

STATE INTERVENTION IN HUMAN RESOURCE MANAGEMENT POLICIES IN TEXTILE SPINNING MILLS IN TAMIL NADU

**Dr.S.Thangaraju, Assistant Professor ,
Department of Management studies , Bharathiyar University ,Coimbatore.**

Abstract

The Government intervention through its enactment of various labour laws towards the welfare of employees of CSMs and are inevitable one. In addition to it, to complement the above in CSMs, the State Government used to publish various Orders (G.Os) through the Department of Handloom and Textiles regarding Cadre strength, Recruitment of Staff, Salary, Allowances, Loans and other related matters. Few of the Government orders recently published have been discussed hereunder. But extent of intervention by means of G.Os, Circular letters is too little one with the respect of PSSMs. The Labour welfare department may give the directions in some critical areas of HRM practices to PSSMs. The level of intervention in the HRM policies and practices of CSMs are higher than the PSSMs

Introduction

Human Resources Management (HRM) could be described as the process and efforts made in an organization for ensuring that requisite quantity and quality of staff positioned in various places of operation, the persons so positioned are properly enriched with necessary conceptual and operational skills, the suitable delegation instituted for expediting the implementation of programmes for achieving the corporate objectives. Moreover the human resources deployed are motivated to contribute their maximum mite in achieving the corporate goals at optimum costs and with high productivity. Thus, HRM encompasses all the policies and procedures of manpower planning, recruitment, placement, transfer, basic and orientation training, personnel administration, evolving remuneration packages, creating a climate of good industrial relations, keeping open the channels of communication with Regularized unions and to help in developing a sense of identification of the employees with the organization etc. In cooperatives, HRM should not only cover the paid management and employees but also the members, office bearers and board of directors. The management of a cooperative organization is evolved out of the membership. It is, therefore, necessary that both the members at large and the board of management are suitably trained and developed so as to make the organization achieve its objectives of providing efficient and improved service to the members. On the other hand, success of private sector totally depends upon the effective utilization of recruited manpower in production , marketing and other activities of an organization . Because the scope of human resources of private sector is narrow than the co-operative sector

New economic policy and relevance of HRM in Cooperatives and private sector enterprises

With the introduction of new economic policy, ushering in liberalization of policies and procedures and competitiveness amongst various economic operators, cooperatives also have to compete effectively with others calling for increased productivity, improved product quality and harmonious employer-employee relationship so that the latter could develop a sense of identification with the organization. As new economic policy will do away gradually with the excessive state help and protection, the cooperatives have to become organizationally strong and operationally efficient. This calls for an enlightened HRM policy leading to an utterly professionalized management.

Human Resource Management is concerned with ‘people-centric issues’ in management, Since every organization is made up of people, acquiring their services, developing their skills, motivating them to high levels of performance and ensuring that they continue to maintain their commitments to the organization which is essential to achieve organizational objectives. Those organizations that are able to acquire, develop, stimulate and keep outstanding workers will be both effective and efficient.

Need for the HRM Policies and Practices in Co-operative spinning Mills (CMS) and Private Sector spinning Mills (PSSMs)

The State Government announce both the development schemes for institutional development of CSM and welfare schemes to members and workers of CSM. The Government is committed to monitor the programmes and bring the sector to profitability, which would certainly increase the socio economic status of Human resources of CSMs. However, the employees' involvement in the CSM from procuring cotton, producing and selling the various counts of yarn to WCSs and other buyers and supporting to Government schemes like as Distribution of priceless sarees and dhothies to general public and supply of price less school uniform to Government school students are very much important. Besides these, they document each and every activity of the CSM and keep the basic records to examine the activities of the CSM in order to find out ways and means to increase the production and sales to achieve a better profit. So there is need for streamlining the HRM policies and practices of CSM. On the other hand there is need for HRM to PSSMs simply to execute or perform the assigned duties of each staff member and workers at expected or standard level.

