

Factors Contribute To The Quality Of Work Life And The Resultant Performance – A Study Of The Singareni Collieries Company Limited (Sccl), Kothagudem



Management

KEYWORDS : Quality of Work Life, Job Satisfaction, Grievance Redressal, Productivity

Prof. V. Narasimha Rao

M.Com., MBA, Ph.D. Director: P.G. Department of Business Administration, Akkineni Nageswara Rao College, Guduwada – 521 301, Krishna District, Andhra Pradesh, India.

Ch.Narayana Rao

Lecturer in Commerce, KVR College, Nandigama - 521185 & Research Scholar, Acharya Nagarjuna University, Andhra Pradesh, India.

ABSTRACT

Quality of work life aims at changing the entire organizational climate by humanizing work and changing the structural and managerial systems. Quality of work life is a multidimensional aspect. The facilities provided by mining companies as per the Mines Act 1952 cannot equate the efforts of employees. QWL generally covers employee's feelings about job security, working conditions, compensation, health, social relevance of work. The concept of QWL is gaining attention in the wake of competitive business environment. It is very evident that QWL has become the focus of today's organizations.

The Singareni Collieries Company Limited (SCCL) is a Government coal mining company owned by the Government of Telangana and Government of India 51 : 49 equity basis. The SCCL made a head start in harnessing the benefits of IT by developing proprietary software for integrated Open Cast and Under Ground Mine Management Systems. The Companies HR planning initiative aims at Training and Development of all its human assets. This paper is an attempt to understand the factors contribute to the QWL in SCCL.

BACKGROUND OF THE STUDY:

The concept of Quality of Work Life (QWL) is gaining attention especially in the wake of continuously increasing competitive business environment. The subject of QWL is getting momentum as employees want a better working environment and firms on the other want to improve the satisfaction derived by employees from work so as to attract, develop and retain the talented people for the organization. It is very evident that quality of work life has become the focus of today's organizations and continuously becoming the concern of all organizations because they want to promote organizational effectiveness as well as create employee satisfaction. QWL aims at changing the entire organizational climate. It takes into consideration the socio-psychological needs of employees and seeks to create a culture of work commitment in the organizations which will ensure higher productivity and greater job satisfaction to employees.

CONCEPT OF QUALITY OF WORK LIFE:

The term 'Quality of Work Life' means different things to different people. For example, to a worker on an assembly line, it may just mean a fair day's pay, safe working conditions and a supervisor who treats him with respect and dignity. Quality of work life may be described as a concern about the impact of work on people and organizational effectiveness and the idea of participation in organizational problem solving and decision making.

According to the staff of the American Centre for the Quality of Work Life, Quality of Work Life improvements are defined as any activity which takes place at every level of an organization, which seeks greater organizational effectiveness through the enhancement of human dignity and growth, a process through which the stakeholders in the organization like management, employees learn how to work together and determine for themselves what actions, changes and improvements are desirable and workable in order to achieve the twin and simultaneous goals of an improved Quality of Work Life at place for all members of the Organization and greater effectiveness for both the company and unions.

OBJECTIVE OF THE STUDY:

In this paper an attempt is made to find out the major factors contributing towards Quality of Work Life in Singareni Collieries Companies Limited (SCCL), Kothagudem and how far such programs helped in enhancing the performance of the company. Based on the observations, appropriate suggestions are offered to improve the Quality Work Life in SCCL.

METHODOLOGY AND TOOLS:

The present study is a combination of historical, case study and survey methods. The historical method is used in tracing the genesis of the policies and practices relating to the management of SCCL. The case study method is adopted to make analysis of Quality of Work Life programmes undertaken by the company. In the present study SCCL, Kothagudem mines are taken as the unit of study and selected key facets of QWL programmes studies. Data were collected both from primary and secondary sources. The study used appropriate statistical tools and techniques.

