total indicated the absence of a properly developed HRM department in their organization. It is surprising to note that 18 percent of them have no knowledge about the presence of HRM department. There exists no significant difference in the opinion of workers between the zones. Supporting the opinion of workers majority (53%) of the managers also emphasized that an effective HRM Dept. is not functioning in their units. The region wise analysis does not find any difference in their opinions.

3) As far as information about objectives of the business is concerned a good majority (84%) of the workers opined that they did not gets any information regarding the objectives of their company. Here the opinions of workers between the zones show a slight difference. Contrary to workers majority (91%) of the Managers told that they had clear information about the objectives of the business. Here zone wise result does not show any significant difference. This clearly shows the laps of the management in convincing the workforce about their duties and responsibilities.

4) Regarding the views of workers about the present recruitment policy of PEs, it was found that two by third of the workers were dissatisfied with the present policy. The highest percentage of dissatisfaction was expressed by the respondents in the central zone. Here exists significant difference in the opinion of workers between the zones. As against workers majority of the managers (63%) were satisfied with the present recruitment system.

5) Regarding the sources of recruitment, workers were selected mainly from employment exchange, newspaper advertisements, PSC etc. But a major percent (80%) of the managers were selected through newspaper advertisements. It is noted that the
Findings, Conclusions and Suggestions

latest methods of selections like campus recruitment and outsourcing are completely avoided for the selection of both these categories.

6) An attempt was also made to ascertain whether there exist any factors which influence the selection of employees in the PEs. Forty percent of the workers and thirty three percent of managers share the opinion that politics is the most important factor which adversely influences the selection of employees in the public sector enterprises. Workers were also pointed out certain other factors which influence the selection like personal relations, regionalism and religion. Opinions of both the categories of employees showed a significant difference between the zones.

7) While analyzing the views of workers on induction and placement, it was observed that 73% of them opined that no system of induction is followed in their units. But in case of northern zone 60 percent of them expressed that there exist a system of induction in their units. So here exists a significant difference in the opinion of workers between the zones. Even though majority of the managers in total opined that there exists a system of induction in PEs, a good number of managers (62%) in the southern zone also support the opinion of workers that there is no system of induction in their units. Opinion of managers between the zones also shows a significant difference.

8) Views on job rotation revealed that a system of job rotation is not working in PEs. Eighty percent of workers and fifty-three percent of managers support this opinion. There exists a significant difference in the opinion of workers and managers between the three zones.

Conclusion: Analysis on recruitment and selection revealed that a full-fledged Human Resource Department is absent in almost all selected sick
public enterprises in the State. HRM department is working as a part of administration department with an HR Manager. It was also observed that the workers did not get any information regarding the common objective of their unit and the duties and responsibilities of their own. A homework on proper human resource planning is absent in these units. It is also observed that no public sector enterprises uses campus recruiting, management consulting firms and professional associations as sources of recruitment. Workers and managers unanimously opined that politics is the most influencing factor for the selection of employees in PEs. There exist a contradiction in the opinion of workers and managers regarding the presence of induction system in PEs. A system of job rotation is almost absent in SLPEs. Majority of the workers are unsatisfied with the present recruitment policy of PEs.

6.1.3 Training and Development.

1) Majority of the workers in the south and central zone received on-the-job training from their units. It is important that only 40 per cent of workers in the north zone received training. So here exists a zonal difference in the opinion of workers between the zones. As far as managers were concerned 85 per cent of them received training from the Company. Fifteen per cent did not receive any type of training. Managers’ views were unanimous in all the three zones.

2) Eventhough majority of both the categories support that the trainings are useful there exist a significant difference in their opinions. It is important that, 15.6 per cent of workers and 17.6 per cent of the managers are having ‘no opinion’ about the usefulness of training.

3) Regarding the evaluation of training programme, most of the workers (84%) opined that an effective and systematic evaluation
of training is absent in PEs in Kerala. The opinions of workers in all the three zones are similar. Similar to the opinion of workers majority of the managers also support that there exist no system for evaluating the result of training programme.

4) Public Enterprises in Kerala provide outdated and stereo typed methods of training to its employees. So a number of other types of trainings like, Training on interpersonal relationship, use of safety measures, use of computers and yoga practices etc. are demanded by the workers. The workers gave first preference to training on interpersonal relationship except in north zone. Similar to workers managers also demanded certain types of training for improving their efficiency. They assigned first preference to training on latest development in management; then to training on interpersonal relations. Category wise analysis shows a significant difference in their opinions.

