CHAPTER VI

CONCLUSION AND SUGGESTIONS

The study in foregoing chapters has been concerned with a detailed study and analysis of "Management of Personnel IN THE PUBLIC SECTOR UNITS OF KASHMIR", in the context of the following objectives:-

1. To study the conceptual framework of Personnel management.
2. To analyse the human resource development.
3. To review the training and development programmes.
4. To examine the compensation structure.
5. A case study has also been made for a close analysis of the existing pattern of management of Personnel in Government Silk Weaving Factory, Rajbagh-Srinagar, with particular reference to labour composition, recruitment, training, wages, bonus, hours of work, holidays and leaves, absenteeism, working conditions, transfers, promotions, the personnel division etc.

In this chapter an attempt has been made to integrate the conclusions of the proceeding chapters and suggest the measures to resolve these problems to make the study a
fruitful one.

The main conclusion arising from the first chapter exhibits that personnel management has emerged as one of the most important branches of management study. To be successful, management has to pay a good deal of attention to the development of this branch, so vital for the efficient and effective operation of the management principles. It is indeed sad to note that this important segment of the general management has not received its due recognition in the Public Sector Units of the State. This negligence has resulted in the underdevelopment of human resources deployed in the various units of State Enterprises. However, it is a matter of satisfaction to note that the newly emerging Public Sector Units have recognised the importance of this branch of management study in the correct perspective and subsequently, steps have been taken to develop personnel divisions for scientific and systematic solution of human problems. The impact of these measures is yet to show any positive results as is clear from the fact that the premier Public Sector Corporations of the State are still without a well developed personnel divisions. This is a good proof to show the callous attitude of top brass towards the development of human resource.

Conclusions drawn from the second chapter reflect that the human resource development and the problems allied
to it viz., human requirements, recruitment, selection, induction etc. are sorted out through unscientific, unsystematic, irrational and traditional approach. No weightage worth the name is given to the prescribed norms. Extraneous considerations like personal influence and favouritism continue to be the overriding factors in dealing with these issues. Hence the present lot of personnel especially in the management and technical cadres are devoid of such traits. Naturally they do not fulfil the very basic requirements considered essential for the smooth functioning of business houses. This has resulted in low efficiency rendering the enterprises uneconomical. All available sources of recruitment are not exploited to get the best available talent. The employment exchanges are not used as a source of recruitment although it is a statutory obligation. Instead the element of deputation has found favour which is highly opposed by the employees of the Public Sector Units.

Chapter third portrays in detail the need and importance of training programmes for developing the skills of employees to embrace the technological changes. The Public Sector Units in the State face acute shortage of training and development facilities. As industrial development goes on accelerating it brings in its wake a variety of problems
which require urgent attention on the part of the concerned. Training and development is one of the most important remedial measures as it helps in developing human skills and efficiency. Training and development has remained most neglected factor in the State Public Sector. The training system is not only unscientific and irrational but also inadequate. The State Public Sector Units have neither training programmes of their own nor the training programmes offered by voluntary organisations and other agencies are utilized properly. The lack of training programmes have rendered human element obsolete and almost unfit to man the present units.

Chapter fourth of the thesis stresses that of all the labour problems the subject of monetary compensation has received the greatest significance, as it touches the vital aspect of the entire life of the community. Reward, essentially continues to be the strongest driving force. Besides, sustenance, monetary compensation motivate the workers. Wage earners of one industry are the consumers of the products of other industries. Hence, fair compensation to labour stimulates demand and is generally useful for the economy of the State. It is significant to note that the wages of industrial workers of the State were fixed
arbitrarily in utter disregard to the industry and workers. Rule of thumb continued the basis for wage fixation. Large and growing component of daily allowance further distorted the compensation structure. Personal influence resulted in the increase of wages. Thus, workers were not paid according to their efficiency but on the basis of extraneous considerations. As a consequence of which, both the management and labour failed to increase productivity. Further this irrational policy, made the labour and the management restive and both demanded the appointment of a wage board, to review the existing wage structure of the Public Sector Units. Accordingly, a Wage Committee was appointed by the Government. Though late, it opened a new chapter in the history of wage fixation of the State enterprises. The Industrial Wage Committee exposed the defects of the compensation structure of the employees of the Public Sector Units. It demonstrated many interesting facts which show that the whole structure of compensation is based on erroneous, irrational and unscientific considerations. In order to remove the irrationalities and anomalies, the Industrial Wage Committee suggested scientific norms and procedures for fixing the wages of industrial workers of the Public Sector. Following the Committee's recommendations, basic wages of the workers of
the Public Sector units, were revised. Dearness allowance which had become the component of basic wage was merged into it and for the first time the labour was given paid weekly offs.

