Chapter-7

PROBLEMS OF HUMAN RESOURCE MANAGEMENT
(i) PROBLEM OF HUMAN RESOURCE DEVELOPMENT

The significance of organised, trained and efficient Human Resource is widely accepted for every industry. The role of the Human Resource Development in Railways sector is very critical. Today Railway is acknowledged as Life Line of a nation. Both developed and undeveloped nations have recognised this fact. The very success of Railways Industry depends on the trained manpower engaged in this Sector. "We may spend crores on building infrastructure. But it is the service personnel alone who can make them come alive. With a very high number of passengers and also good quality of freight. Indian Railways are set to boom the employment potential in the country. Inspite of these fats, the Indian Railways face following problems regarding H.R.D.

(i) Railways are feeling short of trained, qualified and experienced professionals. The main reason for such a draw back is he non- viability of proper Management and Training Institutes. The Railways have established some institutes to cater the need of its employees yet the
number is insufficient to meet out expected outcomes.

(ii) Liberal attitude of the Government regarding opening of Training and Management Institutes, for Railways has caused a big damage in the operation of Indian Railways. Railway alone cannot cater this need and the central Government will have to assist railways on this regard.

(iii) So for existing Railway Institutes are concerned, in the absence of grants; they are facing a financial crunch forcing them to compromise on educational standards.

(iv) The period prescribed for various course levels are insufficient and there is a need to review the period of each course.

(v) The course contents offered by these institutes are quite old and out dated and cannot meet the need of the hour.

Transport industry has a big demand for expert hands at all levels but problem is this that there is no institute in the country that offers a specialized full time programme for Railways Management. Private sector specially has not shown any positive interest in this regard.

The Human Resource Development is a process of full of problems at various stages.

The main problems in the process of human resource planning are as follows:
(i) **Inaccuracy:** Human resource planning involves forecasting the demand for and supply of human resources. Therefore, it cannot be a cent per cent accurate process. Longer the time horizon, greater is the possibility of inaccuracy. Inaccuracy increases when departmental forecasts are merely aggregated without critical review in Indian Railways. The demand forecast by the departments is in accurate quite offers.

(ii) **Employees Resistance:** Employees and trade unions feel that due to widespread unemployment, people will be available for jobs as and when required. Moreover, they feel that human resource planning increases their workload and regulates them through productivity bargaining. Employers may also resist human resource planning feeling that it increases the cost of manpower. Managers and human resource specialists do not fully understand human resource planning process and lack a strong sense of purpose. In Railways Human Resource Planning is imperative.

(iii) **Uncertainties:** Labour absenteeism, labour turnover, seasonal employment, technological changes and market
fluctuations are the uncertainties which serve as constraints to human resource planning. It is risky to depend upon general estimates of manpower in the face of rapid changes in environment.

(iv) **Inefficient Information System**: In Indian Railways, human resource information system has not been fully developed. In the absence of reliable data, it is not possible to develop effective human resource plans.

(v) **Lack of Top Management Support**: In the absence of support and commitment from the top, human resource experts find it difficult to obtain vital inputs. Sometimes, the process is started with great fanfare but is not sustained due to lack of patience. Successful human resource planning flourishes slowly and gradually. In some cases, sophisticated technologies are forcefully introduced just because competitors have adopted them. These may not yield fruits unless matched with the needs and environment of the particular enterprise. In Indian Railways there may be a desire to develop it but certainly an instinct to kill is missing.

(vi) **Time and Expense**: Manpower planning is a time-
consuming and expensive exercise. A good deal of time and cost are involved in data collection and forecasting.

(vii) **Unbalanced Focus:** In some companies, human resource planning is used as a number's fame. There is too much focus on the quantitative aspect to ensure the flow of people in and out of the organisation. Such an exclusive focus overtakes the more important dimension, i.e., the quality of human resources. Career planning and development, skill levels, morale, etc. are likely to suffer due to such unbalanced approach to human resource planning.

Thus, limitations of manpower planning arise both from inherent limitations of forecasting and from human weaknesses. In Indian Railways both the ailments are existing together.

**(ii) INFRASTRUCTURE PROBLEM**

The infrastructure of the Railways is very huge containing both general and technical aspects. The railway infrastructure contains buildings for station, rest houses, employee quarters, railway track, land, signals, factories and many more. Roads and bridges form a very important part of
its infrastructure. The development of infrastructure of railways is primarily in the hands of Ministry of Railways. Thus we can say development of infrastructure depends on the policies of central government.

The Statistics available on infrastructure suggest that there is lack of co-ordination and integration in these facilities in the country. Different department of the government are responsible of the development of various infrastructural facilities such as roads transportation, law and order, communication, medical services, etc. Unfortunately, these department lack co-ordination.