Government Intervention in the HR Policies and Practices of CSMs and PSSMs

The Government intervention through its enactment of various labour laws towards the welfare of employees of CSMs and are inevitable one. In addition to it, to complement the above in CSMs, the State Government used to publish various Orders (G.Os) through the Department of Handloom and Textiles regarding Cadre strength, Recruitment of Staff, Salary, Allowances, Loans and other related matters. Few of the Government orders recently published have been discussed hereunder. But extent of intervention by means of G.Os, Circular letters is too little one with the respect of PSSMs. The Labour welfare department may give the directions in some critical areas of HRM practices to PSSMs. The level of intervention in the HRM policies and practices of CSMs are higher than the PSSMs. (Table No: .1)

Categorization of CSMs and PSSMs

The Government interventions in the staff management of CSMs starts with the classification of the CSMs and categorization of the same as A, B, C, D, E and F in order to fix and revise the differential pay structure of permanent employees for each categories of CSMs and recognize the salary of the temporarily employed staffs. The Government considered the annual sales and profits of CSMs as a basic criterion in categorization of CSMs. The Anna CSM follows the category of Class institution due to accumulated loss. In addition to it, the CSMs in Tamil nadu can be classified on the basis of viability such as functioning CSMs and Dormant CSMs. The Anna CSM is considered as a functioning one.

There are no GOs and proceedings of Government authority regarding the classification of PSSMs by the state Government. The PSSMs can be generally classified as MSMEs, Large scale Mills and unorganized sector.

Table no..1 mechanism of government intervention in the hr policies and practices of csms and pssms

Sl.no	HRM policies	Mechanism	
		CSMs	PSSMs
1.	Job analysis , Job Evaluation and Cadre strength fixation	<ul style="list-style-type: none"> ❖ Job analysis and Job Evaluation are done by the officials of Hand and Textile Department. ❖ Cadre strength is fixed by the proceeding of Directorate of Handloom and Textiles development(DH&T) 	--
2.	Recruitment and Selection policies	<ul style="list-style-type: none"> ❖ Policy for providing employment opportunities for family members of land seller to CSMs ❖ Employment for the Srilangan Refugees ❖ Following the G.Os of community based reservation in appointments of staff member ❖ Setting up of the regulations 	--

		for selection procedures ❖ Deputation of Government officials for the post of Managing Director, and Internal auditors.	
3.	Wage and Salary Fixation and its distribution	❖ Laobur Laws such as Minimum Wage Act, Payment of wage act ❖ Proceedings of fixation and Revision of wage and salary for the workers and staff members of CSMs by DH&T	❖ LaoburLaw such as Minimum Wage Act, Payment of wage act
4.	Training and Development	❖ Training Agencies Such as NIFT and NIHT	PSSMs and its association are rendering the training
5.	Payment of bonus and Incentives	❖ Payment of Bonus Act ❖ Proceedings for incentives to staff members based on higher profit ❖ Dividend to Staff members under cooperative societies act .	❖ Incentives to selling forces ❖ Payment of Bonus Act
6.	Welfare measures	❖ Industrial Laws such EPF Schemes, ESI, Maternity benefits, Crèches, Canteen for both permanent and Temporary Employees ❖ Appointment of full time welfare officer	❖ Industrial Laws such as EPF Schemes, ESI, Maternity benefits, Crèches, Canteen for both permanent and Temporary Employees ❖ No full time welfare officer
7.	Industrial Dispute	Settlement of industrial disputes through the officials of D.H& T.	Settlement of industrial disputes through the officials of labour welfare department and Revenue authorities

(Sources: Complied from Secondary data)

Job analysis and Job Descriptions

The Job analysis is the process of studying the details of operations and responsibilities involved in a job so as to identify the nature and level of human resource required to perform the job effectively. Job descriptions and job specification are prepared with the help of information provided by job analysis (G.B.Gupta, 2006, pp-1-13). The job analysis of CSMs is carried out by the officials of D.H&T, Chennai. The Directorate classifies the jobs of CSMs into three groups such as

- Administrative jobs of CSMs
- Job relating to operations and maintenances of CSMs
- Jobs relating to Marketing Management practices of CSMs.

(Table no: 2)

It was observed that Job analysis have not been carried out by the promoters of PSSMs in Tamil Nadir. The posting are created based on their experiences of promoters or board of directors. But jobs are summarized into three groups like as CSMs.

