CHAPTER-VI

SUMMARY OF FINDINGS AND RECOMMENDATIONS

6.1. INTRODUCTION

In addition to the Government sugar industry the private sugar industry is the steering power of the economic development of the nation. The private sugar industry has demonstrated its commitment to social causes by increasingly taking up social responsibilities. The findings of progress of private sugar mills in India and Tamil Nadu, review of HRM practices of private sugar mills are presented here.

6.2. FINDINGS

Private Sugar Mills in India and Tamil Nadu

1. India is the second largest producer of sugar in the world. Sugarcane occupies an area 1.5 percent to 2 percent of the cultivable land. There are about 50 million sugarcane farmers and about 2 million skilled/semi skilled workers involved in ancillary activities, mostly in the rural areas.

2. In Tamil Nadu there are 39 sugar mills; among them 19 are private. 7 Private sugar mills are engaged in sugar production, cogeneration, distillery and chemicals and remaining the 12 mills are engaged in sugar production only.

3. The area under cultivation of sugarcane in India has increased by 24.36% and in Tamil Nadu it has increased by 15.03% over a period of 10 years.
from 1997-98 to 2007-08. Thus compared with all India level, cultivation of cane in Tamil Nadu is less by 9.33% and this may be due to the fact that there are 172 sugar mills located in Maharashtra alone out of 516 all over India.

4. Sugarcane yield per hectare in India has decreased by 5.20 % and in Tamil Nadu it is 1.27 % over a period of 10 years. The reasons are poor rainfall, inadequate drainage and poor pest control.

5. The sugar production in India has increased by 69.62 % and in Tamil Nadu it is 548.52% during the study period. The sugar production has been improving as modernization of sugar mills is carried out in full swing.

6. The sugar factories in operation in India have increased by 22.27 % and in Tamil Nadu the increase is 8.33 %. As sugar cultivation in India and Tamil Nadu have increased, the number of sugar factories in operation has also increased.

7. The average recovery of sugar at the all India level was 9.86 percent in 1998-99 and 10.55 percent in 2007-08 whereas the average recovery of sugar in Tamil Nadu was 8.83 percent and 9.32 percent. The cane crushed and recovery percentage have increased with the use of modern machinery and latest technology.
8. A majority of the respondents (94 percent) were male employees. Out of 500 respondents selected from selected private sugar mills, only 31 were female. The reason for the larger number of male employees is that sugar industry is essentially a labour-intensive industry, which requires more physical work. Further, as per the provisions under Factories Act, 1948, no woman shall be allowed in any factory except between the hours 6 a.m. and 7 p.m. It prevents employment of women in private sugar mills during the other period of the day. Hence, the number of women employed is less.

9. The predominant age group of the respondents in the private sugar mills was 41-50 years (42%). The employees belonging to younger age group were far fewer in the private sugar mills. The major reason for this is the absence of direct recruitment for officers, supervisors and workmen in the private sugar mills.

10. It is found out that 57% of the workers in the private sugar mills have educational qualification only up to H.S.C. The reason is that most of the employees in the sugar mills are workmen, who need more physical strength rather than intellectual strength.

11. India is the largest consumer of sugar in the world and the sugar industry is the 2\textsuperscript{nd} largest agro based-industry located in the rural India. Currently there are 516 operating sugar mills in different parts of the country.
12. It is found out that 75 percent of the respondents have 11 to 30 years of service. After the introduction of LPG (Liberalization, Privatization and Globalization) concept, many industries started and provided more job opportunities to the skilled and semi-skilled workers, because the respondents with 10 years of service are less.

13. It is found out that 52 percent of employees in the private sugar mills are drawing Rs.5001 to 10000 as their salary, with an experience of 10 years and above. 17 percent of the employees who have put in 20 years of services and above are draw above Rs.12500. 14 percent of employees, who are either newly recruited or with less than 10 years of service draw Rs.3501 to 5000.

14. A large number of employees are married, as only 11 percent of the respondents are below 30 years. Most of the respondents are above 30 years of age and their job settlement leads to marriage.

15. 84 percent of employees have just one or two dependants. Only a very small number of respondents (6 percent) have 7 or more dependants. Those who are above 50 are not aware of family planning and family size but those who are below 50 are. Therefore, the number of the respondents having dependants between 1 and 4 are more.

16. 81 percent are regular employees and 19 percent seasonal employees. It shows that private sugar mills in Tamil Nadu give more importance to the regular employees to improve their production.
**Frequency Findings**

17. 37 percent of the employees are satisfied with human resource planning. 43 percent are satisfied with forecasting future human resource requirements. 43 percent are satisfied with anticipating the impact of technology.

18. The employees’ level of satisfaction with recruitment and selection process, reservation system and induction of employees is high. Only 17 percent of respondents are dissatisfied with the recruitment process.