RESULTS AND DISCUSSION:

Working Conditions:

Working conditions in mines are inherently poor due to the nature of work and SCCL is no exception. For instance, the day to day working environment in mines is far from congenial. Below ground, the miner is exposed to perpetual darkness, forced ventilation, water logging, humidity and extreme temperatures. Even above ground, working conditions and other civic amenities are not upto the required level. Further, the work is arduous in mines as miners have to dig coal and the same is to be filled in tubs. As a first measure, the company created 'Mines Rescue Services' with the objective of providing safety to employees. Further, it uses booster fans and auxiliary fans in order to provide air. It also provided adequate lighting in all the mining areas. Besides this, the company resorted to roof bolting to prevent the fall of roofs and sides. Above all, it provided escape routes to miners where there is likely possibility of danger.

Social Relevance of Work:

Employees will be highly delighted if their work is socially relevant or useful to the society. All the same, their self-esteem would be high. In view of the importance of the social relevance of work, SCCL used to educate and enlighten its employees about the importance as well as the social relevance of their work from time to time. As mentioned earlier, coal is used by four major power utilities like NTPC, Ramagundam; APGENCO power utilities, Karnataka Power Corporation and Parle Power Station of MAHAGENCO. It is also supplying coal to 57 cement units, 32 captive power plants and 53 sponge iron units. Besides this, coal is also used by small and medium scale units like refractories, ceramics, brick manufacturing units, drugs & pharmaceuticals etc. It is to be noted that the company during the training sessions informs the participants about their contribution to the society leading to their increased self-esteem and the

resultant improved quality of work life of employees.

Wages and Salaries:

Since SCCL is a Government organization, the wages and salaries are quite good and they are on par with the wages and salaries paid by Coal India Limited (CIL). Further, whatever arrears are payable to employees, they are paid promptly. The pay scales are to be revised for every five years for non-executives as per the wage agreements. However, there is inordinate delay in the implementation of pay scales.

Generally pay commissions take quite a long time to revise the salaries of executives / officers. Executives in the company refer to Chief General Manager (Mines), Chief Survey Officer (Coal Mine Survey Department), Chief Engineer (Civil Department) Deputy Chief Engineer (Civil Department), Chief Industrial Engineer (IED), Deputy Chief Industrial Engineer (IED), Chief General Manager (Finance & Accounts), Controller of Accounts (Finance and Accounts), General Manager (Personnel), Deputy Chief Personnel Manager (Personnel), Chief Medical Officer (Medical), Medical Superintendent (Medical) etc. Since these employees fall in the higher cadre, naturally they draw good salaries. In this regard, the pay scales of various executives from E-0 to E-9 and also the directors and chairman have been presented in Table-I.

Table - I
Scales of pay for Executives

Grade	Before revision	Revised w.e.f 1-1-2009
E0	6,550-11,350	12,600-32,500
E1	8,600-14,600	16,400-40,500
E2	10,750-16,750	20,600-46,500
E3	13,000-18,250	24,900-50,500
E4	14,500-18,700	29,100-54,500
E5	16,000-20,800	32,900-58,000
E6	17,500-22,300	36,600-62,000
E7	18,500-23,900	43,200-66,000
E8	20,500-26,500	51,300-73,000
E9	23,750-28,850	62,000-80,000
Directors	28,000-42,000	75,000-1,00,000
Chairman	45,000-70,000	80,000-1,25,000

Source: Annual Reports of SCCL

Training and Development:

In view of the importance of training, SCCL undertakes a number of training and development programs for its employees and executives. The various training and development programs undertaken by the company have been presented hereunder.

A) Statutory Training:

The company provides statutory training at all Mines Vocational Training Centres (MVTCs) in compliance with MVTC Rules, 1966. The statutory training includes basic training, refresher training, orientation training to pit safety committee members, structured training, train the trainers program, training on first aid, training to contractors, workmen etc.

B) Non-Statutory Training:

The company provides non-statutory training at least for one year after recruitment to all the miners who are working in the underground and open cast mines. These employees are given basic and refresher training and the frequency of refresher training is once in 5 years for a period of six days. The company also deposes its tradesmen and technical supervisors to "Advanced Training Institute (ATI), Hyderabad".