Table – 2 job descriptions of csms in tamil nadu

Sl no	Operations	Duties and Responsibilities
1	Election of the Board of Directors.	Assisting the Election officers in the preparation and publication of voters list, conducting elections and announcing results and keeping records confidentially.
2	CSMs Administration	<ul style="list-style-type: none"> • Conducting Board of Directors' meeting /Special officer (SO) & GB Meeting and recording Minutes of the same. • Preparing and timely submission of reports and claims in the Office of D. H& T such as yarn production, rebate, and interest subsidy claims and claims of members under various welfare scheme and monthly reports. • Assisting the Board/SO to admission and expulsion of Members • Keeping and updating all the records in prescribed manner such as ledgers and files and By-laws of CSMs • Payment of bonus, dividend and advance to the members and salary to staffs and Workers • Deputing the employees to meeting, training, exhibitions, trade fairs and other programmes conducted by Government and other organizations • Filling returns to Income Tax and payment of GST
3	Financial management	Mobilization of financial resources through share capital, borrowing from co-operative banks and subsidiaries and assistants from government, other deposits and other sources for working capital.
4	Production	<ul style="list-style-type: none"> • Procurement of cotton and production accessories and issuing to workers • Technically guiding and supervising the production activities with proper PPC. • Quality and production controlling activities • Carrying the spinning activities under supervision of spinning masters • Factory maintenance and repairing activities • Remitting the deducted wage amount under welfare scheme in Treasury. • Packing, store keeping and Inventory control
5	Sales	Local Retail sales, Sales to WCSs either through co-optex or directly.
6	Welfare Scheme	<ul style="list-style-type: none"> • Creating the awareness on welfare schemes • Selecting and implementing the welfare and development Schemes
7	Auditing& MIS	Submissions of records for internal and external auditing work.
8	Training	Both the on the job and off the job Training activities to staffs members and workers to CSM.

Source: Compiled from Interview Schedule

Man Power Planning of CSMs (Norms for Fixation of Cadre Strength)

The Man Power Planning denotes the required number of employees to carry out the business and production activities of CMSs. The cadre strength of CSMs for a particular year is fixed and revised based on the annual sales and spindle capacity of the previous year of CSMs by D.H&T, Tamil Nadu government. It is fixed as per the employment standing orders of particular CSM. But there is no government intervention in manpower planning of PSSMs in Tamil Nadu. The promoters or Directors do not follow any prescribed guidelines for fixation of cadre strength to particular PSSMs. It is observed that majority of PSSMs function without proper employment standing orders for manpower planning.

Employees Grade and CSMs Category-wise Recommended Scales of Pay

The Government of Tamil Nadu, has revised the pay scales of the employees in its GO.MS.No.162 Handlooms, Handicrafts, Textiles and Khadi (D2) Department, Dated 13.11.2008 and Circular No.39556//2007/G1(3) dt.17.11.2008 of Director, Handlooms and Textiles, Government of Tamil Nadu. In this context, various GOs are passed to revising the grade pay to staffs and workers of CSMs. The details of the pay scales along with grades have been given in table .4.3

Table – .3 employees grade and category-wise recommended scales of pay to employees anna csm

(Amount in Rupees)

Grade	Scale of Pay					
	A	B	C	D	E	F
I	5800-16300	4900-15150	4500-13375	4300-11800	4000-11500	3625-9850
II	4000-12250	3625-9850	3200-9425	3050-8100	2750-7000	2650-6625
III	3050-8100	2750-7000	2650-7375	2619-6310	2550-5975	2350-5800
IV	2650-6625	2610-7010	2550-5975	2350-5500	2200-5075	2000-4600

Source: Compiled from Secondary data

There were 28 types of scales of pay that has been recommended by The Government of Tamil Nadu in this perspectives, But the promoters and board of directors of PSSMs do not systematically formulation the pay structure for each grade of employees and workers of PSSMs systematically in Tamil nadir

a). Consolidated Pay and Daily wages

In CSMs, all the temporary employees have been brought under consolidated pay category and daily wage. Employees are being appointed on consolidated pay and sometimes on daily wages basis to avoid vacuum in the administration process. For those employees, whose appointments are on consolidated pay and Regularized by Government and those who have completed one year of service as on 31.12.2009 are paid Rs.6000 per month. Those who have completed 5 years of service are paid Rs.9000- per month and above 5 years service Rs.12000/- is paid as consolidated pay. They are also eligible for increment as per the following rate shown in table 4.4

Table – 4 rate of increment to employees on consolidated pay

Sl. No	Years of Service	Increment (in Rupees)
1	1 – 5 years	250.00
2	6-10 years	275.00
3	10 – 15 years	325.00

