CHAPTER VI: CONCLUSIONS AND RECOMMENDATIONS.

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6.1 OBSERVATIONS

After going through the ten cases studies, our questionnaires and personal visits to the industries for case studies, and; having personally interviewed both the employer and the employees the consolidated conclusive observations acquired is condensed below.


As regards Manpower planning, none of the units gave serious thought. Vacancies as and when arose were filled up on ad'hoc basis. Hardly there is anything like 'Manpower Planning'. In Small Scale Industry nobody expects that there should be separate department to look after manpower planning function, but good appreciation of the function was desirable. Though two small enterpreneurs had some vague idea about "Manpower Planning", mostly, it was neglected at 'conceptual' level.
Coming to the next function of Employment (Recruitment and Selection) leaving aside one unit, who implemented Adhoc system to the best of its requirements, rest employed their workmen through direct approach, through their relatives or workers, some just hung a vacancy board outside their unit, and a man could walk in and get employed. This function was also badly managed.

Training was surprisingly one function where 50% of the units recognised its importance and put some schemes into actual practice. Majority who included to train their employees, preferred to train them "on-the-job" inside their own units. Except for one having a broader outlook went for external training, referring their personnel to training centres like Institution of Engineers, Poona divisional productivity council, St. Joseph's Technical Institute, for polishing of the skills of the chosen persons.

Coming to wages and salary administration, majority wanted to keep away from legal problems and being aware of the Minimum Wages Act, paid their workers in accordance to the law or above it, except one which was a sick unit, crippled due to lack of finances,
and having no other alternative but to pay its workers below the salary structure of the minimum wage Act.

But one aspect observed universally was that the workers were not satisfied with the present salary drawn by them and wanted to have more pay to match the rising cost of living. While most of the SSI owners feel that there should be separate minimum wages act for small-scale units - A more liberal one.

Referring to the bonus a motivating factor, many of the units gave a base line bonus of 8.33%; one unit as it was running in a crippled form gave only 5%, but the prospering few gave literally double of what the law advocated, like 16% to 17% which was good for the workers.

Then coming to the aspect of promotion, S.S.Is. are reluctant to consider this issue fully, some follow it to some extent; but, half-heartedly. One way of retaining or pacifying good persons is promoting them; some S.S.Is. believe in "DRY PROMOTIONS" or "PROMOTION WITHOUT PROMOTING" i.e. remunerations are not increased only responsibilities are increased. Some effort to improve the status (though not pay) is a welcome feature.
This is usually because the S.S.Is. Owners believe in holding all the decision making powers to themselves they do not want to share their authority with others.

Then as observed, not nearly all the S.S.Is. follow the above mentioned system, some S.S.Is. Owners do believe in growth, modernisation and giving the due recognition to the deserving persons. Therefore, some S.S.Is. do promote deserving employees in remuneration and status too, but the final authority rests with the owner undisputed.

On safety programmes, it was noticed that outdated safety measures were taken, some did not have even proper ventilation; or place for decent movement, Hand-gloves were torn, boots needed mending, fire-control system was missing; sign-boards to warn people of accident-prone area or zone were amiss, etc. which are bare essentials in safety programmes were not even under consideration for further rectification. But it was observed that a rare step was taken in this direction by one or two units to the satisfaction of the employees. Of course, being very 'small' these units have very low accident rate.

While observing working conditions, 80% of the S.S.Is. had neglected to achieve even the bare necessary
Many a times even the floor was curtailed from conditioning, and was uneven and prone to accidents, at times lighting was poor and eyes hurt; new machines were installed and the space was choked off. Most of them didn't have a canteen etc. But 20% fulfilled the requirements mentioned in the survey paper; but here the canteen was not a full-fledged one, it only gave tea-service. Suitable recommendation in this respect is elaborated in the next section.

No one had considered the subject of labour welfare very seriously; but accommodated E.S.I. Scheme which is a "must", or at times gave an advance against their pay, but welfare aspects like, housing, education of the children, medical benefits, security in monetary terms, transportation, subsidised canteen, etc. was not even given a passing thought.

Personnel policy was totally in the hands of the owner, he dictated his wants and requirements, he entertained his own whims and wants, he held the decision-making policies and implemented self made laws, the workers had no "say", they in some S.S.I.s. could suggest and if the owner foresighted benefits he adopted
them. But he held all the ropes and pulled the strings as he desired.

Ninety percent faced the problem of absenteeism; and that the workers claimed was unavoidable, because of ill-health, family problems, long distance, marriage season, summer-heat, or rains.

