

## CHAPTER II

### C L A S S I F I C A T I O N

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Position - classification is the foundation of modern personnel administration. O. Glenn Stahl is of the opinion that "the foundation of job - oriented career system is a position classification plan. Such a plan is a prerequisite for any system that regards the nature and content of each position as central to good organization and to motivation based on the work to be performed"<sup>1</sup> In other words, systematic classification of jobs and standardization of all staff are two of the most essential features of the personnel system. All other problems would be solved provided there is logical and scientific classification of personnel. Considering this fact W.F. Willoughby observes - "classification and standardization of public employment constitutes, indeed, the starting point or the basic upon which the whole personnel structure must rest".<sup>2</sup> The efficiency of recruitment, the possibility of creating a rational promotional system and the equitable treatment of people working in different departments depend

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1. Stahl, O. Glenn, Public Personnel Administration, Sixth Edition, Oxford & IBH Publishing Co. Ltd., New Delhi, P.61.

2. Willoughby, W.F., Principles of Public Administration, New York, 1964, P.220.

upon proper classification. In fact, a judicious classification system helps in sorting out easily the problems of payment, line of promotion, duties and responsibilities.

**Meaning :-**

'Classification implies' grouping together of persons or things on the basis of some common essential characteristics. In personnel administration, classification means grouping together of posts into broad classes. On the basis of responsibilities. The classification plan places much emphasis on the position, its duties, responsibilities and qualification. Thus, a position may be defined as a specific office consisting of certain duties and responsibilities. The posts to which similar duties and responsibilities are attached are put into one class, regardless of the department in which they actually exist.

It is important to note that in a classification plan, the lowest unit is a 'position'. 'Position' has been defined by the American Classification Act of 1949 as the work consisting of duties and responsibilities given to an employee. In this regard, of course, one has to remember that a position has to be differentiated from the incumbent of the position. The position may be occupied or vacant

Again, the person appointed to this position may be permanent, temporary, a probationer or a deputationist.

As regards, 'class' it has to be said that a number of similar or identical positions put together constitute a 'Class'. The positions covered in one class have identical qualification requirements and are given identical salary schedules. O. Glenn Stahl defines class as a "group of positions sufficiently alike in respect to their duties and responsibilities to justify common treatment in various employment processes".

Nevertheless, the classes may be further grouped into broad occupational groups called 'service' e.g. engineering, health education, All India etc. The constitution of service according to Administrative Reforms Commission involves :

- (i) determining duties and responsibilities of various positions ;
- (ii) translating these in terms of skills, requirements ;
- (iii) grouping positions which broadly require similar skills ; and

- (iv) gradation of positions in terms of responsibilities.<sup>3</sup>

**Advantages of Classification :**

A sound classification system has many advantages. Some of them are mentioned below :

1. It helps in minimising the influence of individual pressures since within the same class all have to be paid alike. Besides, it eliminates the evil of specific salary legislation which would be troublesome and dangerous in implications. Before the introduction of classification plan "Hundreds of jobs had their pay set individually in appropriation acts, and annually and biannually the appropriating bodies would be besieged by individual claims for increases. There was over payment and underpayment and much discontent in the public services".<sup>4</sup>

2. It ensures the enforcement of the principle of "equal pay for equal work".

3. It makes the task of budgetary sanctions easy and intelligible and ensures a meaningful control by the legislature on personnel issues.

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3. India, ARC "Report of the Study Team on Personnel Administration (Personnel Planning, Staffing of Public Sector Undertaking and Personnel Management) August, 1967, New Delhi, Manager of Publications, 1969, P.42.

4. White, L.D., Introduction to the Study of Public Administration, New York, McMillan, 1958, P.553.

4. It helps the employees in undertaking clearly defined duties and responsibilities and removes confusion and promotes good management - staff relations. Besides, it provides the basis of good supervision.

