ABSTRACT

A Critical Study Of Personnel Policies And Practices
In Oil And Natural Gas Commission In India.
Personnel policies play an important role in achieving the organisational objectives as well as employees' objectives. In earlier times, its scope was limited but at present its importance has increased due to industrialisation, complexity of the labour laws, and large size of the enterprises. Everyday new labour problems arise due to industrial democracy and strong labour unions, etc. To solve them properly timely personnel policies play a very significant role in the organisation. Personnel policies aid management in achieving objectives of the organisation, uniformity of decisions and equality towards the employees, proper control of employees, guarantee to employees security about their job and provide full knowledge and information to the employees about the aims and objectives of the enterprise. The main objectives of personnel policies are maximum development of an individual and maximum and best use of human resources in the organisation. This is not possible without good relations between employees and management in the organisation. It is essential that personnel policies should not be rigid. They should be flexible, they should easily change according to the requirements and needs of the employees.

Personnel managers have a great responsibility in promoting and maximum utilisation of human resources by fair recruitment and selection, training and development, promotion and transfers, wages and salary structure and other welfare measures etc. Personnel policies help
the subordinate, personnel managers and personnel officers in making quick decisions related to employees' job matters. The best practice of personnel policies would to remove the grievances of the employees in the organisation. Some reputed and rich organisations circulate a booklet of personnel policies of the organisation among the employees, explaining their full personnel policies rules and regulations related to their employment. It is very essential that all the employees of the organisation must know about the full facts of their organisation's personnel policies. The basic aims of personnel policies are to assist the whole organisation from top to bottom in achieving improvement in knowledge, skills, habits and attitudes of the employees that will ultimately result in higher labour productivity, profitability and healthy human relations in the organisation. With this aim in view, 'A Critical Study of Personnel Policies and Practices in Oil and Natural Gas Commission in India, was undertaken.

Energy plays a very significant role in the economic development of the country. It is mainly derived from two sources: Commercial and non-commercial. Its commercial sources include petroleum products, coal, hydro-electric, firewoods, agriculture and animal wastes, etc. Among the commercial energy sources, use of petroleum products is increasing very fast due to development of motor transport, increasing population and agricultural development. Petroleum products are used for 33 percent of the total commercial energy requirement of India. The Oil and Natural
Gas Commission was formed in 1956 to accomplish the task of exploring, drilling and producing petroleum products in the country. The main objectives of the Commission are to achieve self-sufficiency in petroleum products and self-reliance in oil technology in the country. At present the Commission headquarters is located at Dehradun(U.P.) It has 44000 employees of Class I, Class II, Class III and Class IV categories. The Commission's productions of petroleum products was 27.03 million tonnes while its demand was around 44.46 million tonnes. The self-sufficiency in petroleum products was only 62 percent during this year.(1987-88)

The salient features of the present study are:

i) To provide a general framework of personnel management concepts, principles, theory as well as managerial practices in the O.N.G.C.

ii) To trace out the future challenges of human resource management and future thrust areas of technology upgradation of office, communication systems, establishing profit centres within the organisation for optimisation of resources for greater efficiency and productivity of the commission.

iii) To appraise the personnel policy because there is no significant change during the last two decades (1970-1989) in management particularly in the operation areas with the long run promotion policy and the need of personnel policy of the commission.
iv) To find out the causes of grievances of personnel in the Commission.

v) To critically evaluate the various welfare facilities heads of the employees in the Commission.

vi) To analyse the practices of personnel in the area of human resource development, performance appraisal, career planning, training and development, financial assistance and welfare measures of the employees in the Commission.

vii) To identify the areas where improvement is needed and practicable in the areas of existing theories and practices in other organisations.

viii) To review the organisational structure of O.N.G.C. and offer certain suggestions for further improvement.

The work has been divided into six chapters.

The first chapter introduces the study of historical development of the O.N.G.C. It reviews the historical background of the O.N.G.C. in the country since its inception. An account of the present position and status of the Commission is also discussed in it.