Be whatever the reason, absenteeism did pose a problem which hampered in the anticipated out-put of the S.S.Is.

Here condensing the whole into one paragraph (leave one or two units who were recognised some of the Personnel Aspects to a limited extent), we can conclude that Small Scale Industries not only are devoid from separate personnel department or an individual body to look after the Personnel Affairs, but they have already failed to recognise and fulfil the functions of Personnel Management, which is a "must" for the development and growth of any organisation (Industrial Unit) regardless whatever be its size.
6.2 CONCLUSIONS AND RECOMMENDATIONS

My study of Ten Small Scale Industrial Units has re-enforced one basic element namely the importance of Personnel Management functions does not depend upon the size of the organisation. It is commonly observed that the owner is generally an entrepreneur and only himself controls production, Marketing and Finance functions, all rolled into one. These three functions can be prescribed as tangible functions for example day to day quantity of production can be checked, sales figures are usually available for study and future projections and costing and accounting functions are reflected in Books of Accounts and Balance-Sheets.

It has been repeatedly said that human resources a great asset which can never be seen in the balance sheet, but human resources a key factor in the development of business (small or big).

A Company like Tata and Iron and Steel Company Ltd. (TISCO) can boasts of excellent Industrial Relations as a contributory factor to the development. While unfortunately many Small Scale Units were required to be
closed due to labour problems. Thus one can appreciate that, it is the responsibility of an entrepreneur to create a climate favourable for development which in turn means that employees be given proper importance in Personnel Management functions.

It may be said that, in many units of Small Scale Industries, due to the small size, there is no need for an independent personnel department, it is true, but we should remember that the functions of the personnel management is universal, and it must be performed by some one in every Industrial Unit regardless of its size.

The present section outline some of the suggestions to the Management of S.S. Industrial Units (Employers), Employees and the Government. The researcher obviously, has no bias for any of these three agencies therefore an effort is made to clarify the most practicable suggestions for improving the industrial climate.

Now coming to the topic of recommendations; we start with man-power planning.

It is likely that a person who is running a S.S.I. has some vague idea about his development plans. He may
not be specifying all his man-power needs but will be wrong to say that he does not have even general Idea about manpower requirements. He must be looking for his friends and relatives, their sons and daughters who are steadily growing. What is necessary is to pinpoint the man-power requirement, instead of relying on trail and error.

The owners of S.S.Is. could pre-plan their man-power requirements and of what calibre. They should have a clear idea about "Job description" (vacancy demands) for present and future of the organisation. Haphazard planning leads to future set-backs, and incapable personnel and thus the owners have to suffer. Hence if some efforts are made on the initial enrollment itself can save a lot of unwanted future problems to the owner; plus it would help him to get "the right man for the right job", and could enroll just the wanted staff, and will not have to face over-staffing or understaffing problems.

In case the owner thinks he is unable to manage this function on his own (after all no man is perfect), he could employ out-side agencies, or experts to guide him, to give him a foundational plan for implementation; which could be followed up religiously.
This function rests solely on the shoulders of the S.S.Is. management; and a candidate who wants to enroll in, is no more an active participant in it.

The Government could play a role of guiding the owner by helping him with man-power planning through expert officials appointed by them, if the owners appeal for guidance.

Obviously to motivate candidates to enroll, announcement of the requirements of the vacant post is a must, which can be done through employment exchange, news-papers, hand-bills, magazines, relatives, already employed people and outside employment agencies. But the job requirements should be precisely quoted, so as to avoid unwanted visitors time-consuming inquiries. 

Now there are bound to be people hunting for a job, and the owner will receive quite-a-few applications. These applications too should be filtered to narrow down to good candidates; and then only interview calls should be sent out.

In the interview; without doubt the interviewer should be an expert on the subject to be interviewed
and tests on knowledge, I.Q., physical and personality should be analysed. And the best of the interviewed batch could be enlisted; as the right man for the right post, where his capabilities and abilities helped him to stand apart from the others. This goes on as far as the owners are concerned.

Now as far as the candidate are involved; they should recognise their own qualities or draw-backs. If they are over-qualified or under-qualified for a particular post; its no point to try to grab that post, for it would ultimately end in frustration and loss of valuable time. Once the candidate recognises its own potentialities, gaining an employment according to his merits is not an impossible thing.

The Government could help the owner, if he approaches them for help, by sending good interviewers, who know their subjects well to scrutinise the candidates and finalise for enrollment. In this respect the government could set up a body to help S.S.Is.