C) Induction Training Programs for Executive Trainees:

The induction training program is aimed at acquainting the employees about the rules, regulations and procedures of the company. The program runs for six months as it provides exposure to the executive trainees about the entire company. Further, it provides basic knowledge to all the trainees, which will enable them to perform higher functions at a later stage. To make the induction training program effective, it has been divided into six modules. The first module provides basic exposure to employees about the various facets of the coal industry while the second module makes employees familiarize with all the departments in the company at corporate level. The third module is an advanced course in the relevant functional area. In the fourth module, trainees will be exposed to all Area Level Departments and they are familiarized with the same. In the fifth phase, employees will be deputed to unit level offices of the respective disciplines so that they will get experience in the same. In the sixth or final phase, trainees will have to formulate a report each and then they have to make a presentation at both Area level and Corporate level.

D) Training Institutes of SCCL

SCCL has well equipped air conditioned in-house training facilities at all its training institutes for building competency in core operations as well as in managerial skills, personality development etc. for making the participants globally competitive. The Corporate Training Center (CTC) located at Kothagudem is under the control of Corporate HRD Department. It conducts in-house training programs for executives and supervisors including induction programs. It also conducts residential training programs for its various cadres of employees. Further, SCCL has eight Mines Vocational Training Centers (MVTCs) located at Kothagudem, Yellandu, Manuguru, Ramagundam-I area, Ramagundam-II Area, Mandamarri, Sri Rampur and Bhoopalapalli. Besides the above, it has two training centers namely Technical Training center at Manuguru and underground mechanization training institute at Ramagundam-II. While the former imparts training on opencast technology, the latter imparts training on underground technology. It is to be noted that Nargundkar institute of management imparts training for executives in all the mining areas.

Benefits in Respect of Mine Accident Cases:

In mining organizations, employees are prone to accidents due to roof collapses, side falls, release of noxious gases, inundation of water etc. leading to the loss of valuable human lives. The company considers these mortality cases positively and gives three options to the dependents of ex-employees such as dependent employment or monthly monetary compensation to the extent of Rs. 6,000 per month or Rs. 5 lakhs as lump sum payment of money. The dependents of ex-employees may choose one of these three options and the company positively provides the same.

Promotions and Promotional Policies:

Promotion policy is one of the most important components of personnel policies in any organization. Every employee in service looks for better service conditions like promotion to the next higher cadre after having put up a minimum period of service in the current cadre. It is therefore, necessary to lay down a clear policy regulation with regard to promotion to each cadre as it creates a healthy atmosphere in the organization and also

improves the efficiency of the organization to a larger extent. In SCCL, promotional policies are transparent and fair. The company follows merit cum seniority method to promote its employees. It is to be noted that executives are promoted for every five years while non-executives are promoted for every seven years.

The criteria adopted for fixing the merit rating in respect of cadres for which promotion is on the basis of merit cum seniority is as follows. The total marks obtained in the annual appraisal reports for the latest five years shall be added and then divided by five to obtain the average marks. After that basing on the seniority of employees, some marks are added. For instance, for every five years of completed service, the company awards one mark. Employees who put up more service get more marks while employees who put up less service score few marks. These marks are added to the average marks obtained by employees in the performance appraisal. Then basing on the marks obtained, employees are promoted to the next higher cadre.

Inter Personal Relations:

Employees of SCCL in Kothagudem mines personally know one another and hence inter personal relations are good. For instance, during the period from 2010-11 to 2011-13, no conflicts were reported among different cadres of executives and also among different cadres of non-executives and also between executives and non-executives. It shows that good inter personal relations exist in the company.

The company constituted expert teams and each of the teams consists of five experienced officers from five major departments. These teams call on workers, union delegates, supervisors and executives at pit heads, work men colonies and mine offices. These teams educate and enlighten the workers about the need for proper utilization of equipment and machinery, energy conservation and improved productivity through public address systems and also through power point presentations. Consequently, cooperation and coordination has increased among various sections and departments. All the same, the productivity of employees has increased significantly.

