

CHAPTER IV
PERSONNEL ADMINISTRATION

The administrative set-up of M.S.E.B. in outline was examined in Chapter II and III that of Solapur Urban Division of M.S.E.B. was reviewed. The employees, Officers, who man the organisation actually give concrete shape to that particular organisation e.g. here the M.S.E.B. All these together are known as personnel.

The personnel is to be equal to the task which is entrusted to them. They should be competent to discharge their duties with efficiency and integrity. Now-a-days they have to function in a democratic set up, they need a proper orientation to deal with the consumer and public at large. Similarly, the management of the concern, here the M.S.E.B., has to handle its staff appropriately in the sense that the Board has to function in a democratic way. Therefore, they have to give their employees necessary freedom and their rights are to be protected. The Board has to work within the limits of the governing act and rules and regulations. The employees have a right to form their own unions which increase bargaining power of the employees. The board has to get work done from the employees who are united and strong and very alert particularly their rights. Thus

Thus personnel administration occupies a central position as to the efficient functioning of an organisation.

The number of employees in an organisation is growing in number, variety and skills. The functions they have to discharge are varied, complex and require deft handling. At least, therefore, some of the employees need to be well qualified and trained. In this way the importance of the personnel administration cannot be overemphasised.

Broadly, the principal areas of personnel administration refer to recruitment, selection and certification for appointment. Classification, determination of pay scales and other conditions of service, promotion, conduct and discipline, training, superannuation arrangements and employer-employee relations. Personnel administration involves much more than 'routine salary administration'. It spreads over into manpower planning, image building, motivation and morale, staff development, performance evaluation, conflict resolution, productivity, safety standards, work-piece environment, health facilities⁽¹⁾ etc. However, this study would be mainly confined to certain basic areas of personnel administration such as recruitment, selection, training, pay scales and other conditions of service, promotion, superannuation arrangements and employer-employee relations. The theoretical background and contents

1. Caiden G.E., The Dynamics of Public Administration (Guidelines to current Transformations in theory and practice) Holt, Rinehart and Winston, New York 1971 P. 211

of these areas or alternatively known as aspects of the personnel administration may be discussed one by one.

Recruitment

+ In popular language, the term recruitment is used as a synonym of appointment, but this is erroneous. The technical phraseology of administration interpreter recruitment as 'attracting proper and suitable type of candidate for the post to be filled.'

The most common and easiest method of recruitment is to place an advertisement in suitable newspaper or publication about giving the details about the posts to be filled in, qualifications expected, pay scales and so on. This method may bring in large number of applications but it is not sure that the candidates may not be suitable for the post. This type of recruitment is known as 'passive recruitment'. The recruiting authorities, in certain circumstances make more efforts to contact and attract suitable candidates for the posts to be filled in. This type of recruitment may be termed as positive or active recruitment. Now-a-days, in India, generally, with certain exceptions, a passive mode of recruitment is employed.

Recruitment may be classified in one more way. The

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criterion could be whether the candidate is already serving in the organisation or he is a purely outsider. This question arises particularly when posts at higher rungs are to be filled in. When a candidate is already serving in the organisation and he applies for a higher post in the same organisation, this type of recruitment is known as 'indirect recruitment', 'recruitment by promotion'. Generally posts at a higher levels are filled in by this method as the organisation needs experienced and dependable persons and who have intimate knowledge of the working of the organisation. The posts at the lowest level cannot be filled in by this process as it is the lowest level, there is no further lower post. The method adopted in this case is 'direct recruitment'. It means, persons who are never served in this organisation in any capacity apply for the posts in this organisation.

At the middle level posts generally both these methods are used in a judicious mix. Both these methods have their own advantages and disadvantages. The authorities have to bear them in mind and strike a balance between them, advantages and disadvantages of both the methods and choose a suitable method for rungs under consideration.

Selection

The next and a very strategic stage after recruitment

is selection. After applications from the candidates have been received, the next task is to scrutinise them and to select deserving candidates from them. For this purpose certain criteria is necessary. Generally, merit principle is adopted for this purpose. This principle is widely accepted and has now become a universal principle among all the progressive states. This principle is of a recent origin. In the case of Govt. servants, it was first introduced in India in 1854. Lord Macaulay was a spirit behind it.⁽¹⁾ Later on it was introduced in Britain in 1855 and in 1883 in U.S.A.

The merit principle is a very commendable principle for selection of a right kind of candidates. A candidate purely selected on this basis is an asset to the administration and he can contribute a lot to its efficiency.

There are four different devices or tests which are employed to ascertain relative merit of the candidates and to rank them in order of merit. They are : (1) written test, (2) oral examination or interview; (3) demonstration of performance, and (4) evaluation of education and experience. The use of these tools depends upon the nature of posts for which candidates are to be selected. These tools could be used singly or in along with one or more devices. This could

1. Sharma M.P., Public Administration, Kitab Mahal, Allahabad Edn. V, 1967, P. 294

also be supported by one more test i.e. a physical fitness post. Besides these, the psychologists have evolved intelligence and psychological tests. These are used as a component of mainly of the interview method.