After enlistment; the raw hand should usually be trained or cultivated for the required job or post. The owners of S.S.Is. should take a keen interest in
developing this angle, for a skilled person is much better at giving results than an untrained one; which ultimately benefits or taxes the industry.

The owner could develop a unit to manage the training programmes, and stipends could be paid for the trainers in accordance to the labour law and the budget of the unit.

In case the owner is unable to cultivate this training programme on the premises of the industry, he could send his personnels to external training centres like Institute of Engineering, Poona Divisional Productivity Council, and St. Joseph's Technical Institute for cultivating skills for a definite purpose, required by the job demands.

No doubt initially the small scale industry may have to bear a bit of expenses but it will be an investment for future benefits.

The workers too after enlistment should put his heart into learning the project ahead of him; he should forget the competition of his seniors, accept his 'rawness' and dedicate himself to the training programme, and, when he finishes his training he should have polished talents and ready to accept the challenge of the job.
The government could have subsidised training centres for S.S.Is. who cannot manage to train people on its own grounds, and cannot afford the expenses of training their personnel through external sources; Minimum Wages Act: but this law doesn't cope up with the present rise in the standard of living. Hence keeping in mind the present rise in cost of every aspect of life, they should voluntarily raise the salaries of their employees, and in doing so they will lessen the frustrations of their employees; and anxieties too. This could also be a move to retain their workers away from the lure of larger industries with a bigger pay packet. They, in doing so, will make the worker feel secure and cared for. Some of S.S.I. management follow the policy of paying a little higher salary than what the employees desired. This policy helps them to retain the employees in the same organisation.

It is recommended that if S.S. Industrialist is not interested in increasing the salary because it is a permanent burden, it is desirable to give non-financial incentives.

Unless employees are reasonably satisfied that their wages are fair, it is invariably futile to expect much good from other parts of a personnel programme such
as training plans, Manpower plans, insurance plans, recreational plans, etc. etc.

Hence it is imperative first to establish as fair a wage policy as possible and second try to convince the employees of the intrinsic fairness of the plan.

The workers too should help themselves in this respect; they could plan out their own expenses curtailing to their salaries and in fact plan out monthly savings for a rainy day., living outside their incomes is bound to tax them throughout their lives; and that reflects on their own personal life, family life too.

This in fact could be put into practice, if the worker accepts his circumstances at face value, and doesn't fall in the trap of comparing his salary and living standards of that of the workers of the large scale industries. Once he is mentally accepted this situation as an unavoidable bare fact, he should live within his own limits.

They should judge their returns, not in accordance with their needs and family demands, but in accordance with the law, their post(job), their
capabilities and abilities.

The concrete step the government could take on this subject is that to re-plan the Minimum Wages Act to the present living standards, and see that the industries follow it accordingly.

In doing so a separate legislation should be set forth by the government (regarding the M.W.A.) for Small Scale Industries to have uniformity and a platform for the employees and employers to stand upon, without differences of opinions.

Furthermore to have a symbiotic stand on this subject, the principle of ideal remuneration plan and principle of justice such like:

1. regularity in payment,
2. sufficient motivation to work,
3. equal pay for similar jobs, should be observed;
   Remuneration plan should be fair and just.

If the salary is increased, it is but natural that the bonus increases too, a bonus that too an increased one is one thing a worker looks forward to every year.
Like salary and bonus, promotion plays an important factor in motivating the workers for betterment, and gives them hope to rise in life, in status and material gains.

Then again if the S.S.I. owner chalks out a promotion programme, the cream of the workers is raised to the deserving post, and it should be on merits, loyalty, capability, ability, and if these factors are present in seniority all the more better for, seniority does not necessarily be compounded of the above factors. This move gives the workers to hope for something in life rather than going on with a bleak future. In case another company grabs them by giving them a post higher than the one he holds, presently, he will migrate. By having a system of promotion, the S.S.I. is indirectly retaining the good workers too.

The responsibility of gaining promotion falls on the workers too, for he should be able to prove himself to acquire the above post and do justice towards it, they should enhance his merits rather than expect promotion on seniority basis.

Another way for an S.S.I. owner to gain confidence and make the workers cared for is implanting
good safety devices so as to avoid any fatal accidents that could endanger precious lives. This step could be constructive for the S.S.Is.

Prior to making a worker work on a particular machine, the manager or supervisor should rightly explain the precautions to be taken while handling such machines to the workers.