19. A large majority of employees are satisfied with training and development. Only a few are dissatisfied.

20. Wage and salary administration, wage and salary structure, specialty of the wage and salary, adequacy of various allowances, maintenance of equity and fairness in compensation and wage settlement period give highly satisfaction to a good percentage of workers. 37 percent are satisfied with the acknowledgement of employees’ worth.

21. Working conditions, safety measures, statutory provisions for industrial health, encouragement and reward, organizational climate and adequacy of safety arrangement are all satisfactory.

22. A large percentage of the employs are highly satisfied with motivational measures such as for good performance, presuming goals etc., 35 percent are satisfied with job description to employees.
23. Employees’ satisfaction with promotions and transfer, priority to existing employees, consideration of core discipline and past performance, clarity of rules and regulations is around 35 percent.

24. Labour welfare measures like medical facilities, drinking water, canteen, rest and lunch room, facilities for children’s education, library, cycle sheds, festival advance, community hall, supply of uniform and shoes, facilities for sanitation and housing facility – all these give great satisfaction to the respondents. Recreational facilities to the employees may be improved.

25. Workers’ participation in management, conduct of meetings, opportunity given to employees, joint consultation, participation to draft rules, procedures and regulations, participation of employees, collective bargaining and suggestion scheme – all these bring satisfaction to employees. Only a minimum are dissatisfied.

26. Performance management is felt to be satisfactory by the respondents. Only a minimum are dissatisfied.

27. The management believes that employees can solve their own problems. Termination of service is only the last resort. Freedom of employees to approach management, disciplinary action, and grievance redress are found to be highly satisfactory.

28. Industrial planning, employees’ loyalty, treatment of employees, handling of employee relations, role of collective bargaining in industrial relations, trust of people, practices used to grievance redress of employees and role of human resource practices in industrial relation – all these are found to
be highly satisfactory. But workers participation for harmonious industrial relations and emotional stress relationship is found to be highly unsatisfactory.

**Statistical Findings**

Hypothetical testing revealed that there was no significant association between gender and human resource management which reveals that a majority of the male and female respondents were satisfied with the human resource management in the organization followed by 19% of the male respondents who were partially satisfied and 2% each of the female respondents who were partially satisfied and highly satisfied.

Results of hypothetical testing reveal that there was no significant association between age and human resource management as majority of the respondents belonging to the age group 41 - 50 and 51 and above showed that they were satisfied with the human resource management in the organization. Only a small percentage of the employees were partially satisfied.

Results reveal that there was no significant association between educational standards and human resource management, where a majority of the satisfied employees were educated up to SSLC level and only 21 employees belonging to various educational standards were partially satisfied.
Hypothetical testing shows that there was no significant association between trade and designation and human resource management. Out of the three categories of workers’ majority of the respondents belonged to the worker categories who were satisfied with the human resource management in the organization. But 3 from the officer cadre, 5 from supervisor cadre and 18 from worker cadre were dissatisfied.

Results show that there was no significant association between length of service and human resource management. A majority of the satisfied respondents had 11 - 20 years and 21 – 30 years of work experience.

Hypothesis testing reveals that there was no significant association between monthly salary and human resource management. A majority of the satisfied respondents belonged to the monthly income group 5001 - 7500 and 7501 - 10000. Only 60 of them belonging to the income group 12500 were satisfied and 4 of them were highly satisfied.

Results of hypothetical testing reveal that there was no significant association between the nature of the job and human resource management. A majority of the regular and seasonal employees were satisfied with the human resource management in the organization. Whereas 18 regular workers and 3 seasonal workers were partially satisfied.
**Correlation Analysis**

Results of correlation analysis reveal that the correlation of human resource management to various other factors except employees’ grievance handling and industrial relations all the other factors were positively significant and highly significant. Likewise correlation of employees’ grievance handling to other factors shows that except for motivational measures all the other factors were positively or negatively correlated and not significant. The rest of the pairs of correlations between factors show that most of the factors were positively correlated and highly or mildly correlated and significant.

**Multidimensional Scaling**

The results of multidimensional scaling show the graphical plotting of the distances between the various factors in human resource management where performance management, motivational measures, employees grievance handling, labour welfare measures, industrial relations and workers participation in management were in positive co-ordinate and factors like training and development, promotion and transfer, wages and salary administration, human resource management, human resource planning, working condition, and recruitment and selection were found to be in negative co-ordinate.

The factors in the first quadrant were highly inducing factors towards human resource management which were performance management, labour welfare measures, motivational measures and employees’ grievance handling.
The secondary inducing factors were placed in the second quadrant which was industrial relations and workers participation in management. The factors in the third quadrant were considered less inducing factors which were promotions and transfer, and wages and salary administration. Finally factors like human resource planning, working condition and recruitment and selection were considered least inducing factors of human resource management practices in the organization.

