In the precious chapter we have analysed the position of workers as an important segment of the management. The various levels of management, as pointed out earlier, face problems and look for a scientific and systematic approach to solve them. In fact, management science is a testing laboratory for the ills of management problems and other problems and provides their workable solutions. In this context the present chapter is devoted to an analysis of management problems of cooperative sugar mills of U.P. and an attempt to find their solutions.

It is universally accepted that the scope of management science covers all the economic and social activities whether they relate to public, private or cooperative sector. Its principles have universal application in all enterprises of different sizes and natures. It is an established fact that effective administration and management are pre-conditions for the successful running of business enterprises and for solving their problems. The application of management science is especially needed by cooperatives because they face
problems of usual business as well as special problems arising of their cooperative character. These problems call for efficient and tactful management consistent with cooperative ideology. The striking expansion and diversification of activities in sugar cooperatives in to-day's competitive environment have thrown a challenge to their managements. The various levels of management in these cooperatives face challenges. They have to reconcile modern management techniques with the Principles of cooperation. Till recently there was a traditional style of management in cooperatives in India where decision making authority rested with the laymen elected body/committee or untrained administrator. However sugar cooperative are now switching over slowly to modern management techniques which call for the involvement of qualified and experienced executive specialists in the process of decision making. However, the peculiar nature of cooperatives creates some special problems of management at different levels. Therefore it is necessary to discuss at length the implications of cooperative management in the following paragraphs.
IMPLICATIONS OF COOPERATIVE CHARACTER:

It is evident from a study of principles of cooperation as explained earlier in Chapter II that in some respects cooperative business is different from other forms of business organisation. The distinguishing features of cooperative management are that both ownership and control of the mill are vested in the hands of members who form the general body, and other democratic bodies; and their organisational objective is to improve the socio-economic conditions of the members under the cooperative fold. The management of the cooperatives have to take decisions and to work in this background. It has also to keep in mind the fact that a cooperative is not only a profit making organisation but the participation of the beneficiary members in business management is also a typical condition of this kind of set-up.

This distinctive feature of cooperatives management in contrast to corporate enterprises has certain implications for the management of cooperative sugar mills of U.P. The principles of open membership affecting the composition of members and the principle of one man one vote affecting the composition of the board of
management have a marked effect on the long term and short term objectives and policies. The members of the general body (sugarcane growers) do not give serious consideration to the mutuality of interests and service. Sufficient evidence is available that meetings of general body are not held regularly and also the attendance of members is low whenever meetings are held. Members of the board are supposed to represent the interests of members rather than capital interests of their constituents. According to the provisions of the by-laws they are responsible for the day to day functioning of their mills. The boards of directors are supposed to perform the top management functions of policy making, review and control. But in practice the functions of the board in a mill get mixed up with those of the chief executive who is responsible for day to day management. This situation leads to complications. The performance of day to day management functions by the board leads to heavy concentration of powers in its hand and leaves the whole-time managers with little operating authority. It weakens the position of managers who sometimes get irritated. It also affects the ability of these cooperatives to attract and retain highly talented managers.
The interference of the boards in day to day management creates the problem of power relationship between the boards and the executives. Whenever an Administrator is appointed on the dissolution of the board, the state bureaucracy dominates the scene of management which is against the principles of democratic control. At present the job of policy making is being performed by the Administrators appointed by the government for cooperative sugar mills. This has led to much government domination on the cooperative sector.

Since the cooperative movement is state-sponsored, the Government of U.P. has taken upon itself the responsibility of running the cooperative sugar mills of the State. The system of sending government executives on deputation to cooperatives prevails to a very great extent. No doubt the management of cooperative sugar mills of U.P., instead of following the principles of "democratic management", is practically in the grip of influential persons and government officials.