And in turn the workers too should adhere to the given instructions, and should not try to put on a "he-man" act (i.e. show off tendency) and try to function the machine by avoiding the safety instructions.

In case they do not understand; and are stuck half-way they can always communicate with the manager or supervisor without endangering themselves whole heartedly.

Government officials too can make a official visit (persons from MIDC,MSSIDC,S.I.S.I. or S.S.Is. sector etc.) to see that the safety devices are at top functioning level, as human lives are at stake.

It's been proved by the industrial psychologists that if the working conditions are healthy,
like, good lighting, good ventilation, clean atmosphere etc. The quantity and quality of the production is enhanced. Therefore the owners of S.S.Is. should see that the best of working conditions are made available to the workers.

The officials from the government too could see into this matter and suggest a few things to the owners to cultivate conditions which will be good for the health of the employees both physically and mentally keeping in mind as to what type of S.S.I. it is.

If proper planning of production is done, good marketing is nurtured, and good public-relations are kept; and quality is kept upto the expectations of the customers; profits are bound to follow. These profits can be channelised for the welfare of the workers.

The owner could give out loans without interest he could help them build a housing society, if its not possible for an individual S.S.I., a group of S.S.Is. could come together and manage it, the same can be said with regards to a subsidised canteen, or a transport bus.

They could entertain the workers at personal level, to sort out the personal problems of the workers.

Thus, cultivating and nurturing the concept of oneness and belonging. For once the worker realizes that
the owner cares for them; obviously they would take more interest in production and see to it that the output has standard quality. Migrating to other companies for a few more Rupees or a bigger post can be ruled out to a great extent with this approach.

The workers on their own could form a society to help themselves, prepare recreational programmes, build a study-room for children, and a play-ground etc.

Government with its present role could stress better medical facilities, solve schooling problems for the children of the employees, re-set the M.W.A. and bonus law, P.F.I. etc.

It was observed that usually S.S.Is. failed to set up a personnel policy, claiming it was a waste of time and money.

This is a wrong attitude as some disciplined functions are to be implemented with its base as personnel policy.

It can be rightly said that the root of all policy is "The personnel policy". In fact if the foundation is weak or missing, building up of other policies of functions effectively is nearly impossible. Hence a personnel policy should be set up by all S.S.Is. individually.
And the workers, too, should keep themselves disciplined to the personnel plans, to cultivate the sense of approaching the right direction towards the aim or goal set forth by the owner.

In the S.S.I. since the size is small "sense of belonging" can be developed by conscious efforts by the Owner-Managers in the S.S. Industries. The managers should try to encourage the workers to set their own goals for the development of the organisation. It must be appreciated that it is a meaningful and rewording game to play - for both the employers and the employees.

To do away or control the absenteeism to quite an extent, the owner could motivate the workers to be present by creating pleasant working conditions, recognise and reward the regular presentees, take a personal interest as a human approach and have a personal word with the workers and activate them to be regularly present.

The workers on their side should not skip the days work out of sheer lethargy unless they have a concrete valid reason, which is unavoidable.

The caring can be highlighted by the owner by recognising the employees birthdays and wishing them of the same, a small gesture of giving out a present or
organise a get-to-gether, on festival occasions, like Diwali, Holi etc. or entertain for a small party to the newly married couples in the industry.

This move will give a family atmosphere to the unit, and interest could be motivated in the employees to work as a synchronised team and achieve the common goal.

To further motivate the workers the employer can set up a 'fringe' benefit scheme, where he pays the workers in kind besides the basic salary for the recognition of his out-put in time, quality, or more than anticipated target.

The owner can recognise the best worker (Ideal worker) and reward him who has proved himself in loyalty, out-put, presentee, quality and quantity, safety, at the end of the year and set an example in order to motivate the other employees.

Transforming the above recommendations in a condensed and summary form. We chose to classify them into 3 parts, one, for the Management, second, for the Employees and lastly for the Government, which we have given below:-
6.2.A. **RECOMMENDATIONS TO THE MANAGEMENT:**

The Management should first of all set the objectives and draft the action plan to meet the objectives.

The Management of S.S.I. should study the potentiality of Large Scale Industries, their functions etc. and try to employ it to the best of its abilities to S.S.I. units. Though it would not be fully possible, due to the existing limitations in S.S.Is. Considering the framework of finance and small size, whatever is applicable in its small way can be adopted.

Small Scale Industry does not require specialist, on the other hand a generalist who can do multiple jobs is of great asset to Small Unit; Therefore job rotation can be carried out. For example, Mr. Ambekar of Turnwell Engineering Company has selected a few promising workers and has trained them considerably, so that they can initially operate all the different machines in this plant.