(iii) **PROBLEMS RELATED WITH OBSOLETE HRD PRACTICES**

Human resource development programmes were not prevalent in the Railways of the country for a very long time. However, with the need of the hour Railways also began to adopt various human resource practices as they realized that the future growth of Railways largely depends on the skill, knowledge and quality of the manpower.

Human resource is the backbone of the success of the Railway organizations. The Railways are highly dependent
upon the quality of the employees and their efficiency in terms of quality of service.

The world is fast changing, with the introduction of new curriculum and technologies the Human Resources Development Practices changes very fast this is unfortunate that inspite of knowing all these changes it is still stuck to old practices of Human Resource Development.

(iv) **SHORTAGE OF SKILLED AND TRAINED HANDS**

Railways is a very big organisation of the transport sector in the country and has to look after various branches of its service like facilities to the passengers, goods traffic and its staff and the social and political obligations. The railway has to run its network of trains on the modern and full proof practices and methods. Simultaneously, it has to be an efficient and humble service provider to both goods as well as passenger traffic. It has to take care of the passengers on the rail by providing food, comfort and security. All this cannot be possible without skilled and trained workers at tall levels. This is quite in fortunate that railway lacks on this count inspite of its best efforts in this regard. The modern technology and traditional operating and communicational skills are at a cross
road to posing a challenge to the professionals. Indian railways is focusing on the requirement for professionals.

(v) **FINANCIAL PROBLEMS**

The Railway Board is a miniature government in the realm of finance. It is an organisation which is revenue earning, finance regulating and money spending, all rolled in one. It is different than other ministries who are only spending ministries. Infact, it functions with dual capacity-one as a functional ministry and other as a finance ministry. In order to facilitate the fulfillment of its latter role, the Railway Board has in its constitution itself a built-in finance ministry, through the office of financial commissioner, who, besides being member of Railway Board used to be ex-offices secretary in the Ministry of Railways on financial matters. Hence, what finance ministry is to the government of India the office of the finance commissioner is to the Railway Board. The railway budget though prepared and presented by Railway Minister its execution is channelised through finance commissioner.

The Railway Board in its role as Finance Ministry tends to make a detailed scrutiny of all types of proposals estimating from the zones, though they have been already scrutinized
both by the General Manager as well as financial advisor and the Chief Accounts Officer at the zonal level. The present practice of the Railway Board scrutinizing works of all categories including those whose financial sanction is within the powers of the General Manager appears to lead to over-centralization. In the execution of the budget the present practice of the Railway Board of fixing the proportionate month wise budget allotment for purposes of watching the progress or expenditure puts the zonal administration in a straight jacket. Once the budget for the zone is sanctioned and the budget orders are issued by the board there is no justification for further detailed control by the Board. The present form of budgeting is mainly cash oriented and does not give a faithful picture of actual performance by the zone.

The financial autonomy enjoyed by the Board cannot be complete if the financial commissioner is drafted from the finance Ministry. Even decisions related to finance are taken by Finance Commissioner who used to be an I.A.S. and not a financial expert. Political interferences are every year witnessed in the use of funds allocated in the budget of the government. The minister concern wants to use this fund mainly in his constituency and the state and financial
principles are grossly ignored while making a decision.

While fixing their tariff railways try to bear the social costs for the larger interest of the people which is against the financial principles.

**(vi) PROBLEM RELATED WITH GOVERNMENT POLICIES**

The minister being a lay political man at the top of the Railway management generally comes under political pressure and may initiate a policy under such pressure having secondary regard to the technical and operational feasibility aspect.

A similar political overtone is evident when a proposal is mooted by the people's representatives in parliament or state assemblies once a minister has made a promise in the house it becomes the job of the Railway management to make arrangement for their implementation. The usual consideration of financial viability becomes a secondary importance of the plan.

Lower level management and officials facing the tourism in the places of tourism interest may have their own problems arising out of internal working or in relation to other
departments and ministries. Therefore, they may refer their problems to the senior and top management. The top management examines these problems with the expertise at its command in the light of precedents, existing rules and regulations as well as financial implications. After collecting the views of all the connected departments the concerned management official may issue instruments and directions / clarifications through a circular letter. Whole of this process involves a lot of time and it is just possible that by the time a decision is taken on a particular problem, the very nature of the problem may change or the problem may cause heavy losses to the Railway interest during the long period of decision making.

As a ministry the first and foremost function of Railway Board is to aid and assist the minister through its advice in the formulation of policies. Since the minister is responsible to parliament the Railway Board has to spend considerable amount of its time in preparing explanatory briefs and answers to parliamentary questions and ministers cases. Almost invariably minister wants an urgent reply with a deadline. The Railway Board in its anxiety to gather information on any aspect desired by parliament is forced to adjust its time
between parliamentary work, policy formulation and executive direction.

