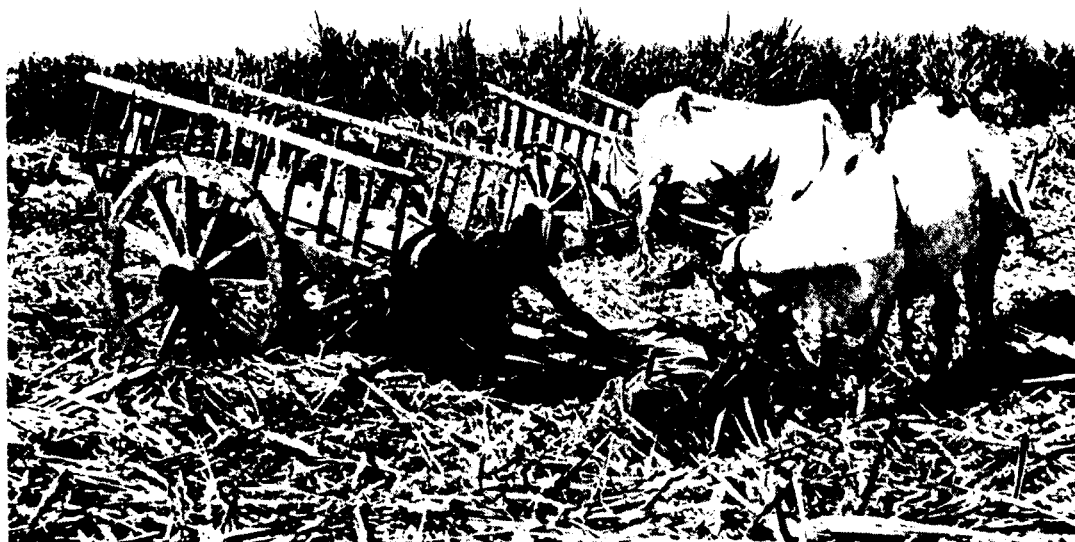


CHAPTER-1



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CHAPTER - I

SELECTION OF THE TOPIC

1.1 INTRODUCTION

1.2 IMPORTANCE OF THE STUDY

1.3 OBJECTIVES OF THE STUDY

1.4 METHODOLOGY

1.5 SCOPE & LIMITATIONS OF THE STUDY.

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CHAPTER - ISTATEMENT OF THE PROBLEM :

* A STUDY OF LABOUR TURNOVER AND ABSENTEEISM IN
GADHINGLAJ TALUKA SAHAKARI SAKHAR KARKHANA LTD. AT HARALI,
TAL. GADHINGLAJ, DIST. KOLHAPUR *.

1.1 INTRODUCTION :

Human resource is today universally acknowledged as the most valuable asset in any organisation. However, it is the least utilised. Only a small portion of human potential is tapped and put to work. As psychologist says only 1/10 of the human brain is developed. The remaining 9/10 remains latent, ideal and unproductive. Personnel management development must occur in actualising this potential power waiting to be developed. The difference between the organisations are arose only due to the performance of the people/workforce of such organisations. The most valuable asset of any organisation is its high calibre personnel.

In the skillful task of management, the most important factor is the management of men, because it is only through men that all the ingredients of an enterprise money, machine materials, products, marketing, sales, corporate strategies

and the men themselves are managed. And one of the most important factors in management of men is that the right number of men of the right kind and at the right time made available at the right place. Management have not yet recognised human resource in its true perspective. It is largely due to this that enlightened managements are incessantly searching and researching for newer and better techniques of personnel management.

It is described the task of managing "MEN" as the most skillful because the wonder of wonders is man who is the most dynamic animal. He has an infinite capacity to think to create, to develop, to discover and invent, to produce, to feel, to love, to dream, to master and to conquer, and as well as to destroy, to hate and to kill. He is the most complex being whose behaviour and conduct is most unpredictable. He can do infinite good and infinite bad as he chooses or as he led to choose. Therefore he is not a machine which has no buttons which could be pressed to accelerate their activity. They are only motivated by a complex of stimulants-economic, social and psychological. Hence, we must realise that man is not merely a commodity that can be bought and sold.

It may not be wrong if the word man is described as MAN viz. Molding himself to face the adventurous life with novelty.

1.2 IMPORTANCE OF THE STUDY :

In any nations economy industrialisation had played a great role because it creates large opportunities of employment fulfils the needs of consumers. Hence industrialisation is unavoidable. On the contrary, we cannot eliminate the use of man power in the process of production. To carry on the work of production each organisation needs personnel with the necessary qualifications, skills, knowledge and work experience. An organisation's performance and resulting productivity are directly proportional to the quality and quality of its workforce. And hence one has rightly remarked that of all the six "M's" in management (materials, machines, man, methods, money and motive power) the most important M is Men.