The S.S. Industries Management could set up a Personnel Policy, first as a guide-line to other functions; Understand its goals and wants, its finances and capabilities to handle the situations.
In this regard M/s. Turnwell Engineers and M/s. Kulpak Engineers to some extent have recognised this fact. It will be appreciated if the other S.S.I. Managers take example from Mr. Ambekar and Mr. Kulkarni, in this respect.

Preplanning and implementing the plan as scheduled can yield the desired results.

Regarding Manpower Planning, the Management should know as to how many and what type of persons it requires today and tomorrow. Then advertise through the usual medias for the man, specifying the requirements of the vacant post.

On receiving the applications, sort it out, narrow down to some desired applicants, send out interview calls, set up an examination/interview system, consisting of General Knowledge, I.Q. Tests, physical and mental abilities tests. And choose the best man who can pass through these tests successfully.

It is noticed that most of the S.S.I. Owners have brushed aside this function as unimportant; as replacements are easily available and in plenty.

But M/s. Turnwell Engineers is well aware of the necessity of Manpower Planning and steps have been taken to provide a supervisor and foreman in time. In this connection M/s. Ace Associates and M/s. Cat Engg. Co.
have also given some thought to the subject of recruitment and selection by adopting Adhoc method or persons with I.T.I. background.

Similarly the other managers of S.S.I. too could take a little pain in this respect and set a plan in order to employ and secure a capable personnel. Small Industrialist should always be on the lookout of capable people, thus in travelling. In social interacting whenever he comes across a young brain person likely to be useful to his unit, he may be invited to see the factory etc. Thus the right person for the right job is a continuous search.

After selecting and enlisting the new candidate, a training programme could be set for him in order to set him nicely for the post chosen for, the training can be done on the-job or with the help of external agencies.

For example, M/s. Kulpak Engs., M/s. Agarwal Engs., M/s. Turnwell Engs., and Metapow Industries train their workers on the job inside their factories under supervision of the supervisors or the Management itself.

M/s. Union Steel Industries uses external agencies like St. Joseph's Technical Institute, Institute of Engineering and Poona Divisional Productivity Council for developing the skill of its personnel.

In this regard a suitable training programme either on-the-job or through the external agencies (it depends upon the nature of training required) could be appreciated
for those units who have already neglected this subject, as it is only through training that workers could bring up themselves and render a better service and quality to the organisation.

Thus fulfilling the requirements of the post, a stipend could be given to the trainee till he is accepted as a permanent employee. His actual salary starts off then.

The wages or salary depending as to how the management pays is usually in accordance to the M.W.A., and if preferable a bit more should be paid due to the rising cost of living.

In M/s. Turnwell Engs. payment is related with production - a sort of piece-rate incentive system based on time-study. Hence whosoever works more earns more.

However if Small Scale Industrialists are not interested in increasing the salary because it is a permanent burden, it is desirable to give non-financial incentives. For example M/s. Union Steel Industries besides its regular payment which is more then other similar Small Scale Industry helps its employees by giving some books and stationary needed for the children's education of the employees. As it is not too costly,
such helps or similar types should be considered by the other managers too.

Bonus is also a motivating factor, hence if the profitability is more; it is always better to give more bonus to the workers, to further motivate them to give better results than to give the base-line bonus advocated by the law.

For instance M/s. Agrawal Engg., M/s. Union Steel Industries and M/s. Ex-Army Enggs. paying 17%, 16% and 16% (respectively) of the salary as the bonus to their employees. In union Steel Industries besides the above mentioned bonus, the employees are in receipt of kind bonus too. This has already effected productivity in one hand and reducing absenteeism in the other. Where Mr. Agrawal, Mr. Poonawalla and Mr. Satbhai (owner-managers of the concerned units) boasted that absenteesim arose only in cases beyond their control. And this can be an example for other Small Industries to pay more bonus than the amount which laws advocates.

The deserving employees should be recognised on the basis of his merits, loyalty and attendance. He could be hand-picked and greater responsibility could be set on his shoulders, with a rise in status and salary, thus promoting him. This gives a hope for the other workers
to look forward to rise in life. Besides actual promotion, dry promotion can also possibly motivate some of the employees.