5) Responses of both the two categories revealed that a system of cross training is not followed in the public enterprises in Kerala. As against the opinion of managers, workers opinion did not show a significant difference between the zones.

**Conclusion:** It is evident from the analysis that the PEs provides outdated and stereo typed methods of training to its employees. Training is imparted routinely and also for the fulfillment of the fancy figures only without proper assessment of its impact on the organization. It is quite common that training activities of the selected units are largely measured by number of training programmes conducted per year or number of training programmes per employee per annum which does not reflect quality of the training programme. In addition to quantity, quality needs are to be taken as a measure of evaluating training activities of any organization. To investigate the effectiveness of training programme proper evaluation of training is essential. Unfortunately an effective and systematic evaluation of training is
absent in SLPEs. It is also noticed that the management of these PEs follow a traditional approach towards the methods of training. Employees demanded training on different areas like use of safety measures, health and environment, technical skills, computer training, counseling, training on interpersonal relationship, training on latest development in management etc.

6.1.4 Promotion and Performance Appraisal

1) Views of the two categories of employees regarding the present promotion policy of public enterprises clearly depicts that there exist a significant difference between their opinions. Ninety per cent of workers and fifty five per cent of managers were dissatisfied with the present policy.

2) Regarding the changes to be effected on the existing promotion policy, majority (70%) of the workers demanded a system of seniority-cum-merit. But their opinions show a significant difference between the zones. Similar to the opinion of workers majority (82%) of the managers also support a promotion policy based on ‘seniority-cum-merit’.

3) As far as the present performance evaluation system is concerned, it is observed that majority of the workers of south and central zones are dissatisfied and at the same time majority in the north zone expressed satisfaction. So here exists a zonal difference in the opinion of workers. Unlike the opinion of workers majority of the managers (73%) were satisfied with the present system of performance appraisal.

4) As far as recognition for good work and rewards is concerned 81.3% of the workers in total and 100 per cent from northern zone, in particular, opined that they never received any type of rewards and recognition as a motivating factor from their employer. As against the workers, majority of the managers
(70%) agrees that they enjoy recognition for good work and received rewards for the same. But the zonal wise result shows a high difference in their opinions. Category wise analysis shows a significant difference between their opinions.

Conclusion: Majority of the two categories of employees expressed dissatisfaction with the present system of promotion exist in their units. They demanded a system of promotion based on ‘seniority- cum-merit’. The promotion policy of these sick public sector units were not subject to thorough review in consultation with the representatives of the employees. It was again observed that a scientific performance appraisal system and its timely evaluation is absent in SLPEs. They follow outdated techniques for evaluating the performance of employees. There has no provision for grant of awards and giving recognition for appreciable performance.

6.1.5 Industrial Relations

1) A good relation is existing between the workers and top management in the PEs in Kerala. Majority of the workers were satisfied with the present industrial relation with the management. Similarly three by fourth of the managers support that there exist a good and excellent relation between workers and management. Here exists no significant difference in the opinion of managers between the three zones.

2) Analysis of worker-supervisor relation indicates that worker-supervisor relationship is not effective in the SLPEs. Majority (50%) of the workers in all the three zones are having a negative opinion regarding the relation between supervisors and workers in SLPEs in Kerala. In contrary to the opinion of workers majority (71%) of the managers came out with an opinion that there exist a good relationship between the supervisors and workers. Here exist a significant difference in the opinion of
Findings, Conclusions and Suggestions

workers and managers regarding the present worker supervisor relations.

3) Analysis of data on worker-worker relationship revealed that majority of workers (88%) maintain a good interpersonal relation. In the same way majority of the managers (93%) too opined that there exists a good relation between the workers in SLPEs in Kerala. There exists no significant difference in the opinion of these two categories of employees between the zones regarding relation between workers.

4) Regarding the relations that exist between workers and unions, 68 per cent of the workers opined that, there exists a good relationship. The opinions of workers in all the three zones are identical. Supporting the opinion of workers, majority (80%) of the managers also opined that the worker union relation is good.

5) Majority of the workers (68%) in all the three zones are having a negative opinion regarding union management relations that exist in SLPEs in Kerala. But majority (63%) of the managers told that there exist a good and excellent relation between the union and management. So there exist a contradiction of opinion between workers and managers regarding union-management relation.

