



Effective Methods of Managing Human Resources in Indian Sugar Mills-Some Evidences

KEYWORDS

Human resources job satisfaction-social security measures.

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Introduction

"Human resource management" refers to the management of men and women workers. It includes a set of policies and practices. The policies and practices of the traditional personnel management also come under the purview of human resource management.

Human Resource Management Policies

"Human resource management" policies mean general guidelines on human resource functions for action in private sugar mills in Tamil Nadu.

Human Resource Management Practices

"Human resource management practices" means the actual practices covering the service conditions of workers, including conventional personnel management practices, which are implemented in the private sugar mills in Tamil Nadu. Employees "Employees" refer to people working in the private sugar mills in Tamil Nadu either on permanent or on seasonal basis. It includes Officers, supervisors and workmen.

Employees' Satisfaction

"Satisfaction" denotes a set of attitudes to a particular thing. Thus, the term satisfaction for the purpose of the study connotes the attitude of the employees of the private sugar mills towards their treatment by the superiors. Workmen "Workmen" refers to people working in the private sugar mills on regular or seasonal basis and drawing the salaries as per the Wage Board Settlement of Sugar Industries. Workmen include highly skilled, skilled-A, skilled-B, semiskilled and unskilled workers.

Officers

"Officer" means an employee who was appointed prior to June 1999 and who is drawing salary as per the norms of the State Government.

Nature of Employment

"Nature of employment" means the type of work in sugar industry. It can be broadly categorized into regular and seasonal. In regular employment, The employees are provided job throughout the year, whereas in seasonal employment the workers are engaged only during the crushing season. However they are the permanent employees of the sugar mills.

IMPORTANCE OF HUMAN RESOURCE MANAGEMENT IN PRIVATE SUGAR MILLS

Private institutions consist of a significant quantum of human resources. The effective and innovative human resource management is equally important for all types of private enterprises. The reasons lie partly in the peculiar growth of small-sized enterprises and partly in the lack of awareness of problems of human resources. Most of the private sugar mills are small in size and operations. Therefore, they are not aware of the human resource management practices. However in large-scale private sector like private sugar mills the chairman and the board of directors are expected to be aware of the human resource management practices.

With the passage of time, human resource management in private had become the result of wide spread dissatisfaction

of the employees. Unsatisfactory working conditions, limited scope for personal growth lack of professionalism in the field of human resource management and similar 13 drawbacks have led to the dissatisfaction of the workers. Private sector, being one of the major sectors of the economy, cannot afford to be complacent with the status quo for the coming years. In private sector, little effort has been made to formulate and disseminate knowledge and skills of human resource management system due to the reasons explained above. Therefore, efforts are to be taken to solve the problems mentioned.

The absence of a strong human resource management has caused the emergence of most of the drawbacks of private sector and created problems of stability and growth and has also retarded the process of development. Introduction of a proper human resource management system has now become necessary, as the conditions of the economy have changed considerably, requiring introduction of new technology. Human resource management is both the foundation and fountain of developing sound infrastructure- professionalized management in private sector. In this way, the human resource management plays a crucial role in the implementation of strategic management of private sector, which is human-centered, value-led and culture-dependent. The private sector institutions in the country are yet to develop systematic personnel policies.

There are no arrangements at present for long-term manpower planning and consequently for staff development. Lack of a systematic approach to recruitment of personnel, training and placement has been one of the impediments in professionalization of management.

STATEMENT OF THE PROBLEM

Sugar industry is the second largest agro-based industry in India, next to textiles. In 2005-06, there were 577 sugar production units in India of which 203 were in the private sector. A large part of rural population was involved in the functioning of sugar factories. They usher in radical changes by providing facilities like agriculture, extension of irrigation, education, health, dairy and poultry. Moreover, they have modernized agriculture Subsistence farming has now assumed commercial proportions. The result is a socio-economic transformation of the rural India. They harness and reinforce the capacities and energies of men and women human resource in a meaningful and fruitful way.

