CHAPTER-IX

CONCLUSION AND SUGGESTIONS

The present study is undertaken to make an appraisal of human resource management practices in dairy industry in India with special emphasis on Anand Milk Union Limited (AMUL). AMUL is an Indian dairy cooperative, based at Anand in the state of Gujarat, India. Formed in 1946, it is a brand managed by a cooperative body, the Gujarat Milk Marketing Federation Limited (GCMMF). The three-tier 'AMUL MODEL' has been instrumental in bringing about 'White Revolution' in the Country. AMUL spurred India's white Revolution, which made the country the world's largest producer of milk and milk products. Dr. Verghese Kurien is the man who is credited with success of AMUL. AMUL has registered incremental growth year after year and is in the process of still a bigger leap with their ambitions expansion programme. AMUL having roots in village cooperatives employ thousands of employees.

CONCLUSION:

If AMUL wants to make rapid strides and to maintain it with the competitive environment, besides taking care of financial and other physical resources, will have to manage its human resources effectively. In this respect a significant role is played by the polices and practices of Human Resource Management (HRM). The present study is an attempt to examine closely the policies and practices and practices adopted in this regard by AMUL.
HRM is concerned with integration getting all the members of
the organisation involved and working together with a sense of
common purpose. Human Resource take active role in the modern
economic scenario of any country. The abundant physical
resources alone cannot benefit the growth of the country without
Human Resource component, which Transform Physical Resources
into productive resources. The management of men is not only
fundamental but also Dynamic and challenging task. Human being
who is considered the most valuable assets of an organisation and
their effective management is the key to its success. The
organizations involve human resource department to take care of
human aspects in the organisation.

This department deals with issues like manpower planning,
their recruitment, selection, training development, motivation,
direction, wage and salary administration, performance appraisal,
promotion, demotion, transfer, negotiation, grievance handling,
industrial relations etc. Hence it is prime requirement of any
organisation. By using better human resource management
practices it can induct better capable and competent human
resources. besides the management has to adopt appropriate
methods and strategies to develop the potential inducted human
beings in the organisation. The study seeks to examine the
developmental plans, strategies and approaches of human
potential.
Objective of the Study:

Objectives of the present study aims at assessing the human resources management practices in AMUL and for accomplishing it to study the employment policies, assessing the HRD practices, examining the employee's compensation system, study the industrial relations climate, examining the employee welfare and social security and to study the extent of commitment and job satisfaction among the employees.

Hypothesis:

Human resource is an invaluable of an organization for enhancing productivity and providing quality service. Human resources have been considered as the best asset to give support for continuous growth and development of an organization with a view to achieving its strategic objectives. Therefore, development of human resources is the key to organization's success.

Hypotheses for this study have been formulated relating to recruitment and selection, employee welfare, job satisfaction and commitment and to study the relationship between these variables and personnel and organisation variables. The framework of the study has been developed on the basis of objectives and the hypothesis.

Methodology and Data Collection:

The study is descriptive as well as analytical. The study is descriptive in relation to socio-economic profile of respondents
based on welfare measures and industrial relations etc. HRM practices in operation in the organisation of study are also described in detail. In order to bring out a statistical analysis of the variables relating to workers welfare and job satisfaction etc. along with their relationship and association with personal and organisational variables etc. statistical tools like Chi-square test etc. are applied. The method of comparative study as well as case study method is adopted for detailed and indepth understanding of HRM practices.

The data for the study has been collected mainly from secondary sources. However, primary data is also collected and used in the study. The secondary data is mainly collected from the published information's of the AMUL and also from the official records of the organisation. However, primary data is mainly collected by the discussion with the officials of the organisation.

**Universe and Sample:**

AMUL and the employees constitute the universe. At present the total of the organisation was 1410. This includes all type of employees i.e. managerial and non managerial. A sample of 305 employers is taken for the study and this is represented by all. For selecting the sample stratified random sampling method is adopted.

**Limitations:**

Since the principle method of study is the case study method, the study has all limitations associated with this method. The filing system was faulty and may not have certain informations upto
date. The employees were hard pressed the spare time for our interviews. After a great difficulty they could be available after shift timings. After their job hours very few could spare time is they were tired after long hours of working, standardised instruments to measure job satisfaction and commitment were a few. Generally the instruments to measure job satisfaction etc. have been developed on the pattern of conventional industries.