Chapter two examines the organisational structure of the Commission. It discusses the main feature and patterns of organisational structure of the Commission. Organisational effectiveness of the
Commission is measured through the clear cut objectives, authority and responsibility, communication, leadership style, motivation of employees, and manpower planning and social obligation towards the society.

Chapter three discusses the personnel policy of the Commission from various angles, viz. human resource development welfare measures, financial assistance, allowances, financial and non-financial incentives and fringe benefits and disciplines, etc.

In chapter four an attempt is made to appraise the practices of the personnel policy of the Commission on the basis of questionnaires and personal interrogation with employees. Positive and negative responses of the officers on the percentage basis are discussed in it.

Chapter fifth examines critically the personnel policy of the Commission. The analysis is made on the basis of annual growth rate of various welfare heads, financial, social and industrial relations in Commission.

The sixth and final chapter draws some useful conclusions and broad guidelines in order to achieve further improvement in the personnel policy and practices at the Commission.

The O.N.G.C. is a public corporation. It has adopted the functional organisational structure. But in practice the Commission follows the
matrix form of organisation at administrative level and functional at managerial level. The Commission consists of a Chairman, Vice Chairman six full time members and two part time members, various Regional Directors/Group General Managers/General Managers and Deputy General Managers are working under these members. The main features of the Commission's organisation are:

(1) the Commission has divided the offshore and onshore activities and deals separately with both onshore and offshore exploration and operation activities.

(2) the Commission's organisation has been divided into six regional business centres for quick decision making and clarity of the working results viz. (i) Bombay Regional Business Central (B.R.B.C), (ii) Eastern Regional Business Central (E.R.B.C), (iii) Western Regional Business Centre (W.R.B.C), (iv) Southern Regional Business Centre (S.R.B.C), (v) Central Regional Business Centre (C.R.B.C) and (vi) Northern Regional Business Centre (N.R.B.C).

(3) the organisation is also divided into four business groups of exploration, drilling, operations and technical business group for smooth administration and management.

The Commission's personnel policy particularly deals with recruitment, selection, promotion and transfer, training, salary and pay administration incentives and fringe benefits, welfare amenities such as
housing, education, allowances and medical benefits etc. The personnel policy of the Commission does not consider the workers' participation in management in the organisation.

The manpower planning in the Commission is practised on the basis of development of its manpower in both quality and quantity to effectively meet the requirement of the organisation. Long term manpower planning, like corporation plan, operative plan, work plan and annual work, is being fully practised in the organisation but strategic planning is not being introduced while this planning plays a very important role in manpower development. The Commission's Advisory Council on Human Resources Development is not functioning satisfactorily in the organisation. Major variables affecting career planning are individual variables and organisational variables. A four stages model is being practised in the organisation for career planning of its manpower. These four stages are (1) exploration stage (pre-recruitment stage), (2) early career stage (3) mid career stage and (4) late career stage. Promotion and transfer policy is practised satisfactorily in the Commission but there is lack of uniformity in this policy and it creates labour unrest in the organisation.