6) The analysis of union-union relation led to the conclusion that majority (72%) of the workers in all the three zones are not satisfied with the present inter union relationship. Supporting the opinion of workers majority of the managers in all the three zones also had an opinion that there exists a negative relation between unions.

7) In an attempt to ascertain the views of the employees regarding the future labour management relations it was observed that there exist a significant difference in the opinion of managers and workers. Majority of the workers opined that the future labour
management relation will deteriorate in future. But majority (62%) of the managers opined that it will improve in future.

8) Majority (80%) of the workers expressed their dissatisfaction in the functioning of grievance handling mechanism followed in SLPEs in Kerala. They also pointed out that the present grievance handling mechanism takes a long time for the settlement. Unlike workers, about half (48%) of the managers told that the present grievance handling mechanism followed in their units is effective (except in south). Data revealed that there exist a significant difference in the opinion of both the categories of employees regarding the grievance handling procedure of SLPEs.

9) Analysis of data on strike revealed that majority of the workers (84%) and managers (81%) told that no strike had taken place in PEs except State and National calls. There exist no difference in the opinion of these two categories of employees regarding the strikes took place in SLPEs in Kerala.

10) Regarding the justification of strikes that took place in SLPEs, majority of both of the categories opined that only justifiable strikes were took place in PEs. The main causes of strikes were ‘dissatisfaction in wages and allowances’, ‘bonus’, ‘leave and hours of work’, ‘discriminatory attitude of management’ and political causes. Wages and allowances is ranked as the first reason for strikes in all the three regions by the workers.

11) Views of the workers on trade union shows that 97 per cent of them were acting as members of trade unions. Unlike workers only a minor per cent (13) of the managers were members of trade unions. Zonal result of the opinions of both the categories shows no significant difference.
12) Analysis on the extent of help done by trade unions to employees revealed that, trade unions render lot of helps to the employees. This opinion is supported by both the categories of employees. So there exists no significant difference in their opinions.

13) Responses of a good number (65%) of workers revealed that politicalisation of unions some times cause difficulties to them. Even though fifty three per cent of managers support the opinion of workers, there exists a significant difference between the opinions of these two categories regarding the influence of politics in trade union activities.

Conclusion: Regarding the industrial relations, a positive relation is existing between the workers and top management, workers and unions and between workers in the sick public sector units. It is evident from the analysis that there exist a negative relation between the workers and supervisors and between union and management. The attitude of middle level management (supervisors) to lower level is worse. There exist a contradiction between the opinion of workers and managers regarding union-union relations and the workings of grievance handling mechanism. There is no efficient grievance redressal system in these sick public sector units. Employees unanimously support that politicalisation of unions caused difficulties to workers. It has been observed that rivalry between unions has been a constant source of friction in the field of industrial relations. It not only weakens the unions but also sometimes threatens industrial peace. None of these sick units has an industrial relations officer.

6.1.6 Safety and Welfare Measures

1) Even though the State Public Enterprises provide a number of welfare facilities to its employees eighty percent of workers of all the three zones were dissatisfied with the facilities. They demanded separate welfare officers, more medical and insurance
protection, more educational support for their children etc. As against the opinion of workers, more than 75% of the managers in total were satisfied with the present welfare facilities provided by the Government. So there exists a significant difference in the opinion of both of these categories of employees.

2) The data collected on safety measures revealed that 83% of workers were dissatisfied with the present health and safety measures provided by SLPEs. The highest rate of dissatisfaction (86%) is expressed by workers of central zone. They demanded a fulltime safety officer and awareness programmes about safety measures. Unlike workers, majority (82%) of the managers were satisfied with the present safety measures. The highest (87%) rate of satisfaction is expressed by the respondents of central zone and the lowest (55) by northern zone. Here the opinion on both of the categories of employees on safety measures shows a significant difference.

3) As per the views of workers a satisfactory compensation system is not prevalent in the SLPEs. Ninety three per cent of them were dissatisfied with the present compensation and other benefits. Similar to workers sixty one percent of managers also expressed dissatisfaction. But thirty six percent of them show satisfaction. So there exists a significant difference in their opinions.