**Multiple Regressions**

Multiple regressions in order to determine if one or more of the independent variables are significant predictors of human resource management practices. This analysis reveals that out of the twelve factors of human resource management eleven factors were positively significant (.000) except employees grievance handling which was not significant (.165). Wages and Salary Administration had the highest beta coefficient .240, and industrial relations had the lowest beta value .082.

**Cluster Distribution**

The clusters were grouped based on the perception of the designation of the respondents. Respondents belonging to worker cadre were grouped under cluster I, and Respondents belonging to officer and supervisor cadre were grouped under cluster II.
The workers’ perception of workers regarding the factors of human resource management reveals that they were satisfied with the wage and salary administration in the organization, labour welfare measures and performance management. Taking the fourth place of importance was training and development in the organization followed by motivational measures. Other factors like promotions and transfer, workers’ participation in management, industrial relations, working conditions, human resource planning, employees grievance handling and recruitment and selection show that the organization must take steps to improve their functioning and make the workers more aware of the new advancements in these functions.

Perception of executives and supervisors of the factors of human resource management reveals that they were satisfied with the wage and salary administration in the organization, labour welfare measures, performance management. Taking the fourth place of importance was training and development measures in the organization motivational measures. Other factors like promotions and transfer, industrial relations, workers’ participation in management, working conditions, human resource planning, employees grievance handling and recruitment and selection show that the organization must take steps to improve their functioning and give importance to creating awareness about these factors among the supervisors and executives for the better functioning of the organization.
Path Analysis

Out of the 5 organizations considered for the study, path analysis results shows that human resource management was found to be more effective for E.D.I. Parry (India), followed by Rajshree Sugars & Chemicals, human resource in Ponni Sugars and in Shree Ambika Sugars were moderately effective and in Thiru Arooran Sugars human resource management practices was found to be less effective.

6.3. RECOMMENDATIONS

From the foregoing analysis and findings, it is brought to limelight that private sugar mills maintain an almost unassailable position at the top of the bench markings and capacity building. Most of the private sugar mills in the country had numerous problems and have been incurring financial losses due to internal and external factors. The internal factors include overstaffing, resulting in increase in payroll amount and welfare expenses, under-utilization of plant etc; external factors include demarcation of sugarcane area, fixation of sugar price by the Government etc. The management of human resources is the most difficult job in the mills. In order to strengthen the human resource functions of the private sugar mills, the following suggestions are made.

1. To ensure adequate availability of sugarcane and cane crushed, it is suggested that planning for cane development and introduction of high yielding variety of sugarcane should be taken up by the private sugar mills on a war footing. It is also recommended that when the competent
authorities are to license new sugar mills, they must consider the implications of the new mill on the performance of the existing mills.

2. Sugar industry is a manual one and it needs more employees for the whole year. To attract efficient and hardworking employees the State Government should advise the private sugar mills to increase wages for their employees keeping in mind the Global competition and the wage structure in other industries.

3. It is suggested that all private sugar mills should follow uniform HRM policies, so that the standard of living of employees at all mills will be the same.

4. None of the private sugar mills had separate department for human resource management. Scientific human resource planning does not exist in the mills. The scope for the individual units and their top management to formulate human resource policies and to develop separate human resource department in every private sugar mills for effective implementation of human resource policies and planning.

5. The human resources planning manager should consider expansion, retirement of employees, resignation, and seasonal characteristics of the industry for the current and future periods and to balance between supply and demand. In most of the private sugar mills, there is overstaffing. Due to the overburden of wages and bonus payments the sick units are
incurring heavy losses. These facts highlight the great urgency of optimization of human resources.

6. The sample units do not fill up the vacancies caused by retirement and death of employees immediately. Therefore, the employees in lower cadre are entrusted with additional work without any suitable monitory benefits.

7. Training forms part of an integrated approach to human resource management. It becomes a wasteful effort if it is not harmonized with career development of employees. The organization should classify the various categories of jobs and assess the developmental needs in order to provide need-based training to the employees to increase their efficiency. In the private sugar mills, training programmes are much delayed. Some sugar mills do not have any formal training programme either for workmen or for administrative staff. Therefore, it is suggested that the employees who fulfill the requisite qualifications and have aptitude for training should be deputed and a well-designed roster system should also be developed for need-based training programmes.

8. The salary structure should be such as to help to retain qualified and competent people. Existence of two different pay structures may adversely affect the morale of the employees and it may create disparities among the employees. Both Central and State Governments may streamline the common pay structure.
9. Working conditions refer to mental, physical and social well-being of the workers in the industry. Improvement in productivity lies in better working conditions, reduced absenteeism, minimized industrial unrest and improved employee morale. Therefore, it is suggested that every private sugar mill should ensure total Occupational Safety and Health Administration (OSHA).