Even after the industrial revolution the importance of this factor is not declined. In the present age of computer or automation the importance is remained unchanged. Even if the Robots are used in industrial sector there is need of men (labour) to instruct the Robots. Realising the importance of "Men" one has rightly remarked that ,

" We do not manufacture automobiles, Aeroplances,refrigerators, radios, televisions but we manufacture men and they in turn manufacture the goods ".

Secondly, the whole object of human resource management is to secure from the employees maximum performance in terms of the predetermined objectives. Therefore, every management tries to improve the morale of its human resources as a measure to increase their motivation which forms a prerequisite to productivity. Another point is that defective machinery can be replaced, better quality of raw materials can be procured in place of the inferior quality but we cannot replace a group of trained and skilled employees by another group. The only practical way is to improve the relationship with the same group. Again it may be pointed out that the new machines, a well regulated supply of good quality raw materials, adequate amount of money and improved methods can perhaps increase productivity but the quantum and quality depends not only on the machines but on the skill, diligence and co-operation of the man behind the machine.

Thirdly, the human being who has got peculiar feature of sense and feelings, goes on work, not merely to earn a wage or a salary but more than that to derive social and psychological satisfactions. These satisfactions are firstly of being treated as a member of the team, Secondly, of being assured of fair play and justice, thirdly, of being provided with opportunities for his growth. This satisfaction of human being depends on management. Therefore management must be alert on improving the physical working conditions, inter personal relationships and communication.

Forthly, unless the right type of people are hired, even the best plans, organisation charts and control systems would not do much good. Therefore, finding people and putting them to work is an important process, which make reasonably sure that the person appointed to any position is interested in the work he has to do. Otherwise the evil effects of great labour turnover and high rate of absenteeism is inevitable. Therefore the management always strives to have the right number and the right kinds of people at the right places, at the right time to do things which result in both the organisation and individual receiving the maximum long range benefits. " a square peg in a round whole " type selection and placement of workers leads to labour turnover and frequent absenteeism.

Lastly, the success of an organised industry largely depends upon the efficiency and experience of its " Stable workforce ". Hence, the extent to which the management can reduce labour turnover and absenteeism of the workers is of great importance to the success of industry. However, for long time these terms were not defined clearly and very few industrial concerns collected figures for it.

The present problem under study is influenced by numberous factors and thus it is not a problem but as a matter of fact, many problems in one. And hence it needs to investigate the problem and suggest some possible remedies to reduce the magnitude of it.

Study of labour absenteeism and turnover is important not only from the view point of cost aspect but it is important from the view point of moral of employees as good moral is evidenced by employee enthusiasm and orders and a willingness to co-operate with others in the accomplishment of organisational objectives and poor moral is evidenced by surliness, cases of insubordination, discouragement and dislike of job company and associates. Even though it is difficult to calculate the effect of good moral in terms of costs, but there is close relationship between high rate of labour turnover and absenteeism and employee moral. It can be observed that department having low turnover and absenteeism rate have high moral and viceversa.

There is also close relationship between employee attitude and absenteeism, because job specification and the rate of absenteeism are cause and effect of each other. Thus employee moral and attitude help to understand the purpose and importance of labours as such labour is human factor and therefore not only economic but social considerations should also be discussed. Labour turnover and absenteeism have been and continues to be one of the major labour problems in Indian industries, and therefore are lagging behind in increasing production.

Frequent turnover and absenteeism badly affects industry, labour community and eventually the national economy. It stops machines, production processes, effects smooth and continuous

flow of work, increases direct overhead costs, increases the workload on regular workers, upsets production targets, results in production losses and finally in accomplishment of company goals. It also creates problems of recruitment, training of new workers. Job adjustments moral and attitude i.e., ultimately it disturbs the overall manpower plan of the company.

Labour turnover and absenteeism on one hand directly contributes to rise in cost of production and also on the other hand shatters the company image due to deterioration in the quality of goods produced and the delay in supply to the valued customers. Chronic absenteeism not only affects industry but also the workers working in organisation. As no work of the workers his income is decreased as "no work no pay" is usually the general rule. It affect the economy of the workers and also indebtedness goes on increasing and like absenteeism indebtedness become major problem. Loss of pay makes the labour community difficult to meet the wants of life. It affects their personal attitude, moral and they are unable to come out of this situations which goes on worsening and turning into unemployment because of dismissal by the employer. By this time chronic absentees are sticked to various bad habit like alcoholism, gambling and resulting in family disaster. Some time there is also possibility of some other factors contributing to absenteeism rate on the part of management i.e. job satisfaction, supervisory treatment, inadequate pay etc. This from the above discussion it seems to investigate the matter for the sake of industry labour and community as a whole.

1.3 OBJECTIVES OF THE STUDY :

The following are the objectives of this study.