For example, this function is respected in M/s. Ex-Army Engrs., M/s. Metapow Industries and M/s. Union Steel Industries either by dry or actual promotion. In Union Steel Industries Mr. Thomas, Mr. Ahmad and Mr. Gaurav have received promotion from time to time not only by status but in monetary benefits too. This has resulted in a better quantity and quality of the production, better relationship between the employer and the employee and a reduction in the migration of the workers towards bigger Industries.

Regarding safety programmes the manager should develop the feeling of involvement amongst the employees. It is desirable to introduce the latest safety devices in the industry. Thus avoiding fatal accidents, as human lives are at stake. He should explain safety instructions strictly to the workers who are handling the machines; and in case they are stuck-up; ask them to approach him or his immediate superior to guide him. It will be a wise policy to translate safety instructions in regional language and a copy must be given to each person. This
will help to develop safety consciousness amongst the employees.

Sign boards should be put up; warning people of the anticipated accidents. Machine prone to accidents should be reconditioned. Floors should be maintained, ventilations, lighting could be set in such a way that it doesn't hurt the eyes; The canteen to supply food-services, if feasible transport service, medical aid facility, P.F.I., E.S.I.S., implementations should be arranged.

In this regard again M/s. Union Steel Industries is distinguished among the others. Here the conditions of the work is suitable for the workers and safety devices are prepared for them to a good extent. Recently working conditions of Kulpak Engineering has received some modifications after the extension of the shed.

Evidently if the Small Scale Industry owners follow Mr. Poonawalla and Mr. Kulkarni in regard with the above functions and modify their working conditions and safety programmes; They would be able to create a new enthusiasm amongst their employees, serve and save the personnel as well as the industry.
Some of the points if not feasible for one single industry, could couple up with some neighbouring industries to manage it, like transportation and canteen facilities, housing societies, schooling, play-grounds, health programmes, recreational programmes etc.

For example M/s. Ex-Army Engs., is surrounded by many Small Scale Industrial Units such as M/s. Unique Tools and Pressumps Pvt. Ltd., M/s. Minilec Controls Pvt. Ltd., M/s. Sparkonix (India), M/s. Tapes and Polymers etc. etc. In F2 Block of MIDC (Industrial Estate) Pimpri, Poona, two sides of the road is surrounded by the industrial units; TURNWELL ENGS. which is located here and attached to M/s. Aurgentworks Associate, Jel Precision Gears, Metal finishers, Mayoor Engs., Kap Engg., Mecmor Industries etc. etc. could couple up with them and establish a canteen or a means for transportation, by which good facilities and advantages can be created for their employees against a limited amount which will be the responsibility of the management.

As said earlier absenteeism is minimized as much as possible in Union Steel Industries, Ex-Army Engg., and Agrawal Engg. Where the workers were in receipt of bonus more than the legal criteria and in some cases they received bonus in kind too.
Then the management could recognise the merits of the capable workers, and introduce the best one (ideal worker) at the end of each year, reward him in kind. The management should wish the employees on their birthdays, which is feasible as the strength is limited. Organise functions on festivals, and celebrate it as a family function to cultivate a feeling of togetherness and to strengthen the concept of OUR; (O = organisation, UR = yours) i.e. organisation is yours.

Ultimately it can be said that if the owner-manager is a good analyser of the market, knows how to keep his clients happy and his workers too; Play the key role of Manager;
Thus, he can be happy and his workers will be also satisfied.
A successful manager must be a successful Personnel Manager as it is quite obvious that if the manager take personal interest in the development of his employees, accordingly a considerable satisfaction could be acquired and confidence in this regard could be placed by manager in employees.

It is a considered opinion that it is not always costly to perform Personnel Management Functions; It is a matter of attitude. For example M/s. Kulpak Engs. and M/s. Union Steel Industries have good human relations which are consciously developed by Mr. Kulkarni and Mr. Poonawalla.

It is suggested that S.S.IIs owners should pay a serious thought in this regard. Accordingly if they take example from Mr; Poonawalla and Mr. Kulkarni and create a better and steady relations amongst the workers and the industry, be friendly and cordial with employees; obviously they could have better results than whatever is today.

Therefore performing Personnel Management functions is not so much a matter of cost, but it is matter of development of the unit through development of the people. The owner-manager must realise that as an individual, however bright and financially sound he
may be, can not achieve results without the assistance and active cooperation of the staff members and employees. The total performance is inter-dependent. Thus, development of people is the development of organisation.

6.2.B. **RECOMMENDATIONS TO THE EMPLOYEES:**

Prior to enrollment; the candidate should tap his own talents, analyse his own abilities and capabilities and see that he is fit for the job he is applying for, or else it would lead to waste of his time and the management's time; and disillusionment for him.