* Since July 1984
The management structure in cooperative sugar mills of Uttar Pradesh has been criticised on the ground that it is amenable to pressures from different sources. A cooperative sugar factory is influenced by (a) the General Body consisting of cane growers who, due to their illiteracy, always play in the hands of political leaders and work under their pressures, (b) Directors of the Board who have neither the knowledge of modern management techniques and the cooperative principles nor practice it since they are elected on the basis of their social influence and they use their position to advance their private interests, (c) General Manager who is usually a government official on deputation has neither the qualities of a professional manager nor full powers to control the affairs of the factory, (d) Other Government officials; (e) Government nominated Directors in the Board who are generally nominated on basis of their influence and not on the grounds of their suitability for the job. Such a pattern of organisation makes the management defective due to which there is always delay in decision making and very often wrong decisions are taken. Though the management principles have relevance to the conduct
of factory's administration in improving its managerial policies and practices, these are not followed truly. In cooperative sugar factories the authority is concentrated in the hands of the Government. Again, authority and responsibility in internal organisation are not closely related. There is no balance between unity of command and decentralisation. Quite often there is a conflict between executives and elected members of the board. The discipline of the employees is also poor in the cooperative sugar factories because different groups of employees are related to different influential members or the official executives and they know that these influential people are the decision makers or at least they can influence decisions. The principle of stability of tenure is also violated in the factories as members of the management committees belong to different caste groups and political parties and as soon as one group or party is replaced by another in the committee retrenchments, terminations and new appointments take place.
Problem Areas:

The anomalies of management in cooperative sugar mills of U.P. as explained above are responsible for a number of management problems at different levels. On the basis of their working it has been observed that the problems arise at the following levels:

1. Problems encountered by the level of General Body and Board of Directors/Administrators.
2. Problems arising at the level of executives and other key staff in the execution of policies and decisions.

The problems arising in the first area relate to decision making, review and control. Those arising at the level of decision making may be called management problems while the problems faced by salaried management may be called managerial problems.

Problems Before Management:

In working for the achievement of the objectives of cooperative sugar mills the top and middle levels of management face varied problems of different
magnitudes and natures. These problems are concerned with men, money, material, machine, marketing etc.

The problems relating to men are the personnel management problems regarding their selection, recruitment and placement and assessment of their performance. The management selects all employees except key personnel. The mode and basis of selection has a bearing upon the working of the mills. Talented, qualified and experienced employees definitely give better results if they are provided a congenial working atmosphere. It is found that in the absence of professional qualities among the policy makers, wrong selections are often made. This leads to a number of human problems. Problems relating to money are those of financial management dealing with the mobilisation of funds and their proper use and investment. It is found that there is a lack of financial expertise in cooperative sugar mills. Costing which is an important function of management is performed by the accounts section without engaging the services of trained and qualified cost accountants. Sufficient evidence is there that the managements of sugar cooperatives are very often faced with problems of budgeting, where to enforce cuts and where to be
generous in using the funds are some of the common problems that the management comes across regularly. Other problems faced by management are those relating to material, inventory and methods of work. The performance of cooperative sugar mills of U.P. on these fronts is not satisfactory inspite of their having new machines and plants. Marketing management, formulation of policies and procedures and general administration and management of office etc. are other problem areas before the management. Beside these there are some problems faced by the paid management which are known as managerial problems.

MANAGERIAL PROBLEMS:

The executives of cooperative sugar mills of U.P. generally face the problem of decision making with regard to procedures and techniques in vogue for achieving better results. They face a number of problems of economic, social and political nature while taking decisions. They have to consider all the pros and cons before preparing the developmental plans for the organisation. Various problems come before the chief executive at the time of the allocation of duties among the employees on the basis of their academic and professional competence. The
training and deployment of the work force in the cooperative sugar mills is also a problem. The chief executive also exercises control on cash flows and fund flows and in doing so he has to face problems. For managers costing and cost control of the concern is not an easy task. If the costs are in excess of the prescribed norms and standards the manager has no alternative but to cut them down the overheads either by reducing the strength of the mill or by expanding the business. The management information system is not effective in the sugar cooperatives and problems arise in respect of proper and timely reporting and there is no efficient monitoring cell in most of the sugar cooperatives. Besides, a number of human problems come in the ways in relation to coordination and cooperation from all sections from within and also from outside the organisation. There are certain other problems before the cooperative sugar mills of the State arising out of the nature and character of cooperative organisation.
PROBLEMS OF ORGANISATION:

In every business organisation the cordial relationship among office bearers, employees and the members is necessary. In the absence of good relations among various levels of management many human problems arise. In such a situation it becomes difficult to find out a solution so that the interests of all concerned are safeguarded. The problem generally arise on the questions of selection and recruitment of work force, maintaining proper industrial/human relations etc. The interference of the people for selfish ends on the basis of their political clout or authority is disastrous to the laudable objectives of cooperative organisation. Though it is not easy to remove completely the internal politics at various levels, maximum efforts are needed to resist the pressures of vested interests. There is also a lack of conscious and loyal leadership in cooperative sugar mills. The leaders are elected or nominated to the board because of their social and political influence and do not posses any professional background. Again, this leadership is not of permanent nature and hence the leaders generally use the
organisation as a stepping stone to promote their selfish interests. There is a problem of discontinued and subdued leadership also. When the elected management which develops expertise in course of time, has to vacate on the expiry of its term, the leadership devolves on those who are either beginners in their political career or who have so far away from the main political scene. This shows that just for the short time people come to cooperatives and leave and desert them soon as they get some cushioned seat elsewhere.

In the absence of the board of directors the mill is administered by bureaucrats who do not have any professional background. They may have administrative experience but do not have professional competence and aptitude. These bureaucrats deputed by the State Government are posted as chief executives. The problem of demarcation of authority and responsibility between the board of directors and salaried executives also arises. This problem is the burning issue of the day. Either of the parties wishes to have a lion's share of authority.
This problem can be solved if powers regarding policy making organisation planning, review, general supervision, management of resources etc, are clearly given to the elected professional management and powers of execution of policies, providing staff services, supervision and maintenance of technical divisions etc, remain with professional salaried executives. Some time the participation of State Government in the affairs of sugar cooperatives becomes a problem. State participation as analysed earlier damages the democratic character of cooperatives, turning them into more or less government controlled organisations. How can these institutions be treated as real cooperatives working under democratic management? In such a situation how the members and other sympathisers can feel loyal towards these cooperatives? Above all the need is to ensure proper and most effective organisational structure and recruitment of proper staff of the sugar cooperatives on the basis of the needs of the organisation.

The problems pointed out here are of interest to all concerned i.e. theorists, professional, academicians and others. No doubt, majority of the problems, especially those relating to decision making
and management are due to lack of professionalisation of management. It has been observed that nearly all the newly established mills are under the control of Administrators and chief executives deputed by the government. These officers, have sufficient voice in the affairs of the organisation and they are expected to regulate and control the unity. These officers neither possess professional background nor are they loyal to the organisation. Therefore, lack of professionalisation of management and commitment is the main cause of problems of cooperative sugar mills of U.P.

PROFESSIONALISATION OF MANAGEMENT IN SUGAR COOPERATIVES:

Professionalisation of management means education and training to all members at each level of management in an organisation such as general body members, directors, and executives for the performance of their functions efficiently. This education and training develop skill and attitude in them. A professional management brings into operation the elements of scientific management—planning, organising, staffing, directing, controlling, and coordinating the work of experts to achieve desired objectives. It
maximises production in shortest possible time and at minimum costs. In short, it aims at providing more and better qualified managerial and working staff. Indirectly professional management ensures high levels of productivity and a high rate of growth.

Now when the cooperative sugar organisations have attained maturity and progress in terms of size and employment of capital and labour, professionalization of their management has become a matter of crucial importance for their survival and growth. Like private and public enterprises they also perform functions and conduct business to satisfy the needs of their members. They would achieve their objectives more satisfactorily only if their business is conducted by an efficient management which always gives much emphasis on the factors which contribute to maximise productivity. These factors are (i) proper education and training of management and executives; (ii) a clear-cut devolution of authority and responsibility; (iii) clear definition of jobs and responsibilities; (iv) willingness to exchange information; (v) readiness to accept and try out new ideas and techniques.
of production and distribution. Professional management uses the services of accountants and controllers more effectively and attaches due importance to salesmanship and to the coordination of the work of sales department with that of the planning and production departments. Therefore, there is need to take care of professionalization of management in the sugar cooperatives to run them on profitable lines keeping in mind their cooperative character.