5. It promotes better understanding since common terminology is adopted.

6. It helps in avoiding duplication and inconsistencies in work process.

7. It helps in objective evaluation of the performance of civil servants.

8. It facilitates the process of recruitment, training, promotion and transfer.

#### **System of Classification :**

There are two systems of classification - (a) Position - classification and (b) rank - classification. The two systems may be discussed now -

(a) **Position-Classification** : In position classification system an employee's rank is basically a function of the position he performs. In this system, the salary of the employee is dependent upon the position he holds. At the risk of repetition it should be mentioned

that the foundation of a job-oriented career system is a position classification plan. It is the prerequisite for a sound personnel system of a good organization. The position-classification, the most important fact is the duties and responsibilities attached to the job rather than the person discharging these duties. The salary and status of an employee depends upon the position to which he is assigned. Experience has shown that a classification on the basis of duties and responsibilities is more suitable than any other. The International Civil Service Advisory Board stated that "It is the consensus of the organizations that the general level of duties and responsibilities constitutes the only realistic basis for achieving a comparable classification of posts".<sup>5</sup> The Board further considers the following as the determining factors of classification of duties and responsibilities.

- (I) the importance, scope and complexity of the post;
- (II) the qualifications essentially required for the performance of the duties of the post ;
- (III) the extent to which the work is supervised ;
- (IV) the extent and nature of the supervisory responsibilities ;

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5. U N : International Civil Service Advisory Board Ninth Session (U N, June, 1966) P.1 (ICSAB/IX/5-Coord/CC/SO/156).

(V) the extent and nature of the authority to take decisions.<sup>6</sup>

There are four steps in the development of position classification.

1. Analysing and recording the duties and other distinctive characteristics of the positions to be classified (job analysis and description) ;

2. grouping and positions into classes upon the bases of their similarities ;

3. writing such standards or specification for each class of positions as will indicate its character, define its boundaries and serve as a guide in allocating individual positions to the class and in recruitment and examination ;

4. installation by allocating individuals positions to the class thus prescribed.

(b) Rank Classification : In rank classification system, an employee's status and salary are determined with reference to the service he is assigned after recruitment.

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6. Ibid.

It does not depend upon the 'position' he holds or the work he does. As for example, a member of the All India Service may serve either in the secretariat or in the field or in a corporation or in a Company, he would go on drawing same salary and hold same status. Similarly, a Director of Health posted as Officer on Special Duty would draw the same salary while the job performed is entirely different. Thus salary and status are independent of posting.

Rank classification has many merits. First, it is easy to understand and administer. Second, it encourages career opportunities and promotes mobilities. Third, it encourages to the service rather than to a position. Lastly, it attracts competent people to the service.

It is however, to be noted that, the rank-in-man classification suffers from many inherent limitations. For example -

- (I) It violates the principles of equal pay for equal work.
- (II) It does not define the contents of any job in detail. It does not describe what is expected of a post and consequently, the performance of its incumbent may not be rationally measured.

(III) It is not conducive to the formulation of scientific standards on which selection of personnel training, posting, transfer, promotion, career development etc. may be organised.

Since the position classification is better suited, therefore, it has been adopted in most of the countries of the world. Those countries which were using rank classification are changing over to position classification. However, classification may be done on many other criteria to ensure reliable information in other areas of interest. For example classification may be done on the basis of status, sex, caste, department pay etc.

#### Classification of OIL Employees :

Now let us classify the employees of the OIL.

At present the total strength of Oil India is 8139 who are serving in its different fields. Broadly these employees may be classified as Executives and workmen. Let us illustrate these with the help of figures from OIL (upto May'90).

Classification by Status

Sl.No.	Category	Total	Percentage
1.	Executive	1119	13.75%
2.	Workmen	7018	86.25%
Grand Total		8137	

Classification by Sex (Executives)

Sl.No.	Category	Total	Percentage
1.	Male	1060	94.73%
2.	Female	59	5.27%
Grand Total		1119	

Classification by Caste (Executives)

Sl.No.	Category	Total	Percentage
1.	Scheduled Caste	44	3.94%
2.	Scheduled Tribe	30	2.68%
3.	Others	1045	93.38%
Grand Total		1119	

According to the recruitment policy of OIL, there are five categories of executives - (a) permanent, (b) probationer, (c) temporary, (d) trainees, (e) deputation-ists.