Then after joining; the employee is bounded morally and dutywise to the industry, hence he should put his heart and soul into learning whatever is taught over there to the maximum of his abilities. And try to bring himself up upto the standard and requirements of the job.

After acquiring the required training, he should prepare himself to give his best to the organisation in terms of his service, loyalty, ability and attendance.

Ups and downs of life are bound to come, through-
out his life, and so is the competition of his co-workers. The domestic problems are also to be faced. But they should not stop him from his goals and the achievements of his targets.

In regard with the salary and compensation he should not expect in accordance to his requirement, but in accordance to his ability and efficiency.

Is it not a common experience that everyone complain about one's salary?

It is common to all people to complain about their salaries (whether they work in Large or a Small Scale Industry). One must realise that satisfaction is not necessarily commensurate with the salary.

A meritorious employee in the S.S.I. today is bound to grow in the years to come. Thus it is a matter of right attitude towards life. The employees in the S.S.I. units must develop the right attitude.

It must be noted by the employees that fruits of honest-work are bound to be recognised, if not soon then later.

The employees of S.S.I. should realise this fact that the development of man first depends upon the individual and secondly on the others i.e. (management).
They should contemplate about the self-improvement towards a greater status, monetary benefits and endeavour for its achievement. So, in order to enable themselves to achieve the above goals, their dedication should be solely focused on better output qualitatively and quantitatively.

The trend of each worker should be towards the job rotation, by which any worker would be able to operate all the machines in his concerned unit. This can lead to the satisfaction of the employer which can be reflected to himself too; as in the event of being observed the absence of a worker, the total wheel of production should not be stagnated.

For example Mr. Narayan Shinde who works in M/s. Turnwell Engineering is able to run all the machines installed in this concern. Accordingly not only he earns more than of his co-workers, but he has become an important part of this unit. Naturally Mr. Narayan has better relationship with the employer.

I believe that the only factor which has given rise to Mr. Narayan to acquire the best occupation success is his prefficiency and command over all the existing machinery. I shall, therefore, recommend the above
mentioned facts to all the workers of Small Scale Industries. They should respond favourably to the idea of job rotation. It is beneficial both to employer and employees.

Furthermore, in order to avoid any form of calamity and mishap the workers should adequately adhere to the safety instructions and safety programmes. They should read and learn the machines instructions and observe them carefully while machine is operated. They must also avoid to misuse the machines which might lead to the disadvantages of the Industry and themselves.

This also should be considered to be the aim of each one of the employees of S.S.I. by attempting to get the upper hand in a proper manner for his promotion. Promotion is to be proved by his personal competency. And should not be expected to obtain the promotion on the basis of seniority but on the basis of ability and merit.

For example Mr. Ganpat who joined to the Union Steel Industries as a helper, now is the incharge of all pressing division. or Mr. Thomas who joined here with a position of a trainee operator, now is the job supervisor. These could be sets of examples for the other employees of S.S.I. in order to bring about a considerable
improvement in their careers and socio-economic status.

Earlier in accordance with the traditional thinking the notion was that:

\[
\text{JOB} \rightarrow \text{MONEY} \rightarrow \text{SATISFACTION}
\]

but today according to modern thinking:

\[
\text{JOB} \rightarrow \text{SATISFACTION}
\]

In which case monetary reward is secondary.

In a commercial transaction financial reward is always primary consideration. However S.S.I.'s employees should think of monetary reward as a secondary consideration (as they are professionals).

In as much as there is a direct relation between the welfare and morale of the employees and the production, thus if the industry doesn't have a welfare programme, they could form a welfare committee and help themselves. Again as an additional duty towards his co-workers and himself, they could organise a housing society plan (with the cooperation of the management),
recreational Programmes, set up a study-room and manage a play-ground for their children and so on. It will be in their own interest. All this will help in developing enrichment of life which obviously is more important than money.

It should be noted by the workers that regulating and orderly discipline in a job, can be an important cause for further progress and better efficiency of the factory and since they themselves could be benefited with the benefit gained by the factory. Hence in this regard perfunctory absence should be avoided as far as possible. And worker should not refrained from joining to the factory owing to petty problem.

The employees of S.S.I. should also participate in the programme which is being formed by the management on different occasions for the purpose of advancement of relations between employer and employees, and this should not be regarded as a waste of time. Even in cases where the manager is not interested to organise such meetings, they should proceed to persuade the manage for the same.