(vii) RECRUITMENT AND TRAINING PROBLEMS

Recruitment problems

The recruitment methods at different levels appears to be adequate and fair enough at the initial level. However, for filing in posts at subsequently higher levels needs an examination as there are certain pitfalls at this stage. The Railway Board posts the teaching staff for various institutions for which Head of Departments, the names of the employees for this purpose which is generally full of favouritism. The element of uncontested security of service even at the entry level is a damaging trend. The confidential departs forms the platform for the promotion to junior administrative grade and above. Such weight age to confidential reports for throughout the service is not desirable as confidential reports are not properly designed to highlight the performance of the officer concerned and the comments are likely to be based on personal whims. The length of service may not indicate the chance competence of the personnel.

Railway adopts both Internal and external methods of
recruitment but at the entry level external method is widely accepted this method of recruitment also suffers from certain drawbacks:

- It is mode difficult to adjust with the philosophy of recruitmentees.
- It blocks the chance of promotion of temporary employees for their confirmation on new vacancies & post.
- It takes a long time for job orientation of newly recruits.

**Training Problems**

The zonal Railways have not been able to appreciate the needs of advancement in the knowledge of their concerned staff as part of the career development programmes, trainings and refresher courses. It is found some times officers at the verge of retirement are sent for training. Thus there is a visible gap between the zonal heads appreciating the need for refresher training and his role of the training institutes in the personnel development programme. Under utilization of the training facility is also visible in various cases and are on the records of Railways Board.

Hitherto, the Railway did not have a systematized
assessment and follow up of various training programmes.

So far as the non-gazetted staff training is concerned, the Railway Board has the role of laying down policies only since the General Managers are fully competent to deal with all aspects of non gazetted staff. It also decides the establishment of training institutions. The teaching staff pattern though decided by the board is not upto the marks.

**Number of Levels**

The three broad levels in the organisation of personnel function, viz., Railway Board, Zonal and divisional levels as explained earlier, are further divided into several sub-levels, which result in too many levels in the organisation. Too many levels in the organisation hamper the sound employee-employer relation. It is felt by the employees, general secretaries of A.I.R.F. and N.F.I.R. and the functional managers at Railway Board that it is too difficult for an employee to approach and represent his issue to the functional managers at Railway Board and even at zonal railway, because of he too many levels in the present organisation structure. This is one of the cause for the absence of close personal relations between superiors and subordinates.
**Separate Personnel Cadre**

Another major drawback of the organisation is lack of professional knowledge on the part of personnel officers and lack of a separate personnel cadre. The personnel manager, besides his experience and knowledge in functional areas, requires professional knowledge for effective and tactful management of manpower. In view of the lack of specialized cadre of personnel officers in railways, any general manager of any major specialization rising from any of the functional departments in eligible to become member (staff). Under these circumstances, it can be felt that the member (staff) may not perform the personnel functions effectively as he does not possess any special knowledge and experience in handling personnel matters.

In addition, any deputy director from any department or from any specialisation is eligible to become the director of any directorate under the supervision of member (staff). Further any deputy officer at zonal level from any department or any major specialisation is eligible to become chief personnel officer at zonal level. And, any assistant officer from any department can be promoted as divisional personnel
officer. Thus the Railway Board did not fix any basic qualifications, background and area of specialisation to occupy the positions of personnel functions in Indian Railways. As a result of this, it has been criticised that the personnel department in Railways is ill-equipped and too inadequate to be able to carry out personnel function on sound lines. The personnel department on the Railways is hopelessly inefficient and ineffective. There is no full-fledged cadre of personnel management on Railways.

**Functioning of Personnel department**

There is also a criticism on the mode of functioning and nature of activities of personnel department in Railways. Personnel department at all levels performs the establishment work, which otherwise could as well be done by the functional departments themselves, with additional clerical assistance. The background in establishing a separate personnel department is to perform strategic and non-operative functions which functional managers may not perform.

**Status of Railways**

Another important limitation which stands in the way of effective working of personnel function is that the Railways
are at present administered through departmental form and they do not have full autonomy in formulating and implementing personnel policy.

(viii) **MISCELLANEOUS PROBLEMS**

- The problems faced by the educators and trainers in Railways are similar across the world. Their solution does not vary according to the differing educational administrators, traditions and local needs in different countries. Training both inside the organisation and on the job training must be increasingly developed so that all staff and the college-trained staff may also get opportunities to get practice their skills in the organisational situations. Educationists and the Railways should evolve new technique that will improve the education pattern of the courses and help the Organisation in particular.