In the Indian sugar industry there is low productivity of manpower. The Reasons are: financial stringency, steadily declining profitability lack of integration between employees and mills and demoralization and lack of job security. Overstaffing is lugubrious attribute to an un-economical working of private sugar factories. Most of the shortcomings are due to differences in the characteristics and attitudes of employees, unrest among certain workforce and strained industrial relations. The private sugar mills require professionally competent as well as co-operative oriented human resource. To enhance the management excellence, review the existing practices and evolve suitable parameters. This begets a conducive work environment in private sugar mills.

SCOPE OF THE STUDY

The scope of the study is to evaluate the human resource management practices of top five private sugar mills in Tamil Nadu based on their turnover. The reason for the selection of private sugar mills is that Tamil Nadu State stands fourth in sugarcane production next to Karnataka, Maharashtra and Uttar Pradesh. However, in the percentage of sugar extracted from cane, Tamil Nadu stands first. In this study the researcher has identified the following specific Key

Human Resource Management to know their impact on Private sugar

1. Human Resource Planning
2. Recruitment and Selection
3. Training and Development
4. Wages and Salary Administration
5. Working Conditions
6. Motivational Measures
7. Promotions and Transfers
8. Labour Welfare Measures
9. Workers' Participation in Management
10. Performance Management
11. Employees' Grievance Handling
12. Industrial Relations.

The researcher has focused on the above key factors only and has not covered other aspects which earlier studies have concentrated on. Realizing the imperatives of improving human resource management practices of the private sugar mills in the context of better future for a developing economy like India, an attempt has been made to look into remarkable human relations through effective human resource management practices.

OBJECTIVES OF THE STUDY

The specific objectives of the study are as follows

1. To study the progress of sugar mills in India and Tamil Nadu.
2. To identify and analyze the existing human resource management practices in selected private sugar mills in Tamil Nadu.
3. To study the personal profiles of the organization which influence the human resource management practices in the selected private sugar mills in Tamil Nadu.
4. To examine the different dimensions of human resource management practices in the selected private sugar mills in Tamil Nadu.
5. To create a model for human resource management practices in private sugar mills in Tamil Nadu.
6. To suggest appropriate measures to enhance the human resource development in private sugar mills in Tamil Nadu.

HYPOTHESES

1. There is no association between personal profiles and human resource management practices in private sugar mills.
2. The present human resource management practices are at a satisfactory level.
3. There is relationship among the dimensions of human resource management practices.

RESEARCH METHODOLOGY

There are 19 private sector sugar mills in Tamil Nadu. Only five sugar mills were selected on the basis of turnover for this study. The total strength of workers was 3426 as on 31.03.2007 in all five private sugar mills. By adopting the stratified random sampling technique (proportionate), 500 respondents were selected on the basis of employees' category as strata. Tippet's random number table was used to select the sample respondents in each stratum. The employees were classified into three categories namely Officers, supervisors and workmen. Ten Officers, 15 supervisors and 75 workmen were selected from each Sugar mill. The human resource management practices vary from mill to mill. There are no standard yardsticks in the employment of workers. Mills with higher capacity use smaller number of employees

than mills with lower capacity. Moreover, the number of employees also varies depending upon the season. Hence, the samples based on some proportion or percentage will not be relevant. Therefore, a fixed number of employees have been selected from each category for this study. The current study is pragmatic in nature based on survey method. The primary data were collected from employees from five private sugar mills. pilot study was conducted during July 2007, with 25 workers and 10 Officers in three private sugar mills. The secondary data were collected mainly from journals, reports, books, and records of the private sugar mills. More relevant secondary sources were collected from Indian Institute of Management, Bangalore, ICSSR (Indian Council of Social Science Research) New Delhi and Vellore Institute of Technology, Vellore.

Sample 500
Respondents
Officers
5 mills x 10
Respondents =50
Workmen
5 mills x 75
Respondents = 375
Supervisors
5 mills x 15
Respondents =75

The ultimate objective of the study was evaluating the human resource management practices of private sugar mills in Tamil Nadu. In order to analyze prevailing human resource management practices in the private sugar mills, various statistical techniques such as Chi-square, Correlation, Multidimensional scaling, Factor Analysis, ANOVA, Multiple Regression, Cluster analysis, Multi Dimension Scaling (MDS) have been used with the help of SPSS. To arrive at possible solutions simple percentage analysis was also employed. The primary data were collected during 2007-2008. The secondary data cover a period of 10 years from 1998-99 to 2007-08.