The Commission provides induction training, functional training, safety training, training on environment protection and apprenticeship training to its employees gaining up-to-date knowledge of its job.
Performance appraisal of employees is made only once a year. But the writing of performance appraisal report is delayed due to the negligence of executives because they do not give their self-appraisal easily and timely to the reporting officers. The suggestion scheme of the Commission for employees motivation has failed due to the lack of proper publicity and apathy of controlling officers of the Commission. The Commission gives to its employees dearness allowance, house rent allowance, travelling allowance, housing facilities in the Commission's own colonies, daily allowance hill compensatory allowance and incentive for higher qualification. But over-time allowance, winter allowance and city compensatory allowance are not fully practised in the Commission. The Commission gives financial assistance to its employees like house building advance, car advance, scooter advance, motor cycle advance, moped/Vicky advance but the Commission does not give properly cycle advance, fan advance, Liquified petroleum gas advance and festival advance and these are also mentioned in the personnel policy of the Commission. A benevolent fund scheme and a group insurance scheme are fully practised in the Commission. The pension scheme need to be introduced because the Commission's personnel policies do not mention it. The scheme is presently under consideration. In the Commission there is/ no pension scheme for employees after retirement. The Commission provides casual leave, special casual leave, half pay leave, commuted leave, leave not due, extraordinary leave, study leave and quarantine leave to its employees. The Commission's medical policy for its
employees is satisfactory in all aspects of modern medicine and medical machines and instruments of the Commission hospitals and Clinics. The employee's children education policies and other related facilities are very poor in the organisation due to shortage of Commission's own schools. Appeals Committees and Grievance Committees are not properly in operation which is demoralising to the employees and reducing their productivity and efficiency in the Commission.

The discipline policy against the guilty employees is very liberal.

Manpower was 44000 while the production of crude oil and net profit were 27.90 million tonnes and Rs. 1505.36 cr. respectively in 1987-88. During this year the growth rate of manpower, crude oil production and net profit were 1.05 percent, 0.17 percent and 1.43 percent respectively from its previous year. (1986-87). The growth rate of manpower was highest in comparison to crude oil production and net profit which was not suitable because the Commission policy of zero growth rate of manpower was not followed in the organisation. The number of training programmes for executives training rose from 120 to 156 from 1983-84 to 1987-88. But the number of executives trained declined from 3793 executives to 2923 executives from 1983-84 to 1987-88. It indicates that the training programmes of the Commission have failed in providing training to its executives. The Commission had its own 8844 houses in 1988. The number of its own houses is not sufficient in comparison to its total 44000 employees. The Commission faced a major problem in this
regard owing to the non-availability of large tracts of land and lack of sufficient funds. Only 33 percent of employees are availing themselves of the housing facilities in the Commission owned colonies and remaining employees are taking houses on rent and the Commission pay them house rent allowance which is providing costly for the Commission.

During 1987-88 the Commission had 70 handicapped employees among the total 44000 employees of the organisation. It indicates that the Commission personnel policy is making contribution towards the welfare of the handicapped people by providing them employment facilities in the organisation. The Commission's personnel policy believes in the socio-economic development of the scheduled cast (SC) and scheduled tribes (ST) people through the reservation policy in recruitment, promotion, and other facilities.

The total strength of SC/ST employees was 6094 in 1988 in the organisation.

The bonus rate was 20.0 percent in 1977-78 and also stagnated at 20 percent till 1986-87. This rate of bonus stagnation has created disharmony and dissatisfaction among in employees.

The Commission failed in preventing accidents and adopting safety measures in its working areas (fields) where several fatal accidents of the local people have happened due to the negligence of safety officers of the working fields. The vigilance department of the Commission has
failed to check corruption in the Commission because several cases of corruption have been reported in the organisation.

In the Commission the percentage of officers having overall job satisfaction was 44 percent. The officers satisfied with their age, qualifications and experience were 32 percent. The officers satisfied with opportunities for self development, skilled development and utilisation of skill were 44 percent, 24 percent and 34 percent respectively. 20 percent officers and 31 percent offices were satisfied with training for role and task and compensation and reward systems of the Commission. It shows that the overall percentage of officers satisfaction is poor due to the weakness of the personnel policy and its inadequate practice in the Commission. The 653 mandays were lost during 1986-87 in the Commission due to employees' strikes. It indicates that the industrial relations in the Commission were very cordial during 1987-87 in comparison to 44000 employees and complex nature of the activities of the Commission.

It is concluded that the personnel policies of the Commission provide more financial and non-financial benefits and other welfare measures to its employees. But in practice it is not satisfactory because it does not cover the so many important aspects like pension scheme, workers participation in management and uniformity in promotion and transfer policies, etc. in the organisation.