Socialization:

The process through which the people are indoctrinated to accept the traditions and maintain the homogeneity of ethos and behaviors is termed as socialization. The socialization process has three stages such as pre-arrival, encounter and metamorphosis. In the pre-arrival stage, the selectors try to choose the right type of people, who they feel, will be able to fit the requirements of the organization. The new member after gaining entry into the organization faces an encounter stage. In this stage, there is always a possibility of difference between his expectations of the organization and the actual reality. If employees expectations and actual realities match, the encounter stage passes off smoothly. In case, if there is an imbalance, and if the imbalance between the two is acute, the person has two choices. First he undergoes further socialization which detaches him from his previous expectations and replaces these with another set of expectations and thus helps him get adjusted to the prevailing system. Second he drops out due to disillusionment. People who had discovered an anomaly between their expectations and actual realities in the organization but decided not to drop out enter into the metamorphosis stage. It is to be worth mentioned that successful metamorphosis results in the members productivity being as per organization norms and lowered propensity to leave the organization. In SCCL, the socialization process passes off smoothly as newly joined employees adjust themselves easily in the organization. It is no exaggeration to state that newly recruited employees never dream of leaving the organization since it is a government organization.

Participative Decision Making:

Participative decision making or workers participation in management appears to be absent in the company. However, the management of SCCL shares important information with workers so that the latter can use the information for carrying out the activities of the organization. It is to be noted that during wage agreements only, employees (non-executives) are invited for participative decision making. In short, participative decision making is absent in the company.

Sense of Competence and rewards:

In SCCL, employees have a sense of competence due to the fact that all the employees have put up huge experience in the company. Further, the company undertakes in-house training programs for all the employees who include executives and non-executives. All the same, it deposes its employees to various external training programs within India. In addition to the above, it deposes its employees to foreign training programs so as to make the latter know the latest developments in mining technology. There is no denying the fact that the company spent a huge amount of Rs. 37.73 crore on human resource development. The company also offers consultancy services in the areas of coal exploration and evaluation, coal mine planning and coal mine survey. The discussion reveals that qualitative employees are found in SCCL and employees who are qualitative have high confidence levels and sense of competence.

The company encourages its executives and non-executives to make inventions and innovations. The company honors the employees for their innovative works on the Republic Day (26th January) of every year. Similarly, if production targets are achieved, it rewards the miners and employees by giving gold coins and cycles. Further, if employees attend to their duties continuously for 21 days, they are given additional benefits in the form of cash rewards to the extent of Rs. 2,000. It also issues certificates of appreciation to outstanding performers. In short, SCCL rewards the talented and hardworking employees.

Grievance Redressal Procedure:

SCCL has formulated "Grievance Redressal Mechanism" for its employees. It advises the officers from time to time to put in their best efforts to settle the grievances of employees in a better manner at different stages and redress the grievances expeditiously. The managerial personnel attend the genuine grievances of employees in a well-established manner. The company follows a three level grievance redressal procedure for prompt action. The objective of the grievance redressal procedure is to provide employees an easy and readily accessible machinery for prompt disposal of their day to day grievances. The nature of grievances relate to complaints that affect one or more individual workers in respect of their wages, payment of overtime wages, bonus, LTC, leaves, transfers, promotions, increments, seniority, work assignments, hours of employment, output of workmen, training and settlement of terminal benefits.

Employee Welfare :

Welfare programs assume special significance in a country like India, where poverty among workers pervades and where individually a worker is generally not in a position to look after his welfare. Hence, organizations need to provide welfare facilities to their employees. This is because, the provision of welfare facilities improves the standard of living of workers. At the same time, workers and employees can easily adjust to the environment. It is a known fact that many problems, which arise in the area of industrial relations are due to lack of adequate welfare facilities. It is imperative that various agencies are interested in the socio-economic well-being of numerous and economically important classes of workers.