Profile of the Respondents under Study:

Out of all the employees only 18.03 per cent fall in managerial category. The profile of the respondents indicates that majority of the employees falls in the middle age group i.e. 44 to 51 years and the average of employees is 47 years. Among the employees 87.0 are male. Most of the employers are married and only in all 6.2 per cent are unmarried, widowed or divorced. Similarly a very small percentage of the employees (5./2) hails from the out of Gujarat and the domicile of the rest is Gujarat. 88.2% of the respondents have migratory character and are migrated from other places either from near by places in the state itself or from out of state. Since the dairy business in agribased and village has a major role in it, the percentage rural respondents is 85.9. So far as the mother tongue is concerned a meagre 5.25 per cent has their mother tongue as either Hindi or Urdu and the rest have Gujarati as their mother tongue. So for educational background is concerned the cumulative percentage from high school graduation is 81.3. Among the employees hindus account for 92.5 per cent followed by Muslims (3.9%).
If Casewise 73.1 per cent of employees fall in open category. The majority of the employees have 2 to 4 dependents the residential status of the respondents indicates that 45.9 percent of than own their houses while 42.3 percent live in rented house. Only 10.8 percent of the employees are living in organised accommodation. 68.2 per cent respondents travel more than 5 km. distance to reach their work place. Most of the employees reach their work place by using public transport. Organisational transport is used by only 1.6 per cent of the employees. 54.4 per cent of the respondents accepted that they are in debt.

Recruitment and Selection:

On the question of reason for choosing AMUL as a destination for employment 33.1 percent of the respondents favoured this organisation for the reason of nearness from native place while another 26.6 per cent had the reason of job security.

On the question of mode of recruitment and selection 72.5 per cent respondents disclosed they were selected through interview while 13.8 percent were recruited through test. Others accounted for 11.8 per cent.

56.39 per cent of respondents were moderately satisfied on the issue of recruitment and selection. Another 3.28 per cent showed a high level of satisfaction while remainder find it low.

The study reveals no bearing of sex on the level of satisfaction of employees on recruitment and selection process. The association between sex and satisfaction is found statistically not significant.
On the further investigation it is found that 53 percent respondents were high school 35 per cent were graduate. This indicates that either the employees join at an early stage after passing high school or after completing at least graduation. The analysis reveals that educational background is not statistically significantly associated with the level of satisfaction.

The study suggests that about 50% of the respondents are in debt but their level of satisfaction on recruitment and selection is moderate the association between indebtedness and satisfaction is not statistically significant (Table 4.9).

The study reveals that the employees level of satisfaction does not dependent on their number of dependent. The association is statistical not significant (Table 4.10).

The study further suggests that rural/urban background has no bearing on the level of satisfaction of the employees on recruitment and selection. Further analysis reveals that the association between the variables is insignificant (Table 4.11); on onwards analysis it is found that category of staff has no bearing on the satisfaction level of employees on recruitment and selection (Table 4.12).

The study shows that recruitment and selection by caste is not significantly associated with the satisfaction level of employees (Table 4.13). This is further analysed that instead of caste other factors like experience, skill etc. play major role in recruitment and selection. The satisfaction level of all the age groups was found
moderate and the chi-square test applied on the two variables suggests statistically significant association (Table 4.14).

A significant association between gross salary and level of satisfaction on recruitment and selection is found among the dairy employees (Table 4.15). Similarly it was also observed there is bearing of net salary on the satisfaction level of employees of AMUL dairy. Most of the dairy employees are satisfied the obvious reason for this is the revision in the salaries from time to time. Hence the respondents appear to be satisfied in the dairy unit of AMUL.

**Human Resource Development**

In the context of present day competitive business, the quality of human capital of an organisation determines the degree of success which it can achieve. Since there is a keen competition for human resources and not only for customers, the human capital can be created within the organisation and not acquired from outside. From this point of view, HRD has created its own needs in every organisation. AMUL has intended to follow HRD philosophy but professional approach to HRD is lacking.

Training is an integral part of Human Resource Department. Training is an organised procedure by which employee may learn knowledge and skill for a definite purpose. The basic aim of training is to induce a suitable change in the individual concern. It can be useful in improving the transformation process that takes place in the organisation in terms of processing of input and outputs. Therefore training needs have to be related both in terms
of organisation's demand and that of individuals. AMUL is organizing programmes for farmers, member of village level cooperative societies, in addition to their own employees.