It is universally accepted that managerial functions cannot be performed by everybody with equal proficiency. Today technological advances have necessitated specialized knowledge and unless a person is well-versed and knowledgeable the organisation is likely to suffer in quality. Therefore, professionalization of management is the solution of many of the ills of the cooperative movement. As a matter of fact, there should be no conflict between democratic control and salaried management. There are three levels of management in cooperative sugar mills of the state as stated earlier. These are the General Body, Board of Directors/Administrator and the salaried executives.
Although the roles and responsibilities of these three organs are totally distinct as per the byelaws of the cooperative enterprises, their actions and functions are inseparable from each other. The General Body is the supreme authority in the management structure which adopts and amends byelaws, elects Board of Directors, reviews annual reports and accounts, evaluates the performance of the Board and give directions to the Board regarding formulation of long-term perspective plans of the organisation. The Board of Directors, on the other hand, consists of elected representatives who are responsible for laying down the policies to achieve the goals and objectives of the organisation. They are responsible for making plans, recruiting personnel and for evaluating their performance in relation to the targets and plans. The salaried management headed by the Chief Executive or General Manager is responsible for implementing the plans formulated by the Board/Administrator and for giving necessary advice, suggestions and other relevant information to the Board. In this management structure the Board should intervene only if the salaried management is inefficient, corrupt or incompetent. It is expected to review the progress of the organisation and may alter the
major decisions of the executives. It is desirable for the Board of Directors to give complete freedom to the professional manager in the day-to-day working of the mill. The solution to the problem lies in a clear-cut demarcation of functions of the Board of Directors and of the professional executives.

THE OBSTACLES:

A thorough analysis of the working of sugar cooperatives of U.P. shows that there are numerous obstacles in the way of the professionalisation of their management. The greatest obstacle is the practice of deputing Government officers to run these enterprises. A government officer may be deputed with a certain purpose and he may be very suitable for that job. But to expect from him that he would manage the cooperative factory efficiently is not realistic. Another argument against a Government officer’s deputation to sugar cooperative is that he has no stake in the organisation and is not answerable to the cooperative that owns it. This practice of sending Government executives on deputation to sugar cooperatives started after independence when massive
State assistance flowed into them. In today's competitive environment every business has to face competition from others and cooperative sugar factories are no exception to this. In such a situation the chief executive is required to take quick decisions according to the trends in the market even at the risk of making errors of judgment. A Government servant would rather follow rules and procedures than act up to the urgency of business requirements. The fact is that the interest of a Government servant is generally outside the enterprise as he is there on deputation for a temporary period. On the other hand, the professional manager grows with the organisation, and becomes part of it and this ensures his complete identification with the enterprise and its objectives.

Secondly the cooperative sugar factory is owned by financially weaker sections and therefore, the elected management is expected to render the service of managing and controlling the affairs of the organisation without any remuneration. The elected directors sometimes conduct operational parts of management also leading to their involvement in the
day to day execution of the policies. In such a situation their vested interests come into play. On the other hand, general body members, are usually ignorant of their rights and are not in a position to settle the differences between the elected management and the salaried executives. In the absence of a clear demarcation of functions between the Board and the executives, sugar cooperatives fail to attract talented professional executives.

The third factor is the size and pattern of the growth of cooperative organisations. In very large scale institutions or the financially and commercially viable cooperative sugar mills the professionalisation of the management may be introduced but in weak or small units there is a problem because they cannot afford the expenses of such a management.

The application of professionalisation of management to cooperatives has been recommended by various expert bodies. The Cooperative Leaders Conference held in New Delhi in December 1976 emphasised the need to develop professional management in cooperatives. They also referred to the
draft of the Fifth Five Year Plan which states as follows:

Suitable measures will be taken for the establishment of cadres at different levels in the different sectors of cooperative movement. It will also be desirable that a proper relationship is developed between the non-official elected leaders and the professional management. The statutes and bye-laws of cooperative societies need to clearly demarcate the functions and duties between non-official elected leaders and chief executive. 1

The above mentioned Conference also referred to the view expressed by the 7th Indian Cooperative Congress which was as follows:

"While the democratic management of cooperatives involves the right of their elected members to lay down the policies, the functions and powers of executing the same should be entrusted to well qualified and competent professional executives. There should be, therefore, a clear demarcation of functions and powers between the Board and the paid executives". 2