Performance of SCCL:

SCCL, the most successful coal company in India is highly em-

ployee oriented as evident from the various quality of work life programs undertaken by it for its various cadres of employees. It spends lot of money to improve the quality of work life of employees. For instance, during 2012-13, it spent as much as Rs. 245 crores on various social overheads. It is to be mentioned here that there is interrelation between quality of work life of employees and performance of an organization. In other words, if employees enjoy good quality of work life, they work with involvement leading to improved performance of the organization. In view of this, the performance of SCCL has been measured in terms of coal production, coal productivity (output per man shift), sales, profits made, industrial relations and absenteeism.

A) Production Targets Set and Achievements Made:

Organizations achieve success, when they achieve the production targets. This is because the achievement of production targets helps in meeting customer demands. Further, it helps in utilizing resources optimally. SCCL sets production targets each year and strives hard to achieve the targets. In this regard, the production targets set and the targets achieved for the period from 2001-02 to 2012-13 has been presented in Table-2. The table shows that the company achieved more than the targeted production during the period under consideration with the exception of the years 2001-02 and 2009-10. However the percentage of target achievement is more than 99 percent in these two years. The percentage of targets achievement fluctuated between a low of 99.39 per cent in 2001-02 and a high of 107.15 per cent in 2008-09. The analysis reveals that the company has shown outstanding performance in the achievement of targets.

Table-2
Production Targets set and Achievements mad
(In lakh tonnes)

Year	Production targets set	Actual production	% of achievement
2001-02	310.00	308.11	99.39
2002-03	325.00	332.56	102.33
2003-04	335.00	338.54	101.06
2004-05	350.00	353.02	100.86
2005-06	360.00	361.38	100.38
2006-07	375.00	377.07	100.55
2007-08	380.40	406.04	106.74
2008-09	415.00	444.66	107.15
2009-10	505.00	504.00	99.80
2010-11	513.00	513.33	100.06
2011-12	522.00	522.11	100.02
2012-13	531.00	531.90	100.17

Source: www.scclmines.com

B) Coal Productivity:

Productivity is a performance measure, which includes effectiveness and efficiency. An organization is productive, if it achieves

its goals and does so by converting inputs into output at the lowest cost. An organization is effective, if it successfully meets its targets. It is efficient when it can do so at the lowest cost. In this regard, the productive performance of SCCL in terms of output per man shift (OMS) in overall mines and departments for the period from 2001-02 to 2012-13. The output per man shift rose continuously from 1.34 tonnes in 2001-02 to 1.51 tonnes in 2002-03. Though it declined to 1.47 tonnes in 2003-04, again it shot up continuously and stood at 3.94 tonnes in 2012-13. The annual growth rate of coal productivity is erratic and it varied between a low of (-)2.65 per cent in 2003-04 and a high of 26.69 per cent in 2012-13.

C) Sales Performance:

The performance of SCCL can also be measured in terms of its sales. This is because, sales generate revenue to organizations, which can be used for expansion and other developmental activities. In view of this, the performance of the company in terms of sales for the period from 2001-02 to 2012-13. The sales of the company has increased continuously from Rs. 2,949.02 crores in 2001-02 to Rs. 10,128.29 crores in 2012-13 and the annual growth rate fluctuated between a low of 1.17 per cent in 2003-04 and a high of 24.61 per cent in 2009-10. It is also found that the annual growth rate of sales was quite poor between 2001-02 and 2006-07. However, the annual growth rate of sales was quite impressive between 2007-08 and 2011-12.

D) Profits made by SCCL:

The profit performance of the company is quite alarming for quite a long time due to the fact that it was referred to Board for Industrial and Financial Reconstruction (BIFR) in the early 1990's. It is to be mentioned here that the company had a huge accumulated loss of Rs.1,219 crores by the end of financial year 1997-98. After that, the company started making profits continuously. In this regard, the profit performance of the company for the period from 2001-02 to 2012-13 has been presented in table-3. The table shows that the profits have increased from Rs. 305.17 crore in 2001-02 to Rs. 401.14 Crore in 2012-13 barring the huge fluctuations during the period under consideration. The annual growth rate of profits is highly erratic and varied between a low of (-) 65.44 per cent in 2006-07 and a high of 176.07 percent in 2007-08.