Promotion

Recruitment, as noted above, is of two types viz. direct and indirect. The indirect type of recruitment is known as recruitment by promotion. The term 'promote' is derived from the Latin word 'promovere' which means 'to move forward'. The dictionary gives three different meanings of the term 'to promote'. The relevant meaning to our purpose is 'to advance from a given grade or class as qualified for one higher. Thus promotion means advancement in rank and status which is generally accompanied by a raise in emoluments. A promotion increases responsibilities also.

A service in an organisation may be called as a career service. Persons who join it generally expect to spend their lifetime in it. This points out that the personnel work their way up the organisation ladder with the passage of time. This promotion becomes an inseparable part of a career service as in M.S.E.B.

Three distinct advantages flow from promotions.

(1) An organisation can retain the services of its employees

employees by this device. If person does not get scope to rise in the service he may leave it and opt for a better organisation. Promotions thus provide with a stable and fairly contented staff. (2) If there are chances of the promotions in future able and meritorious persons may accept service on lower rungs with a hope of getting promotion in due course of time. (3) A well thought out and enforced promotion policy nurtures a feeling of belongingness in employees and facilitate continuity in policies and practices which gave the way for establishment of traditions.

Generally in every organisation a certain percentage of posts at different rungs are earmarked to be filled in by promotion. But the promotions should be made on the basis of certain sound and fair principles. If favouritism and nepotism become criteria for giving promotions, the device of promotion may make more harm than render benefits. It is, therefore, very necessary to have certain good principles for giving promotions.

Principles of Promotion

One of the following principles are employed for giving promotions -

1. Seniority;
2. Merit; and
3. Seniority-cum-fitness

= At times, seniority and merit may be used in combination also.

Broadly, the principle of seniority is that the length of service should determine the order or precedence in making promotion. Rules, in detail, are laid down for fixing seniority of an employee. Generally there are very few disputes as to the seniority as its computation is objective. Generally, employees, particularly elder employees, prefer seniority to merit as a basic principle for making promotions. They have just to stand in a sort of disciplined queue. This makes them comfortable.

On the other hand, merit principle does not guarantee a promotion to a senior employee. The merit principle is a sound principle and theoretically its validity cannot be challenged. It is acceptable to everybody that the most meritorious or best qualified person should be picked up for promotion. The merit of an employee could be judged with the help of three methods; viz. (1) written test with or without interview, (2) decision of the head of the department in his discretion on the basis of his personal knowledge of the employee and his performance; and (3) decision of the head of the department on the basis of service rating, records on confidential reports etc.

There is a strong need of certain definite fair principles for making promotions. In the first instance

almost every employee would like to get a promotion as early as possible. But the hierarchical system of a typical organisation cannot make it possible as we go up on higher rungs the number posts go on decreasing. Thus there are greater number of employees who are eager to have promotions than the number of posts available for promotions at the higher rungs. Thus, demand for promotions outstrips supply of available posts for promotion. Thus, all employees at the lower rung cannot be given promotions even every one of them deserves. At least some of the employees who could not get promotion become unhappy. If no definite fair principles are employed for deciding upon giving promotions, it adds to their injury. They would feel that injustice has been done to them.

The management, even if it wishes, can give promotion to everybody because of the demand-supply situation explained above. This is quite natural. But the management by using certain principles for this purpose may avoid increase in disappointment in the minds of personnel. Hence, the need for the use of certain well defined principles on which promotions are made.

Position Classification

A classification of position is essential from a number of points of view for any organisation, particularly

for a big and public utility organisation like M.S.E.B. It is useful as a basis for recruitment, direct and indirect, for selection of personnel and so on.

The ultimate basic unit of an organisation is a position or a post. They are grouped together or in other words classified on certain principles such as similar or broadly identical qualities. In any big organisation posts or positions are classified into various groups, particularly in a career based on merit. It helps in laying down the rational standards or norms for selection of personnel. It facilitates uniformity in the method of describing different types of jobs and establishment of like groups for giving equal status and equal pay. An organisation has to spend a sizeable portion of total revenue on salaries to the employees, the classification of positions become important for the policy makers and the budget framers in the organisation.

There are two main systems of classifications; viz. (1) Rank classification, (2) Duties classification. The rank classification prevails in India. This classification is based on the rank and personal status of the incumbent. The duties entailed by the post are not given prominent consideration.

The public personnel in India is grouped into various classes and services. For example, employees are divided into various classes such as Class I, Class II, Class III and Class IV. These classes differ in responsibilities of work to be borne and qualifications demanded for the post brought under the class.