In order to assess the extent to which training programmes in AMUL have achieved the purpose for which they are designed, it is necessary to evaluate various activities that have culminated in the implementation of the training package. Nearly three fourth (67.35%) (Table No. 5.2) of employees have not received any induction training while vocational training is received by 6.0 percent respondents (Table 5.3) only. 70.2 per cent of the respondents (Table 5.4) have rated training and development programmes as poor majority have expressed that opportunities for employee training and development are not adequate and they could not get an opportunity to sharpen their skills and knowledge. 45.9 percent find the opportunities as average (Table 5.5) in this context.

Performance appraisal is a significant element of the information and control system in organisation. It can be put to several uses concerning the entire spectrum of HRM functions. Performance is the systematic, periodic and an impartial rating of an employee's excellence in matters pertaining to his present job and his potential for a better job. It is the process of obtaining, analysing and recording information about the relative worth of an employee. 59 per cent (Table 5.6) of the respondents feel that the criteria of performance appraisal is poor and is not based on work
performance. On the transparency and objectivity of the appraisal system 58.4 percent (Table 5.7) of the respondents feel that it is poor although 15.7 percent rate it as good. They are of the opinion that appraisee are not told about their weaknesses in an interview after appraisal. 62.9 percent system for making use of appraisal results for employee development is rated poor by 62.9 percent (Table 5.8), while 18.4 percent finds it good and another 16.4 percent as average. They are of the opinion that after appraisal they are not given proper feedback on the issue of self appraisal 80.2 percent of the respondents (Table 5.9) showed a negative attitude. Employee also hold the view that appraisal results are not used for assessing training needs as well as for their development.

**Wages and Employee Welfare**

Wages and salary are the most important component of compensation and these are essential irrespective of the type of organisation. Wages is referred to as remuneration to blue-collar employees, hourly rated payment. Salary refers to as remuneration paid to white collar employees including managerial personnel. Beside basic, other allowances are also paid to the workers and employees.

In Amul, wages and salaries are paid on monthly basis. A Time Rate Wage system is followed by the organisation. The salary of an employee includes basic salary plus allowances. Besides provident fund is also paid out. Majority (60.7%) of the respondents find their as commensurate with qualifications and
their efforts put in the organisation (Table 6.1). Similarly, a majority (78.7%) feel that their salary vis-a-vis the salary in other industries as either higher or same (Table 6.2). Again a majority (56.1%) of the respondents find their salary adequate enough to meet their basic requirements (Table 6.3). Another 68.8 percent of the respondents are not eligible for incentive and perks while rest are eligible (Table 6.4). On the issue of satisfaction on bonus payment system over three fourth 78.1% respondents are unsatisfied.

Employees welfare may be understood as including such services, facilities and amenities which may be established in or in the vicinity of organisations to perform their work in healthy and congenial morale. Employees welfare is in the interest of the employee, the employer and the society as a whole. For employee welfare measures enable the employee and his family to lead a good life. The welfare of employees is also in the interest of the larger society because the health, happiness, and efficiency of each individual represents the general well being of all.

Amul provides a comprehensive package of employee services and benefits. The Dairy spend a considerable amount for promotion of employee's well beings. It tends to look upon welfare activities as a means of security, preserving and promoting the efficiency and improving the quality of life of workforce.

It is revealed from the study that 42 percent of the respondents feel that these facilities are of high satisfaction level
however almost the same percentage (41.3) finds it in middle category. (Table 6.5). On the question whether there is any association between sex and employee welfare? Majority of both the sexes feel that there is a significant association between the two variables (Table 6.6). An attempt has been made to know whether there is any association between Employee Welfare and their educational background? On indepth study it is found that educational background has a bearing on satisfaction level regarding employees welfare (Table 6.7). The association between indebtedness and the employee welfare is insignificant (Table 6.8), on the question whether number of dependents has any bearing on satisfaction level of the respondents regarding labour welfare it is found that the association between the two variables is significant (Table 6.9). Rural/Urban background of the employee does not effect their satisfaction level regarding employee welfare (Table 6.10). This is also observed that category of the employee has no bearing on the satisfaction level of the employees with regard to their welfare by cost, the association of caste with employees satisfaction is found significant (Table 6.11). It is also found that age of the respondents has no significant association with the employees welfare satisfaction level (Table 6.12). Thus, this inference can be drawn from the study that the employees welfare has association with personal factors like sex, educational background, caste and number of dependents.
Industrial Relations:

Industrial Relations (IR) system operates in a given environment. This environment is dynamic and changes over the period of time. Therefore, IR system which is workable in a given environment may not be equally effective the changed environment. Major environment of factors which impinge on IR system are economic, technological, political, legal and social. These environment factors are quite broad and affect the total organisational processes.