With the lapse of time the recommendations of the Industrial Wage Committee became obsolete as it has tried to cover only the existing problems related to wages. With the passage of time the workers began to demand the grant of various doses of dearness allowance awarded by the State Government to its employees. The same used to be given to the industrial workers, thus making the system again unscientific because of the fact that workers are not at par with other government servants of non-commercial nature. Immediately, after 1977 elections the State Government announced a tremendous increase in the dearness allowance of employees working in the State Government departments. These benefits were not extended to the employees of Public Sector on the plea of their being commercial in nature. But the then Chief Minister promised to review the wage structure of the industrial workers in case they improve the productivity. Consequently, Wage Review Committee for Public Sector Units was set up on 3rd March, 1979. The committee tried to remove the irrationalities of the structure by giving a comprehensive
wage structure based on scientific principles and set norms. As regards dearness allowance, the committee did not favour its payment on State Government pattern, but favoured a cost of living allowance. The Committee prescribed the rates of every ten point increase/decrease in cost of living allowance according to grade. The notable feature of the recommendations is that, it led to the setting up of a permanent committee headed by Chief Secretary to sort out the anomalies arising out of the implementation of committee's recommendations.

Chapter fifth of the thesis has been devoted to a case study of a sample unit to bring to fore the conclusions regarding some of the important aspects of personnel management being practised in the various Public Sector Units of Kashmir. The unit presents grim picture of personnel management. Almost all the basic norms regarding the personnel management are ignored rendering the entire system of recruitment, selection, training, promotions, working conditions etc. unscientific and irrational.

A broad conclusion emerging out of this study reflects that the modern concepts of personnel management have not found favour with the Public Sector Corporations. The entire system is based on traditional, unscientific and irrational principles which proved detrimental to the very
interests of Public Sector and its workers. Even where the personnel management concepts and norms are followed, these need to be practised in true spirit. The analysis reveal that the system is not only defective but has given rise to many problems and malpractices. The only beneficiary are the people with ego and political favour. Apart from this, the non existance of fulflled personnel divisions is the most retarding factor in the creation of smooth industrial atmosphere.

On the overall plan the study makes it abundently clear that the existing personnel management system in the Public Sector Units of Kashmir is completely in contravention with the tested norms. The whole system is unscientific and provides least benefits to the workers and the units.

SUGGESTIONS:

In the light of the broad conclusions emerging out of the present study, the scholar has made a modest attempt to present some solutions to meet the problem. These suggestions are discussed below:

1. **ESTABLISHMENT OF PERSONNEL DIVISIONS:**

Since human resource is an important input and highly sensitive, it is imperative to have a separate division/department in all Public Sector Units so that such a
division assumes the responsibility of utilizing as well as developing this essential input. For this purpose, it would be not only desirable but also essential that every Public Sector Corporation carve out such a division where it is non-existent and revitalize the same wherever it is already existing. Once a separate division is established for this purpose, it is expected that human resource aspect will be looked after as effectively and adequately as is essential for the growth of any undertaking.

2. **RECRUITMENT AND SELECTION:**

   The process of recruitment and selection is most unscientific and irrational among all the aspects of management of personnel in Public Sector Units of the State. To rationalise the same following measures should be taken:

   a) **Deputation:**

   Deputation as a source of recruitment is a regular feature and has become a bone of contention in almost all the Public Sector Units of the State. The deputationists come from civil services. Their loyalties and expertise have not proved conducive for the healthy growth of these units. Such persons are white elephants and a big drain on the poor resources of these units. Their emoluments with lot of perks cause heart beating to others engaged in the working of these units almost on similar positions.
To curb this practice the policy of getting people on deputation should be stopped immediately. However, where it becomes absolutely necessary, the incumbents should be brought on contract basis for a period not exceeding three years and given no extra perks or allowances.

b) Application Blanks:

To ease recruitment and selection process, the Public Sector Units must supply the application blanks to the desirous applicants. The application blanks provide adequate information necessary for the selection purpose. At present desirous applicants are asked to send applications on plain paper which hardens the works of selectors.

c) Managerial Selection Commission:

The State Government should explore the possibility of setting up a Public Sector Service Commission. All the appointments from the post of supervisor to the Functional Managers/Financial Controllers be made through it. It will provide a uniform selection pattern and avoid trade union intervention in the appointment matters. The composition of the Commission should be carefully designed. It should include professional experts, psychologists and men of proven managerial ability.

d) Common Management Pool:

A pool of managerial personnel of Public Sector Units
should be created to ensure the proper manning of positions in the Public Sector. The personnel in the pool should be taken at par with other civil servants. This can be done by evolving a new cadre of employees namely Kashmir Management Service. The creation of the pool will ensure inter-undertaking movability of personnel.

e) **Employment Exchanges:**

To minimise the malpractices in recruitment of labour and lower positions, employment exchanges can play a good role. The desirous candidates for these positions should be asked to apply through employment exchanges which are functioning at all district levels.

