
CHAPTER - V

'SUMMARY, CONCLUSIONS AND SUGGESTIONS'

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CONTENTS

-
- 5.0 Summary.
5.1 Conclusions.
5.2 Suggestions.
-

5.0 Summary :-

This chapter deals with summary of the present study, presentation of conclusions and suggestions regarding the Sanghs 'Wage and Salary Administration'.

The first chapter of the present study is 'Introduction'. The importance of sound wage and salary administration is evident from the fact that a majority of conflicts and disputes relate to the question of wage and salaries, keeping this in view, the researcher has selected the topic relating to "Wage and Salary Administration in Satara Sahakari Doodh Purvatha Sangh Ltd , Satara". The objectives of the study are, to understand present state of wage rates, salary scales of employees in the Sangh and to study the incentive schemes implemented by the Sangh. The data is collected through personal interviews of the employees as well as personal discussion with the Chairman, Manager, Accountant, Office Superintendent, Milk Procurement Officer, Assistant Dairy Engineer, Society co-ordinator, Office on Special Duty. The Respondents have been selected on 'Stratified random sampling basis'. Also relevant information is collected from the annual reports of the Sangh. The study is limited to the 'wage and salary Administration' aspects of the Personnel Management leaving aside the other aspects of Personnel Management. The study is limited to only one 'Doodh Purvatha Sangh' and that

too in co-operative sector.

The second chapter deals with , " A profile of Satara Sahakari Doodh Purvatha Sangh Ltd , Satara". There are seven Sanghas working in the field of milk procurement and distribution in Satara district. All these Sanghas are working on co-operative basis. Satara Sangh collects milk from nine talukas of Satara district. The Sangh was established in the year 1969. The registration number of this Sangh is S.A.T./P.R.D(A) 271, dated 22-8-1969. The main objective of the Sangh is to provide permanent means of living to farmers, farm labourers and educated unemployed persons. The membership of the Sangh is classified into three categories viz (i) primary milk Sansthas, (ii) Vividha karyakari Sansthas, (iii) Individuals. In the year 1994-95, the paid up share capital of the Sangh was Rs. 27,61,850/-. Satara Sahakari Doodh Purvatha Sangh Ltd., Satara, collects milk of cows and buffaloes from rural section. The milk is collected from 345 milk Sansthas located at different villages of Satara district. The collection of milk per day is about 70,000 liters. The Sangh sells its milk to the 'Government of Maharashtra' and to the 'Maharashtra Rajya Sahakari Doodh - Mahasangh, Mumbai', on wholesale basis. Retail milk sale procedure is related with Satara, Panchgani and Mahableshwar city. There are 31 Machinery in operation in the dairy department

of the Sangh. Now Satara Sangh prepares only two by-products of the milk viz, (i) Satara Kandee Pedha. (ii) Satara Basundhee. The Sangh have been establishing 25% 'Reserve Fund' from the net profit every year as per bye-laws. The establishment of budget is the responsibility of the 'Accountant' of the Sangh. The account of a Sangh must be audited at least once in a year. The Sangh is implementing 'Doodh Mahapoor Yojana' ('Operation Flood') in Satara district since 1985. The Sangh gives priority to solve the problems of primary milk Sansthas. Twenty 'Directors' form the Management. The Manager, Accountant, Office Superintendent, Milk Procurement Officer, Assistant Dairy Engineer, Society co-ordinator, Officer on Special Duty are the authorities of the Sangh. There are 180 employees working in the Sangh, of which 178 employees are on permanent basis and remaining two employees (i.e. workers) are on temporary basis. There are 19 cadres of the employees in the Sangh namely the Manager, Accountant, Officer Superintendent, Milk Procurement Officer, Assistant Dairy Engineer, Society Co-ordinator, officer on Special Duty, Milk Procurement Supervisor, Senior clerk, Supervisor, Refrigeration Operator, Ice Factory Operator, Assistant Ice Factory Operator, Electrician, Driver, Clerk, Assistant Supervisor, Peon and Worker. The Chairman tops the Organisational structure of the Sangh.

The Third chapter is concerned with 'theoretical background of wage and salary administration'. It contains introduction, meaning of wages, wage variations, essentials of sound wage plan, factors affecting wage rates, the wage determination process, theories of wages, components of wages, systems of wage payment, wage plan package, administration of wage and salaries, importance of wage policy, wage policy in India, wage boards etc.