The IR in dairy industry have been fluctuating. They have never been static however the period and the quality of these relations have been changing over time.

Employees associations constitute one of the major stakeholders in IR system. These associations are called by different names but the term trade union has become most common all over the world. The concept of trade union though originated in the context of blue collar workers, has extended beyond and covers white collar employees and even supervisor and officers. The tendency is prevalent in all organisations.

Majority (60.7 percent) of the respondents are the member of trade union in (Table 7.1). On the enquiry of reasons for joining trade unions it is found that 30.2 percent of the respondents have joined for the reason of becoming a member of the group, for protection from management (11.5 percent), employees unity and solidarity (8.9 percent). Monetary gains could attract only 5.2
percent memberships (Table 7.2). Of the total 60.7 percent are the members of the union. Out of these 12.2 percent are the office bearer of the union (Table 7.3). 52.5 percent of respondents did not participate in any trade union movement like participate in any trade union movement like strike etc. (Table 7.4). The trend of casting votes in trade unions election is not very encouraging and 45.9 percent of the employees did not caste their votes in these elections (Table 7.5).

Majority (55.1 percent) make payment of subscription as and when it becomes due (Table 7.6). However members participation in fund raising activities is low and 68.8 percent of them do not take part in this activity (Table 7.7). On the issue of unions meeting expectations of its members, almost equal views, 49.5 percent in favour and 50.5 percent against are found (Table 7.8). On the issue of leadership, an overwhelming 80 percent of respondents preferred inside leadership (Table 7.9).

Collective bargaining has emerged as a major institutional mechanism for the resolution of conflicts of interests between employees and management. Collective bargaining system originated in response to unilateral decisions made by management on issues relating to the employees. These uni-lateral decisions create the disputes in the organisation. Therefore, in order to replace such system of decision making, a bi-lateral decision making system in the form of collective bargains is evolved. Collective bargaining system is generally resorted to interest issues
where some new rights are created or existing rights are to be expanded or modified. Collective bargaining in AMUL is adopted as a democratic method of settlement of issues related to its workers and employees. Both unions and management prefers to settle disputes by this method.

While evaluating union influence on management 50.2 percent respondents think that the influence has increased but 25.3 percent hold a contrary opinion (Table 7.10) on the issue of effectiveness of collective bargaining, 56.7 percent of respondents hold the view that it is effective however others have a contrary view (Table 7.11).

In the above scenario, parties show maturity, trust and understanding in addressing their problems and settle the same in an amicable way. It is a healthy tradition in AMUL that the parties try to resolve their problems among themselves, wherever a situation of dead lock emerge they take help of the conciliation officer. Even if the settlement is reached on the mutual basis they approach conciliation officer to sign the agreement. The signature of the conciliation officer makes the agreement binding on parties of dispute as also on other workers. Adjudication process is normally avoided and rarely fond to be used. However, only 25.3 percent of the respondents were found aware of Bipartite Committee (Table 7.12).

In Amul various committees related to various issues and matters are constituted such as joint committee, canteen
committee, works committee, safety committee, productivity and quality control committee etc. 83.6 percent of the respondents were found to be using canteen services (Table 7.13) while another 25.6 percent of the respondents rated canteen services as good, and 23 percent rated as average (Table 7.14).

Though dairy industry does not involve hazardous nature of work giving rise to accidents the management has not neglected the safety aspects of the employees. An officer in the production department who is qualified and trained is kept as incharge of the safety programme. A safety committee is also constituted with safety officer as the president of this committee and other functional heads as member. On the issue of safety awareness 60.7 percent of the respondents are unaware of this committee and its working (Table 7.15). On the adequacy of the safety measures 59 percent of the respondents feel that they are inadequate. (Table 7.16). Similarly on the functioning of safety committee 69.9 percent of respondents rate is as poor while 20.6 percent as average and remainder 11.5 per cent as good. (Table 7.17).

As per requirement of Industrial Dispute Act, works committee is also constituted 61 per cent of the respondents are not aware about the existence of the works committee (Table 7.18). This indicates poor working of these committees. The meeting of this committee is not regularly convened and the management do not incline to implement its decisions. In addition to the committees already mentioned, the dairy has also constituted
production committee and quality control committee to look after production and quality control.