1. Proceedings of Cooperative Leaders Conference held on December 22, 23, 1976 at New Delhi, P. 90

2. Ibid.
Similar views were also expressed at the IX Indian Cooperative Congress held in New Delhi on April 26-28, 1982. In fact there is hardly any committee conference, congress or study group relating to cooperative movement which has not laid unmistakable * emphasis on this vital aspect. But the scheme of professionalisation of management cannot be introduced in all cooperative sugar mills of U.P. at one stroke by a resolution or administrative decision. It is an evolutionary process and it could develop over a period of time and in an appropriate social milieu to be created by the cooperative leadership. This process will require the following:

(i) Demarcation of powers, duties and responsibilities between the various levels of management.

(ii) Adoption of defined personnel policies by cooperatives.

(iii) Continuous management development programme.

(iv) Support of the federal cooperative institution and the Government.

* See appendix-VIII
DEMARCATION OF FUNCTIONS BETWEEN THE BOARD/ADMINISTRATOR AND THE EXECUTIVES

In the process of professionalization of management in sugar cooperatives, an important prerequisite is to demarcate the spheres of functions of the elected office bearers and salaried executives respecting to achieve predetermined objectives. The objective of a business is to achieve efficiency and to broaden its serviceability. Therefore, the functions and responsibilities among various levels of management should be clearly demarcated in the bye-laws of the cooperatives. Though the powers and functions of general body are laid down in U.P. Cooperative Societies Act and Rules, those of Board and the Chief Executive are not very clearly defined in the bye-laws of these sugar cooperatives. These must be specified. Further the Chief Executive should be appointed for a long term having professional qualifications for the job. His powers, functions and responsibilities should be clearly defined. Therefore, there is a need for radical change in the existing decision making process in
cooperative sugar mills of the State. At present the Chairman of the society normally functions in the style of a Chief Executive without requisite education, training, skill, experience, aptitude or commitment to the goals of the enterprise. The enterprise may achieve goals easily and successfully when professional managers function in an environment of freedom and autonomy.

PERSONNEL POLICIES:

In devising suitable personnel cadre for sugar cooperatives, there is need of comprehensive personnel planning for each department covering, inter alia personnel needs in terms of number and skills for the existing range of business and its further anticipated development, as also, for replacement of personnel. This ensures availability of personnel in right numbers with right type of education and training and at the right time. Well-defined personnel policies are yet to take shape in the cooperative sugar enterprises. In order to make professionalisation meaningful and effective, the sugar cooperatives will have to rationalise recruitment policies, offer attractive terms of service, pay scales, security of service and avenues
for promotion etc. Professionally trained people are not attracted by the cooperative organisations as their conditions of service do not compare favourably with those in other business sectors.

There is a need of managerial pools and centralised managerial cadres for the cooperative sugar industry of the State. The U.P. Cooperative Sugar Factories Federation should maintain a pool of key personnel to post them to their affiliated units. The selected persons should be provided training in their respective areas of work. While doing so no preference should be given to the kith and kin or the persons closely related to those who are running the organisation either personally, socially or politically. This system will attract talented persons.

**MANAGEMENT DEVELOPMENT PROGRAMME:**

It is necessary that within the cooperative sugar industry there must be favourable conditions in which the people at various levels of management can work efficiently and effectively. Therefore, there is a need to launch management development
programme for the existing person at different management levels to sharpen their knowledge, skill and to inculcate the right attitude, so that they can play an effective role in the achievement of the objectives of the organisation. The elements of such management development programme are as follows:

(1) **EFFICIENT PLANNING AND CONTROL:**

It is a fact that many of the management skills and processes needed in sugar cooperatives are similar to those required in other types of business organisations. To face competition from private and public business and to render better services to the people they should introduce advanced technology and come to terms with the changes in the situation in a planned manner. It will help them minimise risks and uncertainties. Efficient planning will help in improving their overall performance by establishing concrete objectives, suitable lines of action based on correct estimates and sound decisions and suggesting correct policies. It will also enable them to exercise effective control over resource flows, operations, and other factors affecting their business. No doubt efficient planning and control
will render multiple service to these cooperatives in streamlining their functioning. Therefore, decision making process must be clearly defined and it must be decentralized to enable all the employees to participate in this process and thus to inculcate in them a sense of belonging and commitment to the overall interest of the organization. In sugar cooperatives as pointed out earlier, a large number of people are involved at various levels of decision making but efforts should be made that there is greater emphasis on the involvement of talented persons. The active members, elected office bearers, officials and employees are all involved in the planning and control of the affairs of the cooperative enterprises. Also an efficient planning and control of production in sugar industry is imperative because of diversity of its products and a long sequence of processes through which the raw material passes. All concerned must be alert and cautious because careless planning and loose control over production will create bottlenecks since the finished product of one process is the raw material for the next one. Even a minor
lack of coordination between preparatory and final processes would upset production schedules. All the difficulties can be overcome and productivity increased if there is efficient planning and control of production. Some cooperative sugar mills of the State such as at Rasra, Sathiaon, Aurai, Bilaspur, Sadaun and Kaimganj are suffering losses in spite of having new plant. Only some factories of the State are giving reasonable profits. Though there are various factors which are responsible for losses, main the defective cost management or cost control system.

(2) **COST CONSCIOUSNESS:**

The management can increase productivity in an organisation with properly designed costing system. The effectiveness of cost control depends upon the quality of management which plays an extremely crucial role in increasing production and keeping down costs. It has been observed that if costing system is developed properly, it will give an accurate assessment of costs and provide management with the information on which they can take action in departments or operations where there is opportunity for increasing productivity.
and reducing costs. An enlightened management always adopts cost and management techniques to ensure a given return on capital. The various elements of cost should be managed and controlled in such a manner that maximum utility can be derived from them. Though there may be various items of cost beyond the control of the managerial cadre and some of the items even beyond the control of management, the persons involved in cost planning and control must have the will and the norms and standard to control them. They must take suitable steps through effective cost planning and follow up steps to reduce cost to the prescribed norms and standards. In the absence of financial expertise and professional management, the sugar cooperatives of U.P. need the services of cost consultancy firms.

There is also an urgent need of education and training in cost planning and control to executives and members of the Board of Directors who are associated with financial decision making process. The trained personnel may identify areas for controlling cost. The management should follow the costing and cost control techniques like budgeting, standard cost system, materials
management and inventory control. For this purpose project evaluation review technique/critical path method and management reporting should also be streamlined. This will result in savings through elimination of wasteful expenditure. There is a lot of scope in sugar cooperatives for cost reduction by following proper approaches to solve problem of costs. Sugar cooperatives must realise the need for forming special committees from their various departments, coopting persons with special knowledge of skill from outside to achieve efficiency and cost reduction.

(3) EDUCATION AND TRAINING:

Management education and training are important ingredients of management development programme. International Cooperative Alliance and various other expert bodies have from time to time suggested and emphasised the importance of cooperative education and training necessary for all classes of persons i.e. officials and non-officials leaders etc. in the cooperative sector. On surveying the cooperative sugar mills of U.P. it has been found that the management of these mills lack in professional managerial qualities and there is no proper provision for
training the technical and non-technical hands. To generate interest and enthusiasm for executive development programmes in cooperative sugar industry of U.P., it is suggested that short-term management courses, group discussions and technical and management conferences should be organised. Proper arrangements should also be made for the distribution of reading material and management bulletins. The chief executive officers of cooperative sugar mills who are generally from I.A.S. or P.C.S. cadre should be provided training so that they may have a thorough knowledge and understanding of effective methods of organising and controlling the affairs of cooperative enterprises. At present the problem consists mainly of combining general education with technical knowledge and integrating practical experience in the industry with theoretical studies of management. There is also need to arrange the courses of study that include analysis of management problems, business administration, costing techniques, and industrial relations. The system of education and training should suit the local requirements. For the success of such educational campaigns work there must be collaboration
between the government, unions of cooperative employees and the federations of sugar factories. This education must not be merely theoretical but it should be directly related to the current problems and developmental programmes of the mills. National Sugar Institute, Kanpur, Vaikunth tehta National Institute of Cooperative Management, Pune and Cooperative Training Colleges in different parts of the country are conducting technical courses and those relating to marketing etc. They must also start courses in costing and management related to sugar industry particularly for executives and members of the General Body and the Boards of Directors of cooperative sugar enterprises. These institutes should frequently review their training programmes to make them practical and skill-oriented. There is need at the level of the individual cooperative sugar mills to link training with career planning and career development. The National Sugar Institute, Kanpur, should introduce short term management courses in addition to imparting technical education. It should also provide management education and training to all science graduates employed in sugar mills.
Other institutions must impart education to general body members and directors of the boards of sugar cooperatives. The short-term courses to be conducted by the National Sugar Institute may be sponsored by the U.P. Cooperative Sugar Factories Federation. The cooperative sugar mills of U.P. should not retain the services of untrained personnel for more than two or three years and untrained personnel should not be allowed annual increments or promotions.