- 1) To study the present rate of labour turnover and absenteeism in Gadhinglaj Taluka Sahakari Sakhar Karkhana Ltd at Harali.
- 2) To find out the causes of labour turnover and absenteeism.
- 3) To trace out overall effects of labour turnover and absenteeism on the working of Gadhinglaj Taluka Shakari Sakhar Karkhana Ltd., at Harali.
- 4) To understand the viewpoints of the workers regarding administration, working conditions, security, promotion and other benefits etc.
- 5) To find out the efforts made by personnel department to reduce labour turnover and absenteeism.
- 6) To make possible suggestions to minimise the magnitude of labour turnover and absenteeism.



1.4 METHODOLOGY FOLLOWED :

1) SELECTION OF UNIT :

I have selected Gachinglaj Taluka Sahakari Sakhar Karkhana Ltd at Haraji, Tal. Gachinglaj, Dist. Kolhapur as the unit to study labour turnover and absenteeism.

2) SELECTION OF PERIOD OF TIME :

A period of three years from 1983-84 to 1985-86 is selected from for the study.

3) SOURCES OF DATA COLLECTION :

The data required for study are collected from mainly two sources, viz.

a) The records maintained by the time office and general office of the factor.

This includes :

- 1) Muster Roll.
 - 2) Main Attendance Register.
 - 3) Shift Register.
 - 4) Daily Strength Report.
 - 5) Leave Register.
 - 6) Annual Reports & other Documents.
- b) Interviews of key personnel and workers of the factory.

4) THE STUDY WAS DIVIDED INTO THE FOLLOWING PHASES :

- 1) Collection of background information about labour turnover and absenteeism.
- 2) Collection of various records, statement sheets relating to the labour turnover and absenteeism.
- 3) Preparation of questionnaire, observation & interview schedule etc.
- 4) Personal observation through visiting groups of workers.
- 5) Personal interviews of the personnel and labour welfare officer.
- 6) On the spot study of absenteeism.
- 7) Drafting of the report after detailed information made available through questionnaire and in the course of interview.

5) CHAPTER SCHEME :

The present project has been divided in the following chapters.

CHAPTER :

I) Selection of the topic.

1) Introduction.

- 2) Importance of the study.
- 3) Objectives of the study.
- 4) Scope and limitations of the study.
- 5) Methodology followed.

CHAPTER :

- II) Concept, Importance, causes, Effects and Methods of calculating labour turnover and absenteeism rate.

This chapter deals with the concept, definition, importance of labour turnover and absenteeism. The various causes and effects of labour turnover and absenteeism, methods of calculating the rate of labour turnover and absenteeism, measures to reduce labour turnover and absenteeism are also taken into account.

CHAPTER I

- III) HISTORY OF SUGAR INDUSTRY :

This chapter is again divided into two parts, viz. History of sugar industry in India and history and development of the sugar factory under study, giving its capital structure, organisation chart, production and development plans.

CHAPTER :

- IV) PRESENTATION OF DATA :

This chapter deals with the present position of labour turnover and absenteeism. It also helps to understand the existing problem in the organisation.

CHAPTER :**V) ANALYSIS AND INTERPRETATION OF DATA :**

This chapter deals with verification of data, scrutiny, processing and analysis of data.

CHAPTER :**VI) OBSERVATION AND SUGGESTIONS :**

This chapter deals with certain observations that are made during the project training period and the suggestions based on these observations.

Questionnaire

Bibliography.

1.5 SCOPE AND LIMITATIONS OF THE STUDY :

The researcher found that the problem under study has many dimensions and much more complex than that appeared at first. Because the nature of sugar industry is seasonal one and mostly situated at the rural part of the country.

Since the study is undertaken as part of the fulfilment of the degree course of Master of Philosophy in Commerce, I have limited it to only one unit in the sugar industry, namely Gadhinglaj Taluka Sahakari Sakhar Karkhana Ltd., at Haraji, Tal. Gadhinglaj, Dist. Kolhapur.

Further since the dissertation is required to be submitted to the university within a prescribed time limit the period of study is limited to three years from 1983-84 to 1985-86.

The scope of the study is very much restricted only to find out the reasons of labour turnover and absenteeism and to give some good suggestions which may help the management of a factory to develop future human resource plans.

Labour turnover as well as labour absenteeism is very intricate problem for the sugar industry which required a very comprehensive and integrated approach and which can not be solved through piecemeal efforts either by punishments or disciplinary measures.

Lastly, while collecting the data through conducting interviews and questionnaire schedule, I tried to create a friendly atmosphere as much as possible and tried to wipe out the fear and doubts in the minds of workers. But the workers generally appeared are trained to give answers to the questions of researcher. Even though the information given by key personnel are free from any doubt.