An individual employee must appreciate that it is in his own interest to respond favourably to the personnel policy of the firm. The major thrust of the Personnel Policy is on personality development of the
individuals with a view to institutional development. It is wrong to assume that individual development is contradictory to the institutional development.

In the previous section, number of recommendations are made to the Management of S.S.I. Units. Most of these recommendations can not be implemented without proper support from the employees.

In all, we can say that an example should be set by one for the others as to how to perfect themselves to rise in their industry and society.

6.2.C. RECOMMENDATIONS TO THE GOVERNMENT:

Director of Industries may establish a S.S. Industries wing and send its officers to S.S. Units as experts, to help and guide these units; Such a professional help at the right time will develop the image of the Government as "developer" of Industries (and not merely as a "controller").

This guidance could be stretched from manpower planning till explanation of the government policies levied on the Small Scale Industries.

In regard with the employment, the government employment agencies could help in sponsoring the candidate
if vacancies exist or arise in a particular unit.

Then again for trainees, the government could create facilities and manage training programmes or subsidised training centres for the units which do not have a system to train employees "on-the-job" inside the industry if the unit approaches them. In such a way that there is no compulsion but S.S.I.'s managers and workers themselves feel that they should take advantage of the services.

The role of the Government regarding the S.S.I. should be as a facilitator and not as a controller or a restrictor. Government should perform guidance function instead of regulatory function. In such a way the government should appoint a "Consultancy Centre" and send its consultants to employees as well as the employees of S.S.I. to give them a proper guideline in regard with their present difficulties and future plans and programmes.

Since most of the S.S.I. Units (either employer or employee) are reluctant or unable to draft the future plans, so these consultants could be considered as an important factor in respect of the fruitful planning and the advancement of the Small Scale Industries.
These Government Consultancy Agencies have to carry out their activities only in the field of Consultancy (and not as an inspector) and should present themselves as an actual image of a real consultant for the workers and the employers, so as to bring about a confidence and further to spread satisfaction amongst the employees and the management.

The Government could also set up a nationwide programme for S.S. Industries, under the name of Small Scale Industries Saving Fund. The aim of this organisation (SSISF) is to have a tête-a-tête talk with the S.S.Is. throughout the country and convince them to deposit 5 to 7 percent of their turnovers in the SSISF. (Suitable interest should be paid by the government and Tax exemption may be offered).

These deposits should be used for the re-organisation and reconstruction of the S.S. Units with a priority to Poor units, in the form of loans either with low rate of interest or without interest.

Since many S.S.Is. are facing the problem of shortage of finance, then SSISF would be able to help them considerably.

The Government should draft the Minimum Wages Act and Bonus Act, exclusively for the S.S.I. being
proportionate to the existing and prevailing living conditions. Accordingly separate legislation should be set forth by looking into the limitations of the Small Scale Industries.

My discussion with the Small Scale Industrialists has revealed that the Govt. is playing its role with reference to the functions of production, marketing and finance, in one way or the other. For example, for the scarce raw material government helps through Maharashtra Small Scale Industrial Development Corporation; (MSSIDC).

Similarly a consortium of S.S.Is. is organised for performing marketing function through MSSIDC. As regards finance the Reserve Bank of India has issued directives to all the Nationalised Banks and Urban-Coooperative Banks, that, soft loans should be made available to the S.S.I. at 13.5 percent rate of interest. Thus some efforts are made to solve production, marketing and finance problems of S.S.Is. (These efforts are not adequate according to many owner-Managers of S.S.I. especially Mr. Kulkarni of Kulpak Engs., Mr. Ambedkar of Turnwell Engs., Mr. Parah of Cat Engg. Co. and Mr. Agrawal of Agrawal Engg.).

As regards Personnel function at the Central level, Govt. of India has established the Ministry of
Human Resources Development. At state level there are organisations like Small Industries Service Institute, MSSIDC, etc. However, much is desired in the field of S.S.I. Personnel Problems.

It may be suggested that the post of "Consultant-Counsellor" should be established to help the employers and employees in S.S.I.s. for problems of training, placement, welfare, safety, salaries and wages, motivation and morale etc. It will be a positive help to the Small Scale Industrial Units.

6.3 CONCLUSION:

It will be observed from the above recommendations that these recommendations are most practicable and if implemented, S.S.I. will develop better approach to Personnel Management Functions.

Many Owner-Managers misunderstand Personnel Management Functions with Labour Officers Functions. Personnel is a broader area of individual development for institutional development.