(a) Permanent : Permanent executives are those who are appointed in the executive cadre of the Company (whether by direct recruitment or by promotion from non-executive cadre), who are confirmed after their probationary period. As per rules, such executives, once confirmed as permanent executives, will draw salary (basic + dearness allowance) in their grades and will be entitled to all the normal benefits applicable to permanent executives.

(b) Probationary : It has been clearly mentioned in the recruitment policy that persons appointed in the executive cadre of the Company (whether by direct recruitment or by promotion from non-executive cadre), who are still on probation of the Company until they are confirmed and will not be entitled to some of the benefits enjoyed by the permanent executive. Permanent executives when on probation in higher grades following promotion are to be treated as permanent executives in their substantive grades.

(c) Temporary : The persons who are appointed in the executive cadre against temporary vacancies are treated as temporary executives. They need not undergo any probationary period. They will be paid a consolidated salary. However, the temporary executives are entitled to all benefits enjoyed by the permanent executives with the exception of the Company loan facilities.

(d) Executive Trainees : This category of executives are appointed by the Company on a consolidated stipend as Graduate Engineer Trainees or other trainees without any assurance of appointment after completion of their training with the Company. These trainees are not eligible to enjoy all the benefits enjoyed by the permanent executives.

(e) Executives on Deputation : As per the recruitment policy, the executives on deputation are appointed in the executive cadre of the Company against a permanent or temporary vacancy for a fixed period or secondment from other Central or State government services or undertakings.

It is important to note here that there are eight grades in the executive legal of OII. The designation

and the scales of pay (existing) of different grades in the executive cadre of the Company are given below :

<u>Grades</u>	<u>Standard Designation</u>	<u>Scales of Pay</u>
A.	Assistant Officers/Assistant Engineers/Conf. Secretary.	Rs.2250-100-4150
B.	Officer/Engineer/Pvt.Secretary	Rs.2500-120-3100- -130-3750-140- 5150.
C.	Senior Officer/Senior Engineer	Rs.3700-140-4400- -150-5900.
D.	Assistant Manager/Suptdg. Officer/Suptdg Engineer	Rs.4600-150-5350- -160-6470.
E.	Deputy Manager/Deputy Chief Engineer/Addl.Chief Engineer	Rs.5200-160-6000- -175-6875.
F.	Manager/Chief Engineer	Rs.5750-175-7325.
G.	Deputy General Manager	Rs.6250-175-7475.
H.	General Manager	Rs.7250-200-8250.

**Classification of Workmen :**

The classification of the workmen may also be made under the following heads -

- (a) Permanent
- (b) Probationer
- (c) Temporary
- (d) Apprentice.

(a) **Permanent** : The Modified Standing Orders of Oil India Limited (Amended Act of 1982) clearly provides

that a 'Permanent Workmen' is a workmen who has been engaged on a permanent basis and includes any person who has been confirmed in writing as a permanent workman after satisfactory completion of probationary period of three months, but in no case for more than six months.

(b) Probationer : According to the Modified Standing Order, a 'probationer' is a person provisionally employed to fill up a regular or permanent vacancy for an initial probationary period of normally three months, but in no case for more than six months and who has not been confirmed in service. It is also clearly been laid down that any permanent workman who is transferred or promoted on probation to a new job, shall be treated as a probationer so far as the new job is concerned, but any time during the probationary period he may revert or be reverted back to his old permanent position. In this connection, the decision to revert a probationer shall be communicated to him in writing by the Head of the Department concerned with full knowledge of the Deputy General Manager (Industrial Relations) well ahead of the date of completion of the probationary period. Otherwise, confirmation letter will be issued to the probationer effective from the first day after completion of the probationary period.