10. The employees of certain private sugar mills are facing lack of encouragement in terms of salaries and incentives for better performance. There is no suitable mechanism for joint consultation on issues relating to employee welfare. These factors make the organizational climate poor. Therefore steps should be taken to create some machinery such as works committee and joint management council at all levels to promote joint consultation between the management and the employees.

11. The possibilities of promotion should be given to all employees up to the middle level. Education need not be a criterion for the promotion of workers where the nature of work requires only physical skill. As more than 46 percent of the workers have put in 11-20 years of service, their experience may be considered for their promotion and transfer. Transfer from one unit to another may be facilitated at the convenience of senior workers.

12. The employees have been enjoying the customary benefits such as leave facilities, more uniforms, leave travel allowance and housing facilities.
These facilities should be continued. Any reduction in the name of economic measures will demoralize the employees.

13. Employees at all levels should be consulted before major decisions are taken. Besides, that will also promote harmonious industrial relations, which is most essential for carrying out the practices of human resource management.

14. There is no uniformity in respect of performance management. At present, in most of the mills the departmental heads are doing performance management, which is not put into action neither for promotion nor appreciation. It is therefore suggested, that the self-appraisal technique of performance management should be followed and the performance reports should be put into action to instill confidence in the employees.

15. To solve the grievances of the employees "grievance redress cells" should be established in every private sugar mill with representatives of employees and the management. These cells will consider the grievances of the employees and solve the problems immediately. This will improve the employees’ morale.

16. Though industrial relations and HRM practices are found to be good, workers’ participation in management is not satisfactory. Therefore, it is suggested that private sugar mills should encourage workers’ participation in management, pave the way for sound and democratic
functioning of trade unions and build an atmosphere of mutual trust between employer and the employees.

17. Twelve dimensions were considered for modeling Human Resource Management Practices --- the dimensions being human resource planning, recruitment and selection, training and development, wages and salary administration, working condition, motivational measures, promotions and transfers, labour welfare measure, workers’ participation in management, performance management, employee grievance handling and industrial relations.

The model created above is a reduced model. The researcher has made an attempt to find out the significant relationship between the dimensions and formulated a model to group the dimensions. The twelve dimensions have been grouped under three heads:

i. **Group I**
   1. Wages and salary administration
   2. Motivational Measures
   3. Workers’ Participation in Management

ii. **Group II**
   1. Human Resource Planning
   2. Training and Development
   3. Promotions and Transfers

iii. **Group III**
   1. Recruitment and Selection
   2. Labour Welfare Measures
   3. Employees’ Grievance Handling
Performance management and industrial relation were considered as stand-alone dimension. If the dimensions were grouped based on the above model any organization can measure the performance of Human Resource Management Practices effectively.
6.4. CONCLUSION

Private sugar mills play an important role in the economic development of India. Not only that. They also bring about radical social changes and influence the lives of the people. The private sugar mills have contributed to the modernization of agriculture and an increase in agricultural produce. In spite of their valuable contribution, the mills have their drawbacks. The absence of a healthy human resource department is the greatest weakness. The present methods of recruitment and training of their employees are far from perfect. Men and women workers in any concern are its backbone. So, it is suggested by the researcher that the mills take care of human resource development. Every mill should have a sound human resource development department under a senior, loyal and dedicated manager. The responsibilities of the manager of the human resource department defy any definition. They change from day to day, from hour to hour and from minute to minute. The manager should have a comprehensive view of the whole situation --- working conditions, employees’ satisfaction, wages and salaries, encouragement to workers by attitude and monetary benefit, refresher and re-orientation training of the employees to raise their standard, implications of the modern technological developments and so on and so forth.

The manager must take into consideration the twelve dimensions of human resource management practices grouped under three heads and plan the activities accordingly. Therefore the dedicated manager’s work will propel all the employees of the mill into action. The result will be:

“The projection of an image of a healthy private sugar mill”.
6.5. SCOPE FOR FURTHER RESEARCH

There is scope for further researcher in this area.

- A study of motivation of employees in private sugar mills in Tamil Nadu.
- The socio economic and changes in the standard of living of employees.
- The human resource development in private sugar mills as compared with that in the other sectors of the economy.
- The study of quality management and knowledge mapping in the sample sugar industries.
- The job satisfaction of employees in private sugar mills in Tamil Nadu.
- Research relating to TQM in private sugar mills.
- A study of Collective bargaining in private sugar mills in Tamil Nadu.
- The implications of proposed suggestions to improve the satisfaction of workers.