It is essential to maintain discipline among the employees for better job performance. In the organisational context, discipline denotes mode of behaviour in accordance with the organisationally prescribed rules, regulations, procedures or other expected modes of behaviour. AMUL also emphasises on discipline and compliance of law, rules and regulations. AMUL also wants to avoid conflicts of interest among senior and junior management as also with the employees. AMUL also wants that in the operation of business senior management should follow the ethics and practices of organisational business.

Majority, 57.4 percent of the respondents were aware of organisational rules and regulations relating to discipline (Table 7.19). 49.8 percent of the respondents rates the organisation as moderately disciplined while 22.7 percent feel it as just disciplined (Table 7.20).

On the rating of overall industrial relations, 64.1 percent of the respondents found it as satisfactory and another 19.7 percent rates it as good making a percentage of 83.8, jointly (Table 7.21). On the issue of rating overall union management relations, 65.9 percent find it satisfactory while another 20 percent rate it as good. However, remainder of the respondents give a rating of poor (Table 7.22).

Emergence of grievance is a natural outcome of interaction
among people whether in the organisational context or in other context. In the organisational settings, employees may have some grievances against employers and in the same way employer may have grievances against employees. Grievance is a state of dissatisfaction over some issues related to employment. Generally expression of this dissatisfaction in oral form is known as complaint while in written form, it is termed as grievance. This is the latter form of expression of dissatisfaction which requires redressal.

When employees have grievances and these are not properly redressed, this results into frustration, discontent, indifference to work, poor morale and low productivity. Accumulated grievances among employees may lead to turmoil in the organisation. In AMUL there are day to day problems of workers. To handle those problems a grievance handling procedure is established. First of all the employee will present his problem to the supervisor and if he fails to settle the grievance, he is sent to the manager. If he too fails, the matter is referred to the concerned committee which follow the further suit to settle grievance.

Majority 58 percent of respondents do not approach unions for their grievance redressal. However remainder 42 percent contact unions for such redressal (Table 7.23). 55.7 percent of the respondents are lacking awareness of the grievance handling procedure (Table 7.24). On the issue of availing grievance procedure any time 75.1 percent of the respondents replied in
negative but the remaining 24.9 of respondents had an affirmative answer (Table 7.75). 49.25 percent of the respondents rated the grievance settlement machinery as satisfactory while 42.6 percent among them feel it as poor. only 8.2 percent of the respondents rate it as good (Table 7.26).

**Commitment:**

Commitment emerges only when the employees identify with the aims and objectives of the organisation as their own. Commitment has implication both for the individual as well as the organisation. At the end of individual high level of commitment trends to put in sincere, honest and sustained hard work. From organisational point of view it develops a feeling of belongingness, a sense of pride and determination towards the organisation goals. In AMUL commitment level was studied by the researcher. Out of total respondents, 36.1 percent has a high level of commitment, while majority (60 percent) has a middle level of commitment. Only 3.9 per cent of the respondents have low degree of commitment (Table 8.1). On assessing work commitment by sex it is found that Males have more work commitment as compared to females (Table 8.2). Educational background has a bearing on work commitment. With the increase in education, work commitment also increases (Table 8.3). For further analysis of work commitment, the association of work commitment with indebtedness was observed with the chi-square test. The result of the test explains no bearing of indebtedness with the level of commitment.
The association of number of dependents with the work commitment was also analysed with the help of chi-square test. The result of the test tells us that there is no bearing of number of dependents on the commitment level of respondents (Table 8.5). The study further reveals no significant association between rural/urban background and the work commitment (Table 8.6). Further on analysing work commitment by organisation, it is found that in AMUL, moderate level of work commitment prevails in more than fifty percent of respondents (Table 8.7). Category of respondents into managerial and non-managerial has no impact on their level of work commitment (Table 8.8). Work commitment is influenced by the caste. In open category, 134 respondents have the moderate level of work commitment while one-third of the respondent of backward class had a moderate level of work commitment. It is interesting to note that two-thirds of schedule castes had a moderate level of work commitment (Table 8.9). Young and middle-aged respondents showed a high degree of moderate work commitment in their groups (Table 8.10). The impact on work commitment by the gross salary is found among the respondents. Respondents having high gross salary had a high level of work commitment also (Table 8.11). Similarly, the association between net salary and the work commitment was observed as positive and significant also (Table 8.12).

