

INTRODUCTION

I.0 Introduction :

1.1 Personnel Management :

1] Concept, Nature and Meaning :

Personnel Management is the general term, hence the personnel management means total functions of recruitment, selection, development and utilization of employee's as executive. In the functions of management are described as, planning, organising, staffing, directing, controlling, budgeting etc. In the same manner the functions of management are also planning, organising, directing and controlling of personnel. As such personnel management is a part of general manager. Lawrence Appley has given the concept of personnel management as " Management is the development of people and not direction of things Management is personnel Administration". They should never separated.

From this statement personnel management is the part of General Management. It is related with people at work. The successful management, if that management which gets effective results through people. This is possible by personnel management. It looks continuously on all operations regarding the attitude of workers. The personnel manager communicates the problems of workers to the management, he also informs the workers they important decision taken by the management, he create the more in the workers. He gives to the management important guidelines regarding personnel.

Defination :

There is no standard defination of personnel management. Still some experts and writers had given the meaning, scope and purpose of personnel management. Some of the definations are as follows :-

1) Flies Flow has given, " The personnel function is consult with procurement, development, compensation, integration and maintanance of the purpose countribute towards a complishment that organisation measure course and objectives".

2) Dale Yoder stated as " Personnel Management is man power management, and include both never relation and personnel management, Manpower management includes the process of planning and Directing the application development and utilisation of human resources in employment."

3) Dale Yoder difine " Manpower management is the direction and control of human resources in employment ... It is the procedure by which human resources are organised in making their contribution to current social and individual goals."

4) Paul Pigors and Charls Myers, has difined as ,"
" Personal Administration is a line responsibility and staff function it is besic management responsibility. Personnel specialist help line managers in providing advice counsel services and various guides of controls to sucraill uniform Administration of personnel policy design to achieve organisational objectives."

5) Thomas S. noted, " Personnel Administration is a code of way of organising and creating individuals at work so that they

will get the greatest possible realisation of their abilities Thus attaining maximum efficiency for themselves and their group and their by giving to the enterprise of which they are a part its determining competitive advantages and its optimum result".

From the above definitions it is clear that personnel management is a part of the process of management - POSCORS which is human aspects of an organisation. The object of personnel management is to establish and to maintain sound personnel relations at all levels of management.

In short personnel management is that part of general management which on the one hand involves the carrying out of all general management functions and the other the performance of certain specialized functions with the three fold objective of yielding maximum satisfaction to the workers, effectively meeting organisational goals and adequately contributing to the social and political aspects of community life."

Importance / Significance of Personnel Management :

Personnel Administration is that part of the process of management which is primarily concerned with the human constituents of an organisation. Its purpose is to establish and maintain sound personnel relations at all levels of the organisation and to secure the effective use of available personnel by ensuring such conditions of employment as will enable all persons in the enterprise to contribute most effectively to its

-
- 1 Business Administration and Management -
- S.C. Saksena,
 - 2 - Personnel Management - C.B. Memoria - 1984.

purpose in the performance of their duties, as well as to attain those personal and social satisfaction with they tend naturally to seek within their working environment.

People are the main subject matter of personnel administration and it is its business to educate employers, managers line and staff and supervisors to place a high value on the dignity and work of the individual human being. There was hardly any exaggeration when, Lawrence A Appley, President, American management Association work " Management is the development of people and not the direction of things ... Management and personnel Administration are one and the same they should never be seperated. Management is personnel¹ administration."

In the words of Rensis Likert : " All the activities of any enterprise are initiated and determined by the persons who make up that institution. Plants officers, computers, automated equipment and all else that a modern firm uses are unproductive except for human effort and direction Of all the tasks of management, managing the human component is the central and most important task, because all else depends on how well it is² done."