Table-3
Profits made by SCCL

Year	Profits earned (Rs. in Crores)	Annual growth (Per cent)
2001-02	305.17	-
2002-03	417.64	36.85
2003-04	145.47	(-) 65.17
2004-05	361.26	148.34
2005-06	184.63	(-) 48.90
2006-07	63.80	(-) 65.44
2007-08	176.13	176.07
2008-09	132.83	(-) 24.58
2009-10	268.11	101.84
2010-11	351.37	31.05
2011-12	358.27	1.96
2012-13	401.14	11.97

Source: Annual Reports of SCCL

Conclusion:

The present research paper is an attempt to make an understanding of the quality of work life in SCCL, Kothagudem. The company has undertaken several measures relating to working conditions, wages and salaries, training & development, promotional policies, socialization, participative decision-making, grievance redressal and employee welfare which led to enhance-

ment of the performance of SCCL. The company provides job security to the employees. Job enrichment measures are absent in the company. The work is socially relevant as coal is used as raw material by thermal power stations, cement plants, sponge iron units and number of small and medium scale companies and also in several manufacturing units.

SCCL pays good wages and salaries to all its employees. The company revises the pay scales, however there is abnormal delay in the implementation of revised pay scales. SCCL provides statutory and non-statutory training to its employees. The com-

pany has in-house training centres at Kothagudem, Godvarikani, Yellandu and Ramagundam. The company deposes its employees to various external training institutes to acquaint themselves with the latest improvements in the field of mining. The company provides accident benefits to employees. As regards the promotional policy the company follows merit cum seniority basis, which is transparent and fair. Good interpersonal relations exist in the company which can be attributed to the new communication policy.

The study found some deficiencies in the provision of non-statutory welfare facilities like consumer co-operative stores and co-op credit societies. The cooperative credit societies sanctions loans to non-executives only and not to executives. The annual growth rate of coal production is less than 5 per cent in 7 of the 12 years study period and in the remaining years the production performance is not impressive. The Quality of Work Life of employees is poor in areas like working conditions, job enrichment, and participative decision-making. But the QWL is good in areas like job security, training and development and reward mechanisms.

REFERENCE

1. Anil K. Sengupta, "Quality of Work Life: Some issues in the Indian Context", *Economic and Political Weekly*, November 30, 1985, Vol.XX, No.48, pp. 150-154. |
2. Chakraborty, S.K., "Managerial Effectiveness and Quality of Work Life – Indian Insights", Tata McGraw Hill Publishing Company Ltd., New Delhi 2002, pp. 140-141. |
3. Jaipal Reddy and Rama Krishna Reddy, G, "Quality of Work Life: Some Reflections", *Journal of Management Education and Research*, June 2009, pp.163-165 |
4. Jayakumar and Kalaiselvi, "Quality of Work Life – An Overview", *International Journal of Marketing, Financial Services and Management Research*, October 2012, Vol.1, Issue-10, pp.140-151. |
5. Keith Davis, "Quality of Work Life in Human Behaviour at Work", Tata McGraw Hill Publishing Company Ltd., New Delhi, 1981, pp.285-286. |
6. Sangeeta Jain, "Quality of Work Life of Indian Industrial Workers", Arya and Tandon, B.B, Hunan Resource Development, Deep & Deep, New Delhi, 2004, pp.420-422. |
7. Srinivasa Rao, B. "Functioning of Trade Unions in Indian Coal Mining Industry: A Study of Singareni Collieries Company Limited", An unpublished thesis submitted to Osmania University, Hyderabad, 2004. |
8. Walker, K.F. "Prologue: Workers Attitudes – A key to the Quality of Working Life", The Free Press, New York, 1975, p.88. |