The Fourth chapter is related to 'Wage and Salary administration in Satara Sahakari Doodh Purvatha Sangh Ltd , Satara'. This chapter contains analysis and interpretation of the collected data in relation to wage and salary. The wage structure of the Sangh consists of Basic pay, Dearness Allowance, House Rent Allowance, Medical Allowance, Washing Allowance, Festival Advance. But in the Sangh there is no wage structure for Society co-ordinator and Officer on Special Duty. The 'pay scales' of various cadres of employees in the Sangh have been given in this chapter as per 'Wage Agreement 1994'. The policy of the Sangh in relation to 'Perquisites to employees' is not satisfactory. It means perquisites were not implemented by the Sangh to its employees. There are two incentive schemes in the Sangh, these incentives are (1) Salary reward, (2) Bonus. Both the incentives are of monetary nature. There is also a system of non-monetary incentives available in the Sangh viz

recognition of good work of an employee, easy communication process, sympathetic attitudes of the supervisors etc. The Sangh deducts income tax, contribution to Recognised Provident Fund, Life Insurance Premium, Staff Society Loan, Festival Advance, Professional tax from gross wages / salaries of the employees. While determining wage rates, the working committee (i.e. wage committee) takes into consideration, difference between superiors and subordinates, when the wage rate of one cadre is changed equal attention is paid to the wage rate / salary scale of other cadres. The Sangh offers wages / salaries to their employees as per its wage and salary programme. 'Time wage system' of wage payment is followed in the Sangh. The wage revision procedure is adopted by the Sangh, but such wage revision procedure is followed after period of three years, regarding each cadre of employee. The revised wage rates are determined through 'Wage Agreement' . There are various factors which are affecting wage rates of the Satara Sangh viz, ability to pay, management views, state of competition , job requirement, state regulation, etc. The Management (i.e. working committee) should consider such factors while determining wage rates of the employees. In the Satara Sangh, wage rates of the employees are not fixed on the basis of wage theories given by the economists. In India, there is no 'Wage Board' for dairy industry. It is necessary to set-up 'Wage Board' for dairy industry

because of 'Wage Board' were set up already for cotton industry, sugar industry, cement industry etc. At present, the employees of the Sangh are not satisfied with present wages / salaries. But the pay is the most important single motivator used in our organized society. As a motivator, it becomes part of general psychological problems.

5.1 Conclusions :-

1) In the Satara Sangh, all the employees are male and all are married.

2) Total permanent staff of the Satara Sangh is 178, of which '90' employees are working in the cadre of 'worker'. All the employees of 'Worker Cadre' are under educated (i.e. below than standard 10th) , because there is no specific educational qualification required for the cadre of worker, so they are unaware of the information about 'Wage-legislations'.

(chpater II, point 2.11).

3) The Satara Sangh has not adopted any 'training procedure' for training its employees. Yet the Sangh had not spent any amount for the training of its employees.

4) The jobs, in the Sangh, have not been classified into skilled, semi-skilled and unskilled categories.

5) There is no proper classification of departments.

It was told to the researcher that, there are only two departments in the Satara Sangh namely Office department and dairy department.

6) The Employees do not get the dairy products at concessional rate, from the Sangh.

7) The employees have not been issued equity shares of the Sangh.

8) Two employees who have jointed in the Sangh, have left their previous services due to domestic reasons.

9) It was observed that, workers are permitted to see in person concerned authority to solve their problems.

10) It was found that, the scheme of employees participation in management is adopted by the Sangh, which is in the form of 'Director' on the Board as representative of employees.

(Chpater II, Point 2.10) .

11) Majority of the employees prefer 'job security' rather than unsecurity.

12) It was found during the study that, two authorities of the Sangh (i.e. Officer on Special Dutyt and Society Co-ordinator) are retired persons from other departments. They are appointed by the Sangh for taking advantage

of their experience. They are paid in lump-sum on account of salaries. In the Satara Sangh, there is no wage structure for 'Officer on Special Duty' and 'Society Co-ordinator'. (Chapter IV, Point 4.2).

14) In the Satara Sangh same 'scales of pay' is available to Accountant, Milk Procurement Officer, Office Superintendent, Assistant Dairy Engineer (i.e. Rs.1050-3675) , though their designations are different, their grade may be the same.

There is similarity regarding 'Scales of pay' of milk procurement Supervisor, Senior clerk and Supervisor (ie.e Rs. 675 - 2085) though their designations are different, their grade may be the same.

