

CHAPTER - V

THE UGAR SUGAR WORKS : VIEWS OF THE MANAGEMENT AND EMPLOYEES

1 INTRODUCTION :

The human factor working in the factory is the crucial aspect in the organization and development of the factory. This can be seen at two levels of management and the employees. The social background, their satisfaction with the factory and their views on different aspects of factory will have to be analysed and the present chapter deals with analysing the views expressed by the management and the employees about their factory.

2 VIEWS OF THE MANAGEMENT :

To ascertain the views regarding the conditions and factors that led to the establishment of the Ugar Sugar Works at Ugar-Khurd, three persons, viz., Shri V.S. Shirgaokar, Chairman, Board of Directors; Shri S.S. Shirgaokar, Managing Director and Shri B.P. Shah, Director, on the Board of Directors of the factory, were interviewed. A close analysis of their views in regard to the inception, development, and working of the factory reveals the following.

Firstly, in the opinion of all the three it is made crystal clear that it was the wise counsel and liberal financial help and concessions extended by the then H.H. Rajasaheb Patwardhan of the Sangli State inspired M/S Shirgaokar brothers, to establish this prestigious sugar factory.

Secondly Ugar-Khurd was selected as the site for location of the factory because of infrastructure facilities available at Ugar-Khurd. For instance, availability of ample fertile land to grow sugarcane coupled with availability of plenty of water supply from river Krishna as the natural source of water. Hard soiled site was also conducive to erect the factory adjacent to the river. The tremendous increase in the area of growing sugarcane and its supply points out that the bulk of the sugarcane supply to the factory is from the villages located on the banks of river Krishna.

Thirdly all three interviewed were unanimous in informing that the founding fathers of the factory experienced no difficulties in the collection of the share capital for the factory. In fact share collection was mostly an easy affair for them as there was good response from the public. Again procuring the required machinery, for the installation of the factory, was also trouble free and smooth going. After procuring the machineries, installation work was also completed with least difficulties and in time. The construction of the factory building also was completed smoothly and there were no difficulties and obstacles that could hamper the work.

As regards financial assistance by the government, the then Sangli State helped the factory in getting finance and required land etc. The then the ruler of Sangli State

also assisted in the stable working and development of the factory in the initial stages by way of concessions in the payment of water tax and exemption from payment of Income Tax by the factory for a period of three consecutive years.

After the establishment of the factory no notable restrictions were imposed by the government on the factory and its functioning.

The interviewees have revealed that the factory has not faced any difficulty in the transportation of the raw materials.

The factory management has schemes for its share holders like payment of annual dividend on the shares and sugar at the ration rate.

As regards the schemes to benefit the sugarcane growers and to ensure adequate and regular supply of cane, irrigation facilities have been created by installing 'Irrigation Pump Sets' on the bank of Krishna river in various villages.

The factory has undertaken welfare measures for the workers by providing for medical aid and family planning services at the moderate rates, eye operation camps, drinking water facilities to the colonies, school for the education of the children, well-equipped Gymkhana for recreation purpose. Workers are paid bonus regularly and supplied sugar at levy rate.

The factory administration and working has been smooth and prompt. Absence of labour unrest has further facilitated the smooth going of the factory.

The factory does not have any problem in marketing its produce since good market facilities are available.

In view of the immense increase in the supply of sugarcane, the factory has proposed to expand its crushing capacity from 3000 TCD to 5000 TCD. The expansion work is already in progress.

From the interview two notable facts emerge in the process of the building of the factory. The establishment work of the factory has been smooth sailing owing to the ready infrastructure available for starting a sugar factory at Ugar-Khurd. Hard landscape for the location of the factory, adequate fertile land and river water supply, conducive climate for sugarcane growing coupled with enthusiastic and diligent farmers and favourable response of the public in the share collection etc. have all been the factors instrumental in the inception of the factory.

Secondly the factory management has not encountered any difficulties and problems worth mentioning in the effective working of the factory. The factory management has, all along, been efficient and prompt in delivering the goods. The efficiency of the management of the factory administration and the trouble and accident free functioning

of the factory have earned the reputation of being model factory.

3 VIEWS OF THE EMPLOYEES :

An organization is not merely a mechanical structure but human involvement is also equally important. The functioning of an organization is understood by knowing the attitudes of the management and employees working in the organization.

In this chapter the views of the factory management have been ascertained on matters ranging from establishment of the Ugar Sugar Works Ltd. its growth and progress to present position.

In this section an attempt has been made to know the views of the employees regarding their service conditions and their impression and attitudes towards the functioning of the factory as well.

4 EDUCATIONAL BACKGROUND :

Educational qualification has vital role in shaping the efficiency of the employees in their work and their attitude towards it. The employees interviewed belong to different educational standards as below.

TABLE 5.1DISTRIBUTION OF EMPLOYEES ACCORDING TO
EDUCATIONAL LEVEL

Educational level	No. of Workers	Percentage
1) Illiterate	3	7.5
2) I to VII Std.	9	22.5
3) VIII to X Std.	17	42.5
4) P.U.C.to Degree	6	15.0
5) Post-graduates	2	5.0
6) Technical (B.E.)	3	7.5
Total	40	100.0

The above table reveals that majority of the employees were having educational level above VIII Std. There were few degree holders and post-graduates. Three were from technical background. Illiterate workers were only three in number. As majority of them were educated they were capable of expressing properly and answering the questions put to them. The degree of their understanding varied but all could express their impressions and feelings, about the factory and its management, without any fear or favour.