4) Even though collective bargaining is followed in SLPEs, majority (68%) of the workers are ignorant about its presence. Another 23% of workers express dissatisfaction with its workings. Supporting the opinion of workers 48% of managers also expresses dissatisfaction with the present system. It is noteworthy that 15% of the managers were unaware about the collective bargaining system in their units. Opinions of both the categories show a significant difference between the zones.
5) As far as workers participation in management is concerned, 78% of the workers were dissatisfied with its functioning. Responses of the workers in the different zones show a significant difference. Unlike workers majority (51%) of the managers in total were satisfied with its working. But a considerable per cent (42%) of them expressed that WPM is not working well in PEs.

6) Views of workers on influence of lack of HRM on failure of an organisation revealed that absence of an effective HRM department will lead the business into utter failure. Eighty six percent of the workers opined that the absence of an effective HRM department is one of the main reasons for the failure of their unit. There exists significant difference in the opinion of workers between the zones. Like workers 85% of the managers also stressed that improper functioning of the HRM is one of the main reason for failure of PEs in Kerala.

7) Regarding the changes required to be brought about immediately in SLPEs, majority of the workers suggested technology upgradation and implementation of innovative HRM practises as 1st and 2nd priority. They also demanded a change in the attitude of supervisors and a reconstituted research and development Dept. Managers also assigned first and second preference to technology up gradation and innovative HRM practises for a drastic change in PEs.

Conclusion: The study reveals the fact that; workers generally are not satisfied with the present welfare measures provided by the public enterprises. Absence of welfare officers, insufficient insurance protection etc. cause dissatisfaction to them. A poor health and safety measures is existing in the units without sufficient safety officers. The analysis reveals that the compensation package of both workers and managers were not up to the standard even to maintain an average living. Collective bargaining system of
the units shows a poor working. The workers are not in a position to know which level of agency they should negotiate with for a particular subject. Training in collective bargaining is essential to trade union leaders, line managers, line officers by the DPE for a positive approach on collective bargaining. It is noticed that, one of the main reason for failure of workers participation in management is that managers generally consider such participation as a mere ritual or, at the most, a grudging concession to workers.

6.1.7 Job Satisfaction

1)Views of the workers on Job satisfaction revealed that majority (78%) of them in total were not satisfied with their present job. Forty per cent of the workers in the central zone were satisfied with their present job. As per their views, satisfaction level of workers between the zones shows significant difference. Unlike the opinion of workers majority (71%) of the managers were seem to be satisfied with their job. So there exist a significant difference in the opinion of workers and managers regarding job satisfaction.

Conclusion: Job satisfaction level of workers in the selected sick public enterprises is very low. Satisfaction level of workers between the zones shows some difference. Compared to workers managers enjoy more job satisfaction.

6.2 Suggestions

Based on the findings and conclusions drawn from the study, the following suggestions seem feasible for improving the efficiency of HR management of the selected sick public sector units in Kerala.

6.2.1 Recruitment and Selection

1) Enterprises which are working without an HR department are suggested to establish a full-fledged HR department in their units for an effective utilization of the human force.
Findings, Conclusions and Suggestions

2) A clear HR policy is essential and it should be explained to all concerned persons. Above all, there must be a scientific Human Resource Planning and Development for each company under the study.

3) Managers should explain the duties and responsibilities of employees and expectations from them at the time of induction itself.

4) The efficiency of any organisation depends considerably upon the excellence in management. Only highly competent and experienced persons with proven ability should be appointed as HR managers and they should be given clear-cut targets for the success of the enterprises.

5) Recruitment to Class 1 services should be made on All-India basis with a proper examination.

6) Selection for all second, third and fourth class services should be entrusted to the Public Enterprise Recruitment Board.

7) Public sector firms should use diversified sources of recruitment in attracting applicants. Beyond newspapers they should use internet, management consulting firms, professional associations, and campus recruiting in expanding the pool of available talent.

8) Job analysis should be done by an expert team and they should assess the requirement of manpower and their related qualifications.

9) Periodical review of selection procedure is essential so that shortcomings, if any, in selection procedure would be removed timely.

10) Minimize the influence of political interference for recruitment, promotion, etc.
11) The remuneration of the managers should have some parity with similar positions in the private sector to avoid flight of skilled professionals from PEs to private enterprises.

12) Adopt a systematic Induction Process.

### 6.2.2 Training and Development

1) Management should give more attention for continuous training and its evaluation. Give more emphasis on practical objectives than general competency.

2) Conduct exist interviews from people quit the unit to find reasons why people leave the unit.

3) The management of PEs should change its traditional approach towards training. They should take their own initiative in this area rather than simply following the guideline of BPE.