**Job Satisfaction**

Job satisfaction is the end feeling of an employee after
performing a task. To the extent that an employee's job fulfills his dominant needs and in consistent with his expectations and values, the job will be satisfying. The feeling would be positive or negative depends upon whether need is satisfied or not. Job satisfaction is an end feeling which may influence subsequent behaviour. Job satisfaction also signifies general attitude of the employee towards his job.

Job satisfaction also formed an important aspect of the study. It is believed that the job satisfaction among the employees of an organisation increase his efficiency level and also lead to improvement in his work performance both qualitatively as well as quantitatively. To ascertain the job satisfaction level in AMUL employees, respondents were asked to give their opinion on it. Majority (67.2%) expressed medium level job satisfaction while another 26.9% found it low rest 5.9% of respondents put their satisfaction level as high (Table 8.13). The association between employees sex and job satisfaction is found not significant. More than two third of employees jointly from both the sexes rated their job satisfaction as moderate. (Table 8.14). Educational background has no bearing on the job satisfaction level and their association is not significant (Table 8.15). To study the impact of indebtedness on job satisfaction, their association was found out by using the chi-square test the result indicate no significant association between the two (Table 8.16).

The study further reveals that there is no association between
number of dependents of the employee and his job satisfaction (Table 8.17). Similarly, rural/urban background of the employees also do not influence their job satisfaction (Table 8.18). It is further revealed that in the organisation under study (AMUL) more than two third (206) of the employees have a moderate level of satisfaction while another 84 respondents showed a high degree of satisfaction (Table 8.19). On the categorywise analysis of job satisfaction it is revealed that in both the categories (managerial and non-managerial) of the employees, the job satisfaction level is moderate among the majority of employees (Table 8.20). Caste of employees do not influence their job satisfaction (Table 8.21). A significant effect of age is noticed on job satisfaction of the employees. More than two third of the employees expressed moderate job satisfaction level among them. Both gross as well as net salary have a high level of impact on the job satisfaction of the employees. Most of the respondents expressed moderate to high level of satisfaction on this count (Table 8.23 and 8.24).

**SUGGESTIONS:**

Based on the findings and conclusions of the study, the following suggestions may be made for improving Human Resource Practices in AMUL.

**Suggestion Regarding Employment Expansion**

Dairy industry has a vast area of operation. Its potential for contribution to economic development and employment generation emerge since it is a vital food industry which caters the daily needs
of the population: AMUL may take necessary steps to expand its operation further with special emphasis on processing capacity expansion. It being an agro-based industry both aspects of generating further employment in rural India as well as using new technology must be given equal importance.

**Suggestions Regarding Human Resource Development:**

Lack of professionalism among the workers working for dairy industry is the key area of problem of this industry. For removing this shortcoming following steps may be suggested:

(i) As against the requirement of a big number of trained and professionally qualified employees only a handful number is available. It is therefore suggested that not only the organisations like AMUL need to open more training centres but also government should take appropriate steps to open a good number of training centres to ensure the flow of trained personnel in this industry.

(ii) Professional standards of existing institutes is not upto the mark, hence it should be upgraded. For doing so a committee of experts may be constituted.

(iii) Whatever handful training institutes and the training centres are operational, charge a very fees for such course or training. It is therefore suggested that the government or the organisation running such institutions should exercise control on it.
(iv) Meritorious students should be awarded scholarships so as to encourage them.

Suggestions Regarding Obsolete HRD Practices

Dairy industry is still following old outdated and traditional human resource practices and in some areas the adoption of HRF practices is found to be marginal. Hence it is suggested that:

(i) The dairy units should refine its HRD practices by adopting more professionalism and by induction of principles of modern management.

(ii) Old practices of wage payment should be replaced by the performance linked wage payment system.

(iii) Industrial relations should be governed by current industrial laws, old practice should not come in the way of adoption of new system for resolving industrial disputes.

Suggestion regarding Effective Human Resource Planning

No method of scientific planning is found in the organisation under study. Following steps that may be taken to improve the effectiveness of human resource planning are as under:

(i) Human resource plants should be balanced with the organisational plans of the enterprise. The methods and techniques used should fit the objectives, strategies and environment of the particular organisation.