Similarly, the Govt. employees are classified according to services such as (a) All India services; (b) Central Civil Services; (c) State Govt. Services. These services are further classified. The M.S.E.B. also follows classification of position based on ranks. (1)

The second system of classification is based on duties. It is known as position classification in U.S.A. This system is used in U.S.A., Canada, Phillipines etc. Each position represents certain well defined duties and responsibilities. The terms duties and responsibilities have stand for the work assigned to a position and the matters for which an employee is held responsible or accountable. As this method of position classification is not adopted by the M.S.E.B., a detailed discussion of this method is not necessary for this study.

Training

1. Vide Chart No. 2.1

Training

Now-a-days the nature of administrative, technical and accounting work are becoming complex. There is a plethora of rules and regulations. An employee has to steer clear of all these constraints and work within a particular framework skilfully. Because of the democratic set-up in which he has to work, he needs a particular suitable orientation and attitudinal approach on his part. All these factors point out the overwhelming need for training of the employees.

Training may be formal or informal. Informal training is training by doing the work, and learning from mistakes. It thus leads to the acquisition of administrative skill through practice. On the other hand, formal training aims at inculcating administrative skill by well defined courses at various stages during the service of an employee. It includes formal instruction by lectures and group discussion, workshops, seminars etc. Formal training may take different forms such as (i) pre-entry training; (ii) post entry training; (iii) Orientation training; and (iv) In-service training. The very names of these categories reveal their nature and content.

The Contents of Training

The contents of training is a very important point to receive a serious consideration. A well devised training programme should be multi-dimensional. It should contain adequate knowledge and understanding of the work to be handled. The courses should be aimed at promoting efficiency of the employee. Secondly it help building up his morale. It is connected with his outlook and the attitude of the employee towards his work. A training should attune the employee to the central purpose of the organisation he serves. His involvement in the work increases by training. He should know, acts, rules and regulations, practices, procedures and so on. He should be taught intricacies of administration, general problems faced in day-to-day administration.

Duration of a training may vary according to the nature of work, contents of training course, the rung at which the employee is working and so on.

Generally, training is given to an employee i.e. after he has joined a particular service. It may be called as post entry training. In case of wiremen, engineers and certain other technicians, they acquire their skills before joining the job. It may be termed as pre-entry training. Still they need some training as they have to apply these skills to particular situations and work in a particular type of set up and atmosphere.

Training may be imparted in the department itself. It may be known as 'departmental training.' It caters to the needs of a particular department. On the other hand, there could be an institute specially provided for imparting training for the employees. This is called 'Central training.' Both types training systems may be employed by an organisation.

The training course may be confined to just imparting skills or it may add training about background of the organisation, information about the area, people etc.

Thus, today training occupies an important position in personnel administration of any organisation. It is particularly true of service and technique oriented organisation like the M.S.E.B.

Employee-Employer Relations

The employee-employer relations is a strategic and sensitive area in any personnel administration in modern times. Now it is a recognised practice that the employer and employee should have regular contacts and they should try to build up and maintain cordial atmosphere in the organisation. How far it is successful it depends upon both the parties, their attitudes, perspectives, relative strengths and so on.

The employee-employer relations are concerned with pay scales, allowances, other facilities, security of job, amenities, honourable treatment, judicious use of rules and regulations, discipline and so on.

The pay scales are revised from time to time. A salary, to-day, has various components, basic pay, dearness allowance, compensatory local allowance, perks and other benefits. Regular increments and promotions may give rise to certain problems and tensions.

Now-a-days, employees are well organised into trade union type or association type organisations. They are governed by relevant acts, rules and regulations. They are given a legitimate place in maintaining employee-employer relations and resolving issues pertaining to them. An organisation like M.S.E.B. needs such organisations and it has such organisation. These strained relations may lead to go slow tactics, strikes etc. Ultimately both the parties have to work out solutions to the matter of differences and work together.

Superannuation Benefits

The employees working in any organisation can work effectively and efficiently only upto a certain age. After this age they grow too old and need rest. Therefore, they



have to retire on reaching a particular age, say 58, 60, 62 or 65 years. In India, generally the prescribed age of retirement varies from 58 to 60. In certain cases it may go up to 62 or 65 years also. In certain western advanced countries, the age of retirement is fixed at even 70 years. Thus general fitness, physical and mental, of the employee governs the fixing the age of retirement. This age may be known as superannuation age.

Even after retirement, the employee needs money to maintain himself and his family. He needs certain pecuniary benefits after his retirement. These benefits may take different forms viz. (1) some kind of annuity for the retired employee for life (or in some cases also for his dependents after his death), and (2) a lumpsum payment to him on the retirement, to the accumulation of which he has contributed. The first method is known as pension and the latter is called Provident Fund. Any of these methods may be used or even a mixture of these two methods.

There are elaborate rules and regulations governing pension or provident fund. The former needs mere indicate and exhaustive rules and regulations.

In addition to, a pension or provident fund, an employee may be given gratuity in different forms after his retirement.

Thus, these various benefits are helpful to catering the needs of a retired employee.

In this way various aspects of personnel administration could be discussed in their theoretical frame work which will serve as a background for a study of personnel administration of the M.S.E.B. in the light of responses of the employees to the questionnaire circulated to them.

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