- The institutes very often compromise selection criteria on students for the course, standard for imparting education, library facilities, the education/training process and the recruitment and upgrading the teaching staff. Liberal look out on these vital parameters of
education jeopardizes not only the reputation of these institutes but also sabotage the career of the many students. The course structures are hardly updated and seldom matched with the needs of the Organisation. Training and practical know how is only marginal, as these aspects of the grooming process are comparatively costly in terms of practical labs and industrial visits. In many cases, the educators involved in imparting training/education are not fully qualified to do so. Since the discipline is highly technical new, the services of the faculty have to borrow from other discipline. The tourism industry needs various job levels to run efficiently.

- Selection tests cannot make a hundred per cent prediction of an individuals on-the-job success. At best, they just reveal that those who have scored above the cut-off-point (other things being equal) will be more successful than those who have scored below the cut-off-point. Therefore, it is desirable to use tests only as supplementary method of selection.

- Tests are suitable when there is large number of candidates for limited number of jobs or positions. If the
number of candidates is small, the use of tests is not economical. In such a case, it is desirable to select persons on the basis of interview only. However, this practice in Railways is not followed resulting into wastage of money, time and energy.

The infrastructure of Railway education around the world is still inadequate to the requirements. The training program for the jobs in the Railway sector should lay emphasis on financial management, human relations, and decision making, quantitative analysis, computer programming, economics, Human Resource Management, law, food processing etc. The training program should essentially give preference to the technologies related aspects but simultaneously they should give awareness of other allied aspects also. Unfortunately, Railway Training programmes lack this sentiment.

Under most circumstances authorized or scheduled absenteeism does not have a negative effect on organisation, since management can plan for the employees absence. The impact of this absence will be minimal or non-existent. On the other hand,
unauthorized or unscheduled absence can cause substantial hardships. Absenteeism happens in case when employees are dissatisfied with the salary, the nature of job and the prestige and status. This has created productivity problem and put an unfair burden on the majority of the employees. Unionised organisations like Railways are having higher absenteeism than the ununionised organisations. In certain cases, women are absent more than men and single persons are absent more than the married persons.

Overtime is a extra hour of work finish organisation workload for which employees are paid extra remuneration in addition to his normal salary. The overtime is prevalent in Railway. There has been a great change in the work culture of the Railway organisation. In recruiting permanent or contract employees, overtime method of engaging employees in the work process is not a healthy sign for the organisational success. In certain cases drivers and other employees have to remain at work even after their scheduled duty hours due to delay in arrival and departure of their relieves. This situation compel the organisation to pay overtime. Sometimes,
employees knowing delay in rendering their services so that they may earn overtime. This trend causes financial lass to the organisation.

- Railway organisation run like any other department in the same casual routine manner and there is hardly any scope for talented person and expert of the concerned field to find entry at this level of management. Therefore, Railways management is suffering from lack of dynamism at the top most level of the organisation.

- The morale of Railway personnel is very low because of the fact that outside interference in day to day working is increasing in a big way. Since the officers are frustrated and their self confidence sheltered, they are unable to take decisions without fear and favour. Political interference is at the top followed by other hindrances.

- Railways are under government control and therefore, they possess defects inhibited by government undertakings in he day to day working. Problem of corruption, among the employees is a major problem among the Railway Employees. Honest employees suffer from depression when they compare their economic and living standard with corrupt employees.
Some times uncalled delays in deciding problems of employees cause them mental tension and diversion and detachment from their work. An example for such delay is the example of payment of arrears as per sixth pay commission recommendations. The driver of Gorakhdam Express collided his train with another train and during inquiring proceedings can fessed that his attention was diverted in thinking whether the assess shall be paid or not to him. This caused un-alertness and the accident took place.

Indian Railway have planned for increase in their operations- passenger, traffic, freight traffic extension of activities to new areas etc., which will lead to further increase in the size of human force. But due to lack of proper and correct estimates of manpower requirements the railways furnish the requisition in piece meal and at uneven intervals. This results into duplication in fulfilling the procedural formalities, delays, wastage of time and money and delay in filling up the vacancies. This affects the existing staff adversely.

Undue delays in selection of candidates is observed in Indian Railways. This raises a pointing figure towards the whole procedure in the minds of candidates. This is
due to unawareness of the candidate regarding undue delays. Sometimes delays are so long lasting that the selected candidate joins the job elsewhere and whole of the process becomes a waste and the railways began the procedure of selection once again.

- Though Railway is constructing houses for the employees in the railway colonies yet their number is much less than the required number causing hardship to those employees who do not get it allotted for their scarcity.

- In order to provide educational facility to the children of railway employees, railway has established its own schools but their educational standards and facilities are not upto the mark.