(c) Temporary : This category of workmen mean workmen who have been engaged for a limited period. A 'Temporary Workmen' means a workman who has been engaged for a limited period for work which is essentially of a temporary nature including project work or who has been employed for temporary increase in work of a permanent nature.

(d) Apprentice : An 'Apprentice' is a learner who may be directly engaged by the Company in accordance with the Company's own Scheme of Training and who may be paid a consolidated pay or stipend during the period of Training.

The workmen of OIL may be also classified on the basis of grade and pay scale in the following way -

<u>Grade</u>	<u>Pay</u>	<u>Scale</u>
MP.I	797 - 15 - 872 - 20 - 1072 - 25 - 1247	
II	852 - 15 - 882 - 20 - 1082 - 25 - 1332	
III	872 - 20 - 1072 - 25 - 1272 - 30 - 1392	
IV/CP I	917 - 20 - 997 - 25 - 1122 - 30 - 1512	
V	977 - 20 - 997 - 25 - 1122 - 30 - 1602	
VI/CP II	997 - 25 - 1022 - 30 - 1172 - 35 - 1452	
		40 - 1772
VII	1027 - 30 - 1177 - 35 - 1457 - 40 - 1817	
		50 - 1937
IX/CP	1127 - 30 - 1187 - 35 - 1257 - 40 - 1737	
III		50 - 2137.

Again, the total manpower of OIL may be classified as under -

Sl. No.	Category	Number
1.	Skilled	3086
2.	Semi - skilled	1803
3.	Unskilled	916
4.	Clerical	1333
5.	Supervisory	677
6.	Junior Management	844
7.	Middle Management	231
8.	Senior Management	35

The following is the caste - wise classification of OIL Personnel -

Sl. No.	Category	Number
1.	S. T.	726
2.	S. C.	582
3.	Others	7617

The class - wise distribution of S.T. and S.C. personnel of OIL as under -

Sl. No.	Category	Number
1.	Class - I	
	(a) S.T.	22
	(b) S.C.	41
2.	Class - II	
	(a) S.T.	7
	(b) S.C.	3
3.	Class - III	
	(a) S.T.	373
	(b) S.C.	262
4.	Class - IV	
	(a) S.T.	324
	(b) S.C.	276

\* The group-wise classification of OIL Personnel as follows :

Sl. No.	Category	Number
1.	Production Group	2596
2.	Operations Group	1520
3.	Planning Group	56
4.	Finance Group	179
5.	R & D Group	42
6.	Rajasthan Project	96
7.	B E P	117
8.	Delhi & SP	101
9.	Personnel & Administration Group	864
10.	Technical Service Group	3354

Moreover, some of the personnel of OIL can be classified in the following way -

Sl. No.	Category	Number
1.	Women	180
2.	Physically Handicapped	54
3.	Ex-Servicemen	166

In fine, Oil has very distinct classification of its personnel. The total manpower of OIL forms restricted class within the personnel system of the country. Particularly, the Executive Class is much more restricted than the working class. Apart from the other classifications mentioned in this chapter, the sharp distinction between 'executive' and 'labour' class of OIL is the marked reflection of any class-ridden society of the world. This has definite impact on the employee - employer relations of the establishment concerned.

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Note :

Production Group ; Production (Oil), Production (Gas), OGPL, Production (Projects), GM (P)'s Office, LPG, Digboi, Ningru, Moran and Pipeline.

Operations Group : Drilling, Chemical, Geological, GDAP, Well Logging and GM (O)'s Office.

Technical Services (TS) Group : Mechanical Engg., General Engg. GM (TS)'s Office, Transport, Civil, Electrical, Materials, Instrumentation, C & D and CBO.

Personnel and Administration Group : Personnel, Administration, Training & Development, Industrial Relations, School, Security Nigilance, Public Relations, Medical and Land.

Planning Group : Planning, Safety & Environment and Technical Audit.

Finance Group : Accounts and Internal Audit.