(ii) The period of a human resource plan should be appropriate to the needs and circumstances of the specific enterprise. The
size and structure of the enterprise as well as changing aspirations of the people should be taken into consideration.

(iii) Human resource planning function should be properly organized. A separate cell, section or committee may be constituted within the human resource department to provide adequate focus, and to coordinate the planning efforts at various levels.

(iv) Before starting the human resource planning process, the support and commitment of top management should be ensured. Moreover, the exercise should be carried out within the limits of a budget. There is no use of formulating plans which cannot be implemented due to financial constraints.

(v) Due to non scientific planning of manpower, dairy organisations suffer with the over or under manpower availability. Hence they need a refining of their manpower planning as per their requirements.

**Suggestions Regarding Training and Development**

Training and development in dairy organisation like AMUL need attention. Though certain training programmes are organised in AMUL still it needs some improvements. Hence it is suggested that:

(i) Induction programmes must be made an integral aspects of the socialisation process of the new employees.
(ii) Training programmes must be identified on the basis of need and must be organised on continual basis.

(iii) Training programmes must be evaluated at all levels so as to judge their suitability to the organisation and the employee. Training must be imparted in such a simple way that it may transfer to the employees easily and their efficiency and the productivity is increased.

(iv) Management development programmes must be need oriented and the managers should be encouraged and sent to the outside institutes to receive more qualitative training.

(v) Superior subordinate relations, inter departmental unit coordination and promotion of team approach is essential for organisational development. Hence it is the duty of the management/to design its training programmes in such a way, that can meet this requirement.

Suggestions Regarding Recruitment Policy

A properly planning and systematic recruitment policy is necessary to minimize disruption of work due to changes in employees and to secure equitable distribution of employment opportunities. A well-considered and pre-planned recruitment policy based on the goals, needs and environment of the organization will help to avoid hasty or ill-conceived decisions and help to man the organisation with the eight kind of personnel. The factors affecting recruitment policy include organisational objectives, human resource policies, preferred sources of
recruitment, organisations, recruitment needs, recruitment costs and financial implications, selection criteria and preferences etc.

There are several pre-requisites of a good recruitment policy. It should:

(i) abide by the relevant public policy and legislation on hiring and employment relationship.
(ii) provide employees with job security and continuous employment.
(iii) integrate organisational needs and employee needs.
(iv) provide each employee with freedom and opportunity to utilize and develop knowledge and skills to the maximum possible extent.
(v) treat all employees fairly and equitably in all employment relationships.
(vi) provide suitable jobs and protection to handicapped women and minority groups.
(vii) encourage responsible trade unions.
(viii) be flexible enough to meet the changing needs of the organization.

Suggestions Regarding Performance Appraisal

Although system of performance appraisal is in practice in the organisation under study. However, for more effective appraisal, following suggestions may be given:
The appraisal system needs to be qualitatively improved and objectivity as well as transparency must be maintained.

The employees should be told about the criteria adopted for such appraisal. They should also be told about their strengths and weaknesses.

There should be an integrated performance system among promotions, reward system and growth and opportunities of the employees.

**Suggestions Regarding Good Industrial Relations**

**Steps for Good Industrial Relations**

Looking at the costs involved in poor industrial relations, the various parties involved should take constructive steps to bring good industrial relations. However, the organisation is in a better position to initiate such steps. The major steps in the direction of building to initiate such steps. The major steps in the direction of building good industrial relations are suggested as under:-

(i) Trust between employees/trade unions and management is the most important single factor for good industrial relations.

(ii) The problem of industrial relations should not be seen in isolated context but in much wider context of total human resource management policies covering from the stage of recruitment to integration of employees with the organization. To the extent various such policies are conducive, industrial relations will be good.
(iii) An industrial relations system has a feedback mechanism which provides information on the status of industrial relations in the organization. Based on such a feedback, proactive actions should be taken to sort out the problems before it goes out of proportion. Often, a small problem, if neglected generates a much complex problem later on.

(iv) Industrial relations in an organization, particularly the large ones, should be handled by the persons having professional competence and approach. These persons should be well versed with different aspects of industrial relations - legal as well as behavioural. Further, they should develop right approach in handling industrial relations in wider context and should not confine themselves in fault finding activities of trade union working.