PROFILE OF SUGAR MILLS

E.I.D. Parry (India) Ltd., contact address is No. 138, Keel Amngunam Road, Nellikuppam-607 105, District-Cuddalore, Ph.-(04142) 272231, 272232, 272239, 273437, Fax- (04142) 272242, E-mail: adminkm@parry.murugappa.com, Nearest Railway - Nellikuppam 0.5 Km, Nearest District- Cuddalore 12 Km, Nearest Airport- Chennai 165 Km., Co. Office - Dare House, 234, N.S.C. Bose Road, Chennai 600 001, Ph.- (044) 25340251, 25341053, Fax- (044) 25340858, 25340986, Holiday- Sunday, Courier- Professional. 1 set of knives 1 fibrizor 16 rollers 940 x 1981 8 rollers 1050 x 2100 Performance of Sugar Factory Plant AW SMITH, B W, NHEC, KCP.UTTAM & KIRLOKAR. Season 2007-08 2006-07 2005-06 Crushing Capacity (M.T.) 5000 5000 5000 Cane Crushed (Lakh M.T.) 13.20 14.22 14.03 Sugar Produced (Lakh/Qtl.) 11.43 12.44 12.32 Sugar Recovery (%) 8.66 8.74 8.56 Molasses Produced (Lakh/Qtl.) 6.17 6.71 6.83 Shree Ambika Sugars Ltd., (Unit II), contact address is Pennadam R.S. Post, Tittagudi Taluk, District-Cuddalore 606 111, Ph.-(04143)222215, 222234, Fax-(04143) 222253, E-mail:headpndm@tasugars.com, Nearest Railway- Pennadam R.S. 1/2. Km., Nearest District- Perambalur 50 Km., Nearest Airport-Trichy 120 Km., Co. Office.- Post Box No.3328, No.112, Uthamar Gandhi Salai, Chennai- 600 034, Ph.(044) 28276001, 28270915, Fax- (044) 28270470, Holiday- Sunday, Courier Services- Professional. sets of knives 1 fibrizor 15 rollers 915x1981 with GRPF for 1st & last mill TRPF II, Til & IV mills Performance of Sugar Factory Plant BW Season 2007-08 2006-07 2005-06 Crushing Capacity (M.T.) 5000 5000 5000 Cane Crushed (Lakh M.T.) 12.74 12.53 12.23 Sugar Produced (Lakh/Qtl.) 12.28 10.94 10.99 Sugar Recovery (%) 9.64 8.73 8.98 Molasses Produced (Lakh/Qtl.) 4.74 5.87 5.56 21 Rajshree Sugars and Chemicals Ltd., (Unit II) contact address is Mundiampakkam, Villupuram Taluk & District Pin code - 605 601, Ph.- (04146) 232401, 232402, Fax- (04146) 232403, E-mail: mpakkam@rajshreesugars.com, Website- www.rajshreesugars.com, Nearest Railway- Mundiampakkam 01 Km, Nearest District-Villupuram 08 Km, Near-