Source: Compiled from Secondary data

The workers of CPMs those who have completed 1 – 5 years of service are given Rs.250/- , 6 – 10 years are given Rs.275/- and 10 – 15 years given Rs.325/- per month as increment. There is also a condition that if the above employees are receiving more than the pay fixed according to the above G.O., increment should not be sanctioned to them until the pay is equalized.

b) Allowances

The Dearness Allowance permitted for the employees of profitable CSM is 3 percent and non-profitable CMS is 2 percent of the basic pay. This should be given to them, whenever, the State Government increases the Dearness Allowance for its employees. The G.O and the Circular envisaged that the CSMs to sanction other allowances as detailed in table 4.5

Table – 5 rate of other allowances

(Amount in Rupees)

Sl. No	Other Allowances	Grades of Employees		
		I	II	III and IV
I	House Rent Allowance			
1	Chennai & Other Corporation Areas	700.00	600.00	500.00
2	Municipal Areas	500.00	400.00	300.00
3	Panchayats	250.00	200.00	150.00
II	Traveling Allowance	60.00	50.00	40.00
III	Staying Allowance			
1	Delhi, Mumbai, Calcutta and Chennai	250.00	200.00	150.00
2	Other Places	150.00	100.00	75.00
IV	Exhibition Allowance			
1	Chennai & Other Municipalities	150.00	150.00	150.00
2	Other States	200.00	200.00	200.00
3	Other Places in Tamil Nadir	100.00	100.00	100.00

Source: Compiled from Secondary data

City Compensatory Allowance and Medical Allowance have been kept at the same existing rate. The employee is eligible to draw an advance of Rs.6000/- and Rs.10 000/- for the marriage of his/her son and daughter respectively. This advance will be deducted from his/her salary in 36 equal installments. New or fresh advance cannot be sanctioned along with the previous pending one. The interest for the advance is as that of the rate of interest for cash-credit.

The agreement on the above, has been undertaken under the Industrial Dispute Act 12 (3) and 18 (1) and would be in force for five years from 1.1.2008 onwards. The fixation of pay could be done from 1.1.2008 and be given within 6 months from the date of the circular. The societies are forbidden to pay the arrears accrued before the date of 1.1.2008

Conclusion

Human Resource Management is concerned with 'people-centric issues' in management, Since every organization is made up of people, acquiring their services, developing their skills, motivating them to high levels of performance and ensuring that they continue to maintain their commitments to the organization which is essential to achieve organizational objectives. Those organizations that are able to acquire, develop, stimulate and keep outstanding workers will be both effective and efficient. The State government policies always enrich the existing HRM practices in Spinning Mills in Tamil Nadu

References

1. Government of India ,(2018), "Annual Report 2017-2018" Ministry of Textiles , New Delhi
2. Globe textiles India Private limited (2017), " Annual Report -2016-17" Pp32- 33, Ahmadabad, Gujarat
3. Government of India(2012) , "Steering Committee Report on Textiles for Twelfth Five Year Plan", New Delhi
4. M. Akhtaruzzaman, "Exploring prospect of the clothing and textile industry: Is Bangladesh following a right growth strategy," *World Journal of Social Sciences*, vol. 2, pp. 150 – 161, 2012
5. . N. Bilas, "An analysis of European textile sector competitiveness," *Emerald Group Publishing Limited*, vol. 10, pp. 27-35, 2006.

6. Mythili.R -"A Project Report on Performance Analysis of Selected Textile Mills in South India", *Handbook of Business Strategy*, vol. 16, pp. 819-823, 2013
7. Chandrasekaran.P, "Humanizing the performance of textile technology in south India", *Journal of Textile Technology*, vol. 7, pp. 319-323, 2013.
8. . Jin, "Strategic sourcing and supplier selection: A review of survey-based empirical research," presented at the Second World Conference on POM and 15th Annual POM Conference, Cancun, Mexico, 2004.
9. A. K. M. A. Haque, "Export performance of textile and apparel products: A comparative study of Bangladesh and Malaysia," Master's Thesis, University Putra Malaysia, 2001.
10. ..Rayudu C.S., "Financial Management in Industrial Co- operatives in India - a case study of spinning industry", *Indian Co-operative Review*, January 1987, Pp. 265-279.
11. G.B.Gupta, *Human Resources Management, Sultan and chands, New Delhi 2006, pp-1-13)*