3. **TRAINING AND DEVELOPMENT:**

To compete with the technological advancement, the Public Sector Units must ensure proper training and development for their employees. In this regard following programmes should be given due thought:

e) **EXECUTIVE DEVELOPMENT PROGRAMME:**

To meet the challenge of non-availability of professional personnel the Government or the Management should make suitable arrangements for developing the talented local youth outside the State for getting specialised training in management. Such a step will reduce the dependence on the non-locals who seldom stick to their jobs in view of climatic conditions.
b) **TRAINING CELL:**

The Public Sector Units have no training arrangements of their own. It is because of the poor financial position of Public Sector. It is in the fitness of things that the State Government should establish Public Sector Employees Training Cell in the training branch of General Department. It will ensure involvement of the Government in the training needs of the Public Sector.

c) **TRAINING PROGRAMMES AT THE UNIT LEVEL:**

All the Public Sector Units should organise training programmes of short duration for labour force once a year. The labour leaders and experts in personnel management from outside the State should be requested to participate in these programmes and deliver lectures on various issues involving labour-management relations.

d) **TOURS:**

Labour should be deputed in groups to various Public Sector Units of the country to learn about their methods of production and labour-management relations. This will go a long way in reshaping the entire labour-management relations at our units.

e) **TRADE UNION INVOLVEMENT:**

Trade unions in the State be asked to organise training programmes for different lower positions. The
State Government should provide financial assistance to the unions who organise such programmes.

4. COMPENSATION:

a. WAGE POLICY:

Public Sector Corporations must adopt a commercial Wage Policy linked with productivity. The dearness allowance should in no case be allowed to creep in the compensation structure. The recommendations of the Wage Review Committee will serve as a guide line for the wage fixation in the future to come. The wage determination should be done after giving due thought to job evaluation and merit rating. Besides, work study analysis should be conducted in case of piece rated workers. This will help in making the compensation structure a scientific one.

b. COST OF LIVING ALLOWANCE:

The wages should be fixed in accordance to the increase/decrease in the cost of living allowance. Government should strictly follow this measure by announcing the increase/decrease in the cost of living allowance in time without providing trade unions any chance to exploit the issue.

c. BONUS:

Bonus as per statutory provisions should be paid without any interception. The corporations should not resort to section 36 of the Bonus (Amendment) Act, 1977, as it
leads to labour unrest, resulting in the pollution of the congenial atmosphere.

d. ANOMALIES COMMITTEE:

All the anomalies arising out of wage fixation in individual cases should be referred to the Anomalies Committee established for the purpose. The Committee need to expedite the matter to ensure just solution of genuine cases.

5. WELFARE MEASURES AND THE APPLICATION OF FACTORIES ACT:

a. WELFARE FACILITIES:

Steps should be taken to provide the welfare measures to the employees. In the absence of welfare programmes, an employee seems simply as a cog in the administrative machine. The provision of adequate medical facilities at the unit level, schools for children, accommodation facilities, adequate transport facilities, playgrounds, reading rooms, rest rooms, lunch rooms and cheap canteen facilities should be provided to the employees to feel them satisfied. Besides, all the provisions contained in the Factories Act should be followed in true spirit. The Department of Labour should be properly equipped to check the infringements of the Factories Act if any.

b. LABOUR WELFARE OFFICERS:

Labour Welfare Officer should be appointed as per the provisions of the Factories Act. They must look after the welfare aspect of the employees and report all the lapses in this regard to the unit management for redressal.
6. **WORKING CONDITIONS**

The working conditions at the factories should be improved to keep it at par with the provisions of the Factories Act. All infringements in this regard should be removed forthwith.

7. **PROMOTION POLICY**

To boost the morale of employees, the Public Sector should adopt a satisfactory promotion policy which will provide good and proper opportunities of promotion to the employees at reasonable intervals. This will also help management to choose competent employees and promote them to reasonable positions. In the absence of proper opportunities for promotion, trained hands may be always in search of better opportunities some where else. No vacancy should be filled from external source if the internal source is available. Besides, merit-cum-seniority should be strictly followed to avoid every type of favour and political interventions.

8. **LABOUR MANAGEMENT PARTICIPATION SCHEMES**

To involve labour in management following schemes should be followed at all units:

a) **WORKS COMMITTEE**

Works Committee should be established at all the units to discuss the day to day problems of the units. The committee will act as an advisory body to settle grievances,
attend to welfare and safety measures for the workers, increase productivity and other matters of common interest. The committee should have equal number of members from both management and labour. The welfare officer should act as Chairman of the committee.

b) **JOINT MANAGEMENT COUNCIL**

To improve the industrial atmosphere and ensure better co-ordination between the labour and the management, it is suggested that Joint Management Council established at unit levels. The council will help in sorting out all the differences between labour and management. Besides, it will help in developing a sense of involvement in the affairs of the unit on the part of labour.

The suggestions put forth above offer a hope of putting the system of human resource on sound and scientific principles for efficient discharge of their functions. The scholar, therefore, strongly advocates that the Public Sector should waste no time in adopting these recommendations intoto, if it really wants to prove a catalyst for the economic growth of our State. It has already been emphasised in the foregoing chapters that Public Sector alone has to accomplish the task of accelerating the industrial tempo of the State. Hence, it becomes all the
more necessary that the Public Sector should be free from all flaws, be that with materials, men, machines or money. The scholar fervently hopes that most of the present ills of the State Public Sector would be put under check if not eradicated completely once the above suggestions are implemented and executed in latter and spirit.