4) There is a need to arrange programmes of diverse nature like interpersonal relationship, health and environment, technical skills, computer training, counseling etc. to suit the requirements of employees.

5) Cross training should introduce in all the PEs at the earliest as majority of the youth are multitalented and have the capacity to learn any type of job.

6) Adequate provision for executive development and training should be made.

7) Consider training as an investment rather than a cost.

### 6.2.3 Promotion and Performance Appraisal

1) The performance appraisal system should be flexible (subject to revision if needed). Efforts should be made to prepare separate confidential reports for different categories of employees (workers, supervisors and managers).
2) Try to give promotion based on ‘seniority-cum-merit’ for all categories of employees including managerial class.

6.2.4 Safety and Welfare Measures

1) Adequate publicity of the steps being taken to control safety, pollution etc. are suggested. Workers should be encouraged to take care of their health and safety by taking maximum utility of the health and safety measures provided.

2) The attitude of middle level management (Supervisors) to lower level is worse and suggested that they should come inside the factory to understand the feelings and problems of workers.

3) Supervisors and managers should be easily accessible for proper communication.

4) Compensation of workers should be fixed after considering the demands of unions, standard of living and wages of private units and to some extent it should be related with productivity.

6.2.5 Industrial Relations

1) Managers and workers of PEs should be given sufficient training with regard to industrial relations.

2) There should be a separate department of industrial relations with an Industrial Relation Officer to maintain and improve cordial relations with employees.

3) Labour officers appointed in the personnel department should be professionally trained and experienced in industrial relations.

4) Management should held discussions with each employee at least once in a year.

5) There should be provisions for grant of awards for better performance and innovative suggestions to improve productivity.
6) Workers should be motivated to give constructive suggestions.

7) PEs should give sufficient emphasis on the Research and Development and should allocate sufficient funds. That should bring improvement in the technique and system of production and reduce the per unit cost of production. Expenditure on R&D should be treated as an investment.

8) Workers should be in a position to know which level of agency they should negotiate with for a particular subject (problem).

9) Training in collective bargaining should be given to trade union leaders, line managers, line officers etc. by the DPE or some such bodies so that they can positively react to collective bargaining problems.

10) The annual budget should be discussed with the trade union leaders and suitable changes should be made if considered necessary. The views of the employees should always respect.

11) Try to make an employee a “business partner”. It will transform him into a constructive and innovative person. For that management should follow a policy of sharing information and making the employee a part of the decision making. If so did employee will rise above his limitations and will tend to perform better than expected.

12) There should be provision for prompt resolution of employee grievances.

6.2.6 Job Satisfaction

1) Keeping in mind the famous adage that “a happy worker is a productive worker”, it is the foremost duty and obligation of the HR managers to keep the people at work satisfied by providing any kind of benefits, facilities, rewards, acceptance and appreciation.
2) Take continuous feedback from your employees about their work experience, difficulties and suggestions if any for improving efficiency etc.

The rehabilitation packages provided by the State Govt. to the sick PEs consist of only financial measures such as rescheduling of debt, sanction of additional term loan for installation of new machineries, enhancement of working capital limit etc. However, no concrete measures are being taken to improve the management efficiencies, marketability of products, power and raw materials supply to these units. Unless these steps are taken simultaneously these rehabilitated sick units, are likely to fall sick again.

Thus it is hoped that if all these measures are taken together by the State Govt. and managerial personnel, the industrial sector in Kerala will show better performance and the growing industrial sickness in Public Sector units would be prevented. At last, we would say “A ton of talk cannot solve an ounce of the problem.” So instead of talking about problems, we need to talk about its solutions. Though Kerala Govt. has declared many consolidation packages, they are not enough to rejuvenate the economy. Some more helping hands are required to get the growth train on the right track.

6.3 Scope for further Study

This study is limited to the core HRM practices like recruitment, selection, training etc. in Sick Public Sector Industrial Units in Kerala. The emphasis was given on the HRM practices which ought to have improved in these industries for better performance. There is further scope for studies like:

1) The flight of personnel from Public Enterprises to Private Enterprises and the reasons thereof may be put under study.

2) To explore the differences and similarities between public and private sector manufacturing firms of Kerala with respect to HRM.
3) Separate studies can be conducted on the different aspects of HRM like Recruitment and Selection, Training & Development, Performance Appraisal, Industrial Relations etc.