5 CLASS OF SERVICES :

The different class of services which has represented in the sample is presented in Table 5.2.

TABLE 5.2

Class of Service	No.of Employees	Percentage
1 Administrative and Technical	5	12.5
2 Clerical	13	32.5
3 Manual	22	55.0
Total	40	100.0

The total sample was not confined to any particular class of service personnel belonging to various classes of service - manual to administrative - were interviewed so as to ascertain the views of the employees from top to bottom in the hierarchy. The sample of employees from different class of services helped to get the views of all types of employees working in the factory.

6 SERVICE IN THE FACTORY :

The general trend is that if the employees are satisfied with the factory, then they try to remain there only. But whenever they are not satisfied, they try to shift elsewhere. On this background, the data regarding length of

service of the employees are presented in Table 5.3.

TABLE 5.3

DISTRIBUTION OF EMPLOYEES ACCORDING TO
SERVICE IN THE FACTORY

Service in the Factory	No. of Employees	Percentage
1) 1 to 10 years	10	25.0
2) 11 to 20 years	13	32.5
3) 21 to 30 years	9	22.5
4) 31 years and above	8	20.0
Total	40	100.0

The employees interviewed, were from different group of length of service ranging from 1 to 30 years and above. This helped the researcher to know the opinions, about the working of the factory of the beginners and also of the long standing ones. However, the employees with 11 to 20 years of standing service figure more in number than any other group. Thus majority of the employees having more than 11 years of service in 'Ugar Sugar Works' shows their satisfaction regarding the factory.

7 CASTE/RELIGION :

Caste has played a dominant role in political, economic and above all social life in India. In many cases organizations and establishments are found to be dominated by

a particular caste-group. It was tried to know whether there was any concentration of a particular caste in the organization. The data in this connection are presented in Table 5.4.

TABLE 5.4
CASTE/RELIGION OF EMPLOYEES

Caste/Religion	No.of Employees	Percentage
1) Brahmin	14	35.0
2) Maratha	13	32.5
3) Lingayat	6	15.0
4) Koli (Scheduled Tribe)	1	2.5
5) Muslim	6	15.0
Total	40	100.0

The factory organization has recruited men from different Caste /Religious groups like Brahmins, Maratha, Lingayats, Koli (Scheduled Tribe) and Muslims. However from the table given above, it appears that, of the 40 interviewed, majority belonged to Brahmin caste. This shows the change of occupation among the Brahmins as Brahmins are now taking employment in factories.

The second bigger group is of Maratha caste people. This is in tune with the findings of the study reports in cities like Bombay and other places that Maratha youths, with

agricultural backgrounds, prefer Mill work to any other occupation. The number of employees belonging to other castes/religions were meagre in number.

8 LABOUR RECRUITMENT :

The recruitment of labour is a major step in the total staffing process. The process deals with searching for prospective employees and so it is concerned with the range of sources of recruitment practices. Thus recruitment is an important step in the industrial employment.

According to Edwin B Flippo "Recruitment is the process of searching prospective employees and stimulating them to apply for jobs in organization".¹

Again an "industrial social organization is a complex system of roles. These roles are filled with flesh and blood people. But if roles are to be activated they must be played by people with certain technical skill, capacities, attitudes, motives even personalities. Filling the industrial role with the proper type of personnel is the function of the executive as an administrator".²

Thus from the point of management recruitment of proper personnel is required and it tries to get such personnel through different sources.

The formal mechanism of securing labour is the way through which publicity is given through the news papers and applications are invited for the posts in the industrial

establishment. Again the industrial establishment also takes help of the employment exchange for the posts and the list supplied by the exchange is taken into consideration. The applications received in response to this formal source are taken into consideration. The posts are filled on the basis of qualification and experience. Here the employees of the same industrial establishment can also be interviewed and selected, so that a suitable candidate may be promoted. This is the formal approach for recruitment.

Secondly, there is informal mechanism of securing labour through relatives, friends, office staff or personal contacts on the one hand, in this approach the person may approach the employer for employment directly or he may try it through his relatives, friends or office staff already employed in that industrial establishment. On the other hand the management/employer may inform the need of workers to their office staff and workers through whom recruitment can be made.

All the 40 respondents were asked as to how did they get employed in the factory. The analysis points out that while majority of them (27 in number) got employed through application and selection by interview, 9 of them got recruited by application and direct meeting with the management. A few of them (4) managed to get into the service because of the services of their kins in the factory. This shows the benevolent attitude of the factory management to

provide jobs to the kins of retired ones on compassionate grounds. Thus the data shows that the formal mechanism of application and interview was the main source of recruitment of the employees.

9 SATISFACTION REGARDING SERVICE CONDITIONS :

The employees were asked whether they experienced any difficulty in procuring their services and also whether they satisfied with their service conditions. It is interesting to note that none of them had any difficulty in getting their job nor any of them dissatisfied with their service conditions. All expressed satisfaction about their service conditions within the factory. This also reveals concern of the factory management to do all that is possible to keep its employees satisfied and thereby enhance their morale.

10 MONTHLY PAYMENTS :

One of the most important factors affecting the morale of the employees is the emoluments paid to them. Of the 40 employees none expressed dissatisfaction about the salary paid to them. All were of the opinion that they were being paid regularly and adequately.

The following Table 5.