est Airport- Chennai 150 Km, Co-office.-"The Uffizi" 338, Avinashi Road, Peelamedu, Coimbatore 641 004 Ph.- (0422) 2580981/83, Fax- (0422) 2577929, Holiday- Sunday, Courier Services- Professional. hammer 1 fibrizorl & II mill-36x78 III & IV mill 33x66- 12 rollers with TRPF V mill - 42 x 84-3 rollers with TREF Performance of Sugar Factory Plant WIL, KB, KRUPP, NHEC & HDO. Season 2007-08 2006-07 2005-06 Crushing Capacity (M.T.) 5000 5000 5000 Cane Crushed (Lakh M.T.) 14.74 12.96 12.69 Sugar Produced (Lakh/Qtl.) 13.47 11.90 11.53 Sugar Recovery (%) 9.14 9.18 9.09 Molasses Produced (Lakh/Qtl.) 6.24 5.95 6.22 Thiru Arooran Sugars Ltd., Unit II contact address is Timmandankudi - 612 301, Koonancherry P.O. Papanasam T.K. Thaniavur Dist Ph - (0435) 2441184 to 87, Fax - (0435) 2441188, E-mail: headtmk@tasugars in Nearest Railway- Swamimaiai 6 Km., Nearest District- Thanjavur 35 Km., Nearest Airport- Trichy 100 Km, Co-Office.- Eldorado Bldg., 5th Floor, No. 112, Mahatma Gandhi Salai, Chennai-34, Ph.- (044) 28276001 Fax-(044) 28270470, oliday- Sunday, Courier Services- Professional. 3 sets of knives 1 shredder915 x 1980-1 mill 850x1700-11 to Vmill 1067x2131-VI mill. Performance of Sugar Factory Plant KCP Season 2007-08 2006-07 2005-06 Crushing Capacity (M.T.) 5000 5000 5000 Cane Crushed (Lakh M.T.) 7.28 11.24 11.01 Sugar Produced (Lakh/Qtl.) 6.95 9.28 10.86 Sugar Recovery (%) 9.55 10.42 9.28 Molasses Produced (Lakh/Qtl.) 3.13 5.26 4.99 Ponni Sugars (Erode) Ltd., contact address is Cauvery R.S. PO., Erode 638 007, Ph.- (04288) 247351 (8 lines), Fax-(04288) 247363, E-mail: gen@ponnisugars.com, web: www.ponnisugars.com, Nearest Railway- Cauvery R.S. 2 Km, Nearest District- Erode 10 Km, Nearest Airport-Coimbatore 100 Kms Co-Office.- Esvin House, Perungudi. Chennai 600 096, Ph.- (044) 24961920, Fax-24960156, Holiday- Sunday, Courier Services- Professional. Chairman- N.Gopalaratnam, Resi. Ph.- (04288) 240220, Vice Chairman- L.M. Ramakrishnan, Resi.Ph.- (0424) 2270311, Director (Fin.) & Secy.- N. Ramana- than, Ph.- (044) 24997848, 3 sets of knives 1 mincer 12 rollers 765 x 1525 3 rollers 840 x 1680 Performance of Sugar Factory Plant WIL Season 2007-08 2006-07 2005-06 Crushing Capacity (M.T.) 2500 2500 2500 Cane Crushed (Lakh M.T.) 8.24 8.32 8.20 Sugar Produced (Lakh/Qtl.) 8.36 8.38 8.09 Sugar Recovery (%) 10.14 10.09 9.89 Molasses Produced (Lakh/Qtl.) 3.85 3.93 3.81.

LIMITATIONS OF THE STUDY

This study has the following limitations:

1. The study was conducted in the State of Tamil Nadu. As the industrial environment varies from place to place, caution may be exercised while extending the findings of the study to other areas.
2. The study is confined only to human resource management practices and other related issues are beyond the purview of present study.
3. The human resource management practices are a vast subject consisting of a number of practices. The most common practices that are implemented in the private sugar mills only were considered in this study. Further, the conclusion drawn is specific and cannot be universalized.
4. As stated earlier, a period often year from 1998-99 to 2007-08 has been selected for this study because of the constraints of time and only five mills have been selected and studied. Hence the conclusion drawn in specific and cannot be universalized.

Conclusion:

Indian organizations are experiencing as transition a transition. The workforces of the 50s and 60s have retired. The middle-level is now at the top with the hangover of all possible middle-class values. The new generations of MBAs are pouring into industrial organizations. Young executives in their mid-30s are heading HRD/HRM divisions in big companies. Moreover, due to the unprecedented advancement in information technology, there is a growing need to understand and manage this transition, and give a direction to this change process. In order to achieve an effective HRM strategy, we have to integrate HRM with HRD, IR, and organization development (OD). The HRM strategies in India in the 21st century have to focus on better individual-organization interface and greater emphasis on organizational effectiveness than on personal success.