(4) WORK STUDY TECHNIQUES:

The other important tools of executive development for higher productivity and efficiency are works study methods. In watching the performance of a factory, use of non-financial data as a tool of management in production is necessary. In case of fall in output, an enquiry should be made into the causes of such decline. It may either be due to absenteeism of creation of bottlenecks which retard the speed of work or due to defective sugarcane and other raw materials or lack of training of the workers. Management can take corrective measures.
by making use of non-financial data. The performance of sugar mills may be improved either by improving the process of manufacture by introducing up to date machines and equipment or by improving the methods of running plant and machines and other operating forces.

(5) COORDINATION WITH SISTER CONCERNS:

What is more important for management development in cooperative sugar mills of U.P. is close cooperation among themselves. This cooperation among cooperatives which is also a cardinal principle of cooperation as laid down by the International Cooperative Alliance is aimed at increasing the business strength of cooperatives and enables them to work as an integrated force. In the face of growing competition, these cooperatives may not survive unless they operate in keeping with the modern trade which is towards greater economic integration. Unless the cooperatives cooperate with each they may not be able to serve their members as much as is expected of them. Therefore, the cooperatives and cooperators must find some common ground on which they can work
together. Cooperation among sister concerns will facilitate comprehensive planning within the cooperative sector which at present is not possible due to a number of problems like geographical distances, overlapping membership, lack of vision on this part of cooperative leaders and managers.

**ROLE OF STATE COOPERATIVE SUGAR FACTORIES FEDERATION:**

In fact an effective federal institution of sugar cooperatives will not only add to organisational strength of the cooperative sector but would also help in building up requisite managerial resources for the organisations affiliated to it. A federation of affiliated units may introduce research programmes and consultancy services for its member organisations. The U.P. Cooperative Sugar Factories Federation can play a very important role in building up a sound management culture. All cooperative sugar mills of the state are its members and it has been established to promote and protect the interest of its member units. It represents industry’s interests to the State Government and its concerned departments. The Federation assists in the purchase of spares and in the matters of selection and erection of the plant and machinery. It
is not only associated with appointments for all
key posts in each factory but it is also concerned
with other aspects of policy making and management.
The Federation should also introduce a scheme of
professionalization of management and management
development in its affiliated units.

**NEED FOR GOVERNMENTAL STEPS:**

The promotion of professionalisation of
management in sugar cooperatives needs legislative
provisions in the State's Cooperative Act. The
Government of U.P. should initiate the process of
legislation for creating managerial cadres in sugar
cooperatives. It has been found that the government
officials irrespective of their qualifications and
suitability are foisted on the cooperative sugar mills
either in the name of safeguarding the government
money invested in them or on the plea of mismanagement
by the Boards of these enterprises. Instead, the
policy of the government towards these cooperatives
should be in consonance with the need for professiona-
lization of management.
CONCLUSION:

In short, the cooperative sugar mills of U.P. are in the grip of a number of management problems at various levels. The complex nature of the cooperatives multiplies their problems. Lack of professionalisation of management is mainly responsible for this state of affairs beside other things such as vested interests of office bearers and some time even of officials. Though it is not easy to separate politics from human affairs but serious efforts should be made to stop the interference of politics in the management and administration of sugar cooperatives. Though various expert committees have emphasised the importance of scientific management for cooperatives, it has not been fully and properly developed. There is need to bring effective legislation for adoption of professionalisation of management in sugar cooperatives and its strict implementation for management development. Unless this aspect is given due consideration managerial improvement cannot be brought about in the sugar cooperatives of U.P.