In short the challenge of personnel administration is 'People ' their development there well being and their satisfaction. The basic objective of the personnel executive bringing out an improvement in knowledge, skill, habits and

attitudes that will ultimately express it self productively in work and constructively in human relations. Personnel manager has to shoulder a great responsibility in promoting the optimum utilisation of the abundant human resources by providing expert professional and competent advice to management in the area of selection of employees, training and development, job evaluation, wage and salary administration, union management relations, human relation etc. He should assist employees not only in formulating proper human and progressive personnel policies and procedures, but also in implementing them effectively in the industrial organisation. The mission of personnel administration is to create a human and worthy environment in industry and business. Where every individual human being employer, employee, manager, supervisors - is in a position to make his maximum contribution towards the progress and growth of the organisation, every worker should feel and be made to feel that he is a co-owner of the industry in which he is engaged and every owner should feel and act as if he is a co-worker. There must be complete unity between workers and owner and ultimately it will foster the spirit of co operation and partnership between 'labour' and 'Capital' Its mission is to place before that exciting challenge of national reconstruction and to unlock that divine Power, Possessed by each individual, which can move mountains and harness it in the case of one's country.

1.2 Role of Wage and Salary Administration -

✓ A sound and satisfactory wage policy is an essential part of the personnel management. The workers working in any industrial unit expect that any wage differentials that exist in an unit

are due to explainable causes and they have a sound basis, in fact and are not due to favouritism lack of uniformity of judgement between supervisors in granting increases or the result of the ' Squeaky wheel getting the grease.' They expect wage rates to be consistent with job requirement and job performance. If the rates are not consistent, dissatisfaction is prevalent and grievances about the inadequate wages are common.

The task of wage administration is to sugar out the grievances of the employees and provide them perfect contentment. The basic object of wage and salary administration is to establish and maintain an equitable wage and salary structure. Its secondary objective is the establishment and maintenance of an equitable labour cost structure that is an optimum balancing of conflicting personnel interests. So that the satisfaction of employees and employers is maximised and conflicts are minimised. The wage and salary administration is concerned with the financial aspects of needs, motivation and rewards. Managers, therefore analyse and interpret the needs of their employees. So that reward can be individually awarded to satisfy these needs. It has been rightly said that, " People do want to satisfy some needs. Before they do anything, they look for a pay off reward.

✓ Dale Yoder observes, in his book ' Personnel Management and Industrial Relation ' that " wage and salary administration involves the selection, development and direction of programmes designed to implement compensation or incentivation policy through financial rewards. In wage and salary administration

managers translate selected policy into a wide range of compensation programs from the simplest hourly wage or monthly salary to much more complex incentive. Wage plans and combinations of wages and employee benefits and services.³"

All wage and salary must offer the employee a wage sufficient to support himself and his dependents at least in the manner customary in his community among wage earners of his category. All wage systems must satisfy the basic need of the employee for food, shelter, clothing and reasonable entertainment of his life and of his dependents life. The wage earner should regard his earning as a equitable compensation for his efforts. Because of fluctuations in the price level of the things that his earnings will buy, he is interested in his, ' real wage ' i.e. the buying power of his, ' Money wage ' If the price levels rise management should consider adjustment of payment to the cost of living, provided such adjustment is feasible because of a simultaneous increase in the proceeds from an enterprise.

Workers should be compensated basically in money to give them freedom of choice in the use of their earnings. Only payment of money will give them a feeling of independence from their employer and a chance to save and to improve their lot. Where the part of the compensation consists in goods or services employees should be free to choose between goods and money i.e. free to secure such goods and services themselves. Employees are interested in their take home pay. This end

3 Personnel Management and Industrial Relations - by Dale

product of their foils is often more important to them than the manner in which it is calculated. Under systems, earning should be higher than those of day rate or hourly rate employees on similar jobs, because employees working under such systems produce more and more. Incentives should be set sufficiently high to motivate workers to greater productivity, not only because of the noticeably higher standard of living that is made possible by incentive systems.