Suggestions Regarding Compensation Management:

Compensation policy is derived from organisational strategy and its policy on overall human resource management. In order to make compensation management to work effectively, the organization should clearly specify, it compensation policy, which must include the basis for determining base compensation, incentives and benefits, and various types of perquisites to various levels of employees. The policy should be linked with the organisational philosophy on human resources and strategy. Besides, many external factors which impinge on the policy must also be taken care of.
Employee welfare programmes like housing, canteen facilities, social security measures etc. play a vital role in the commitment of workers. In dairy industry there is wide coverage of welfare programmes, i.e. washing allowances, recreational facilities, leave travel concession, co-operative credit society, canteen facilities, housing facilities, various loan facilities, consumer cooperative stores, allowances and a unique scheme for the decreased members of the family and other employee welfare programmes have great impact on employees that will obviously lead to commitment of the job.

In fact the managements have concentrated to extend employee welfare facilities in accordance with their financial viability. There is a greater need to introduce new employee welfare measures based on needs of individuals because present employee's aspirations are high in all aspects of their life. Studies suggest that new schemes in the new economic environment might enable the employees of today to perform their jobs meaningfully. Besides the existing benefits, new measures like access of internet, opportunity for multi-skills learning, interactions with other executives are essential for the managerial personnel. Whereas in the case of the non-managerial personnel upgradation of skills, performance-linked incentives, autonomy of work, and empower to take decisions will go a long way to make the young employees more committed.
Suggestions Regarding Career Development:

Career planning alongwith promotions has been a matter of raw dealing in the hands of the management of the organisation under study. The study revealed that some employees like dairy attendants retire awithout having any promotion and development opportunities. This means that they retire at the position on which they were initially recruited. This shows management's negligent behaviour and thought regarding career development of the employees. However, the importance of career planning both from personal point of view of employee or from management's point of view cannot be ignored. Management should not forget that human resource planning cannot be effective without proper and adequate career planning. Hence it is suggested that the management of dairy organisation should explore promotional avenues or incremental growth in the time scale for every four or five years to keep the morale of the employees high and work enthusiastically.

Suggestions Regarding Grievance Redressal:

In the organisation under study (AMUL) Joint Committee have been constituted with a view to promote consultation between management and workers. The working of these committees is found to be unsatisfactory. Workers participation is very important in the industrial relation policy in India. Participatory management practices in the organisation should be strengthen and a thorough review of the working of joint committee has to be made.

A good grievance perocedure is one which meets its objective
of grievance redressal within the least possible time and least possible cost, both financial and psychological. From this point view a grievance procedure should be developed.

Although there exists a grievance redressal mechanism in AMUL but employees awareness in this regard is low. Sometimes they approach trade union for their grievance redressal instead of lodging job related complaints to the appropriate authority entitled for dealing in grievance redressal machinery. Therefore, it is suggested that the workers should be made aware of the grievance redressal machinery and should also be encouraged to express their grievance freely.

Suggestions Regarding Indiscipline and Misconduct:

The study revealed that the cases of misconduct in the organisation of the study are frequent. In AMUL major indiscipline and misconduct are noticed in the form of absconding from duty without authorised leave, dereliction of duty, willful insubordination, fraud and damage to the property. It is further revealed by the investigation that the main cause of such incidents repetition is the lenient view of management towards these incidents. Inordinate delays in disposing off these matter is another big reason of such conduct of the employees. It is therefore, suggested that the management should take a strict view and action on such incidents in the organisation. The Management should conduct a quick and fair trial and once the offence is proved punishment should be decided as early as possible on the basis of
findings of enquiry, past record of the worker and gravity of the misconduct.

**Suggestions Regarding Future Strategy:**

Though AMUL is placed almost in a monopolistic situation for the time being in dairy industry of the country and the AMUL model forms the very basis of other dairy organisations yet it has to be acknowledged that the business world is highly competitive and AMUL cannot escape this challenge, which is likely to be more intense in the future years to come. Under these circumstances the strategy of the organisation in terms of HR practices, finance, marketing and technology are not adequate. The operation of the AMUL should be more professionalised and the future challenge is accepted. HR policies of the organisation must be integrated with the overall business strategic policies of the organisation.

There is a need to look into the continuous changes in the environment and human resources and also to find out proper solutions that arise from them. Every manager has to find out solutions to these changes and also manage human resources effectively by properly understanding the human resources management practices. The manager should be through with educational and developmental programmes that takes place continuously in the field of human resource management. Effective human resource management practices can play three major roles in the organisation, they are to build critical organisational capabilities, enhance employee satisfaction and also improve customer satisfaction.