Same 'Scales of pay' is allowed to Refrigeration operator, Ice Factory Operator, Assistant Ice Factory Operator, Electrician, Driver and Clerk (i.e. Rs. 480-1660), though their designations are different, their grade may be the same.

There is also similarity regarding 'scales of pay' of peon and permanent worker (i.e. Rs. 360-1035), though their designations are different, their grade may be the same. (Chpater IV , Point 4.2).

15) There are two workers working on daily wages in the Sangh. They get wages Rs.20/- per day. (chapter IV, Point 4.2).

16) The housing facility is not provided by the Satara Sangh to its all the employees, instead the employees get 'House Rent Allowance' from the Sangh at the rate of 5% of their basic pay and dearness allowance (Chpater IV, Point 4.3 and 4.2).

17) It was found that the Satara Sangh gives 'washing allowance' to its certain cadre of employees viz Milk Procurement Supervisors, Drivers, Superivors, Assistant supervisors, Ice Factory Operators, Assistant Ice Factory Operators, Peons and Workers. The washing allowance is paid at the rate of Rs.20/- per month to above mentioned cadre of employees. The majority of employees is not satisfied with the present rate of washing allowance due to inflationary conditions. (Chapter IV, Point 4.2).

18) In the Satara Sangh, payment of bonus is given in the form of cash and not in kind. (Chapter IV, point 4.4.)

19) The policy of the Satara Sangh in relation to 'Perquisites to employees' is not satisfactory because yet the Sangh had not spent any amount for the purpose of 'perquisites' to its employeess. (Chapter IV, Point 4.3).

20) There are two incentive schemes in the Satara Sangh. These incentives are viz (i) Salary reward (ii) Bonus. Both these forms of incentives are of monetary

nature. (Chapter IV, point 4.4.).

21) There is also a system of non-monetary incentives in the Sangh, viz recognition of good work of an employee, easy communication process, sympathetic attitudes of the Supervisors , etc. (Chapter IV, Point 4.4).

22) In the Satara Sangh, wage revision procedure is followed after period of three years for all cadres of employees. (Chapter IV, Point 4.8).

23) There are several factors which influence the wage rates of the Satara Sangh. Of which 'Ability to pay' is the significant factor which affects the wage rates of the Sangh, because of Satara Sangh works on co-operative basis, therefore the Sangh earns only marginal profit. (Chapter IV, Point 4.9).

24) 'Time wage system' of wage payment is followed in the Satara Sangh. (Chapter IV, Point 4.7).

25) The employees of the Satara Sangh get 'Festival Advance' in the form of advance salary. (Chapter IV , Point 4.2).

26) The Satara Sangh has not adopted any procedure for control of wage costs. It was told to the researcher by the Manager and Accountant of the Sangh.

27) The wage rates were revised in the year 1994

by the working committee (ie. Wage Committee) of the Sangh. The implementation of these wage rates were started from 1st July, 1994, in regard of all cadres of the employees in the Sangh. (Chapter IV, Point 4.8).

28) During last ten years, there is not a single strike in the Satara Sangh.

29) The 'Principle of Seniority' in service is recognised by the management for the purpose of 'Promotion' from one cadre to another cadre.

30) The pension scheme is not applicable to the employees of the Satara Sangh, instead 'Contribution of an employee, to 'Provident Fund Scheme' is in exist in the Sangh. Provident Fund Scheme is applicable to the permanent employees of the Sangh. (Chpater IV - Point 4.5).

31) Though wage rates were revised in the year 1994 by the working committee (i.e. wage committee), majority of the employees are not satisfied with present wages/ salaries due to raising prices of basic commodities and rise in cost of living. (Table 4.6).

5.2 Suggestions :-

1) The Management should encourage the staff and should give increaments and promotional benefits if an employee completes specialised training in co-operation such as L.D.C., G.D.C. & A. etc.

The Sangh Manager and the Officers should be deputed to courses like H.D.C. conducted by Vaikunthbhai Mehta National Institution of Co-operative Management, Pune.

As the training is beneficial to the employees in order to increase the productivity, the Satara Sangh should go in for the training of employees.

2) The Management should properly define the category of jobs, as skilled jobs, semi-skilled jobs, unskilled jobs. It is helpful for job analysis. Job evaluation and job specification are the two products of job-analysis. It is possible to determine wage-rates of different cadres with the help of job evaluation.