The establishment of an equitable wage system that would fit the peculiar needs of an enterprise, involves first of all a clear understanding of the labour needs of the business. This in turn, determines the choice of compensation system that is conducive to productivity, that is to production at a low unit cost. To attain this goal one does not need to pay low wages. Payment to employees in the form of compensation for their works must be such that recruitment and maintenance of the labour force will not become difficult. Skills training, experience and other job requirements must be sufficiently rewarded by offering incentives to all employees to remain in their jobs, irrespective of the wage system that was adopted by the enterprise to reward high output.

In short according to Beach D.S. ' A sound wage and salary administration⁺tries to achieve these objectives '.

(a) For Employees :

- i) Employees are paid according to the requirement of their jobs i.e. highly skilled jobs. This eliminates inequalities.

- ii) The chance of favoritism, which creeps in when wage rates are assigned, is greatly minimised.
- iii) Job sequences and basis of promotion are established whenever they are applicable.
- iv) Employee's morale and motivation are increased because a wage programme can be explained and is based upon fact.
- (b) To Employers :
 - i) They can systematically plan for and control their labour cost.
 - ii) In dealing with a trade union, they can explain the basis of their wage programme because it is based upon a systematic analysis of job and wage facts.
 - iii) A wage and salary administration reduces the likelihood of friction and grievances over wage inequalities.
 - iv) It attracts qualified employees by ensuring an adequate remuneration for all the jobs.
 - v) It enhances an employee's morale and motivation because adequate and fairly administered wages are basic to his wants and needs.

1.3 Objective And Purpose of Study :

✓ In the words, the researcher has kept the following objectives for the purpose of his study. The main objective is to understand the elements of wage and salary, such as pay

allowances, bonus, benefits and other incentives etc. introduced by the Rajarambapu Patil Sahakari Sakhar Karkhana Ltd., Rajaram - nagar. The study of chiefly aims at and covers the following aspects :-

- i) Organisation Structure, Categorisation and Standardisation of workers in this factory.
- ii) Are the wages and Salaries sufficient to satisfy the basic needs of the workers, such as for food, shelter, and clothing as well as the reasonable enjoyment of their life.
- iii) Schemes introduced to private the workers and impact of such schemes on the production and productivity and morale of the workers.
- iv) Various labour and welfare activities under taken by the Karkhana and its effect on real wages of the workers.
- v) Role of special allowances and incentives given by the Karkhana for motivation.
- vi) Pointing out employment opportunities created for the youths by the Karkhana.
- vii) Role of the Karkhana in Socio-economic development of the arounding area.
- viii) Various wage boards and committees appointed to consider and recommend demands of the workers in sugar industry and those engaged in harvesting and transport of the sugarcane of the Government. Recommendations submitted by the boards and Committees to the Government.

1.4. Methodology of Study :

Selection of unit wage and salary. The researcher has selected Rajarambapu Patil Sahakari Sakhar Karkhana Ltd., Rajaramnagar as an unit to a study of the wage and salary Administration.

Selection of the period of the five years. A period of five years from 1983 to 1987 is selected for the study.

Source of data collection, The data required for the study of are collected through ' Questionnaire ' and ' Interviews ' from of workers, supervisors and sectional or departmental heads, Besides this the other information is collected through the following records maintained by the personnel department of the Rajarambapu Patil Sahakari Sakhar Karkhana Ltd.,

- a) Muster Roll,
- b) Payment Charts,
- c) Pay Bills
- d) Annual Reports,
- e) Awards of various wage Boards,
- f) Interviews of Labour and Welfare officers,
Managing Director and other head of the Departments
and sections.

1.5. Limitation of Study :

Since the study is under taken as part of the partial fulfilment of the ' Degree Course of Master of Philosophy in Commerce and Management '. The researcher has limited his study to only one factory from the amongst the Co-operative Sugar Factories.

As the dissertation is to be submitted to the Shivaji University within a prescribed period of the time, the period of his the study is limited to five years from 1983 to 1987.

The scope of the study is restricted to wage and salary administration of the permanent and seasonal workers , engaged especially in Agriculture, Manufacturing, engineering and other departments. The workers engaged in harvesting and transport of sugarcane and contract labour have kept has out side the scope of this study. It is very good problem for further research.

..