3) The Management should properly classify various departments of the Sangh. Such as Establishment department, Accounts department, Stores department, Veterinary department, Research and development department, Engineering department, Dairy department etc.

(Chapter II, Point 2.12 : Suggestive Organisational chart).

4) The job security is preferred by the employees rather than unsecurity. The management should adopt suitable policy regarding the job-security.

5) It was found that, there is no wage structure in the Satara Sangh for two cadres of the employees

viz Officer on Special Duty and Society Co-ordinator. They are paid in lump-sum on account of salaries. So it is suggested that the working committee (i.e. wage committee) should fix 'Scales of pay' for these two cadres.

It was also found that, 'wage revision procedure' is not followed by the working committee in respect of 'Officer on Special Duty' and 'Society Co-ordinator'. So it is suggested to the working committee to take into account such two cadres (i.e. Officer on Special Duty and Society Co-ordinator) at the time of wage revision. (Chapter IV, Point 4.2 and 4.8).

6) While determining 'Scales of pay' for various cadres of the employees 'wage committee' should consider the 'ability to pay' of the Sangh. And there should not be similarity in 'Pay-scales' of various cadres of the employees. It is necessary to fix separate 'Pay scales' for each cadre of an employee. (Chapter IV, point 4.9 and 4.2).

7) At present the temporary workers are paid at the rate of Rs. 20/- . As consideration of recent economic position, Rs.20/- per day as wages is not enough to temporary workers to meet the routine expenses of them. So it is suggested that such temporary worker should grant Rs.40/- per day as wages, it will help them to meet with the inflationary conditions. (Chapter IV, Point 4.2)

8) Another important suggestioin can be made regarding 'House Rent Allowance' . At present the employees of the Sangh receive 'House Rent Allowance' at the rate of 5% of their basic pay and dearness allowance. In the opinion of Manager of the Sangh, it is necessary to offer them 'House Rent Allowance' at the rate of 10% of their basic pay and dearness allowance. It will helpful for improving employees satisfaction in regard with 'House Rent Allowance'.

(Chapter IV, Point 4.2).

9) As consideration of current economic position, Rs.20/- per month as washing allowance is not sufficient for maintenance of 'apparel' provided by the Sangh to milk procurement Supervisors, Drivers, Supervisors, Assistant Supervisors, Ice Factory Operators, Assistant Ice Factory Operators, Peons and Permanent Workers.

So it is suggested that, the working committee (i.e. wage committee) should grant Rs.30/- per month, instead of Rs.20/- per month, as washing allowance to above mentioned cadres of its employees. (Chapter IV, Point 4.2).

10) The payment of bonus should be in kind. The kind like watches, cycles, raincoats may be given to the workers with the bonus amount, because such kind

are useful to the employees for a long period of time but cash may be spent immediately. (Chapter IV, Point 4.4).

11) The policy of the Satara Sangh in respect of 'Perquisites to employees' is not satisfactory, because yet the Sangh had not spent any amount for the purpose of 'Perquisites' to its employees.

The Management should provide 'perquisites' to its employees, such as payment of school fees of employees children, Medical facilities, Recreational facilities, Refreshment during office hours, Installation of telephone at the residence of the Manager, etc. Because the payment of perquisites is included in the term salary.

(Chapter IV, Point 4.3).

12) The Management of the Satara Sangh should introduce effective incentive schemes to its employees. There are two incentive schemes in the Satara Sangh. These incentives are viz (i) Salary Reward, (ii) Bonus. It is also necessary to add another scheme in it namely prizes for harder and better work. (Chapter IV, Point 4.4.).

13) The Satara Sangh has not adopted any procedure for control of wage cost. The management should take precaution for avoid of 'idle time' in regard with workers,

and it will helps to reduce labour cost.

14) In the Satara Sangh, all the employees are male. In the light of Maharashtra Governments policy of 30% reservation and preference to ladies candidates, is given at the time of recruitment of the employees. So it necessary to offer opportunity to ladies candidates for jobs in offices, in the Co-operatrive sector (i.e. in the Satara Sahakari Doodh Purvatha Sangh Ltd , Satara).

15) Every employee wants to fulfill his needs satisfactorily. But employees cannot fulfill their needs without sufficient earnings. The employees of the Satara Sangh are not satisfied with present wages / salaries, therefore the management (i.e. working committee) should try to offer wages / salaries to their employees as per the wages / salaries of employees of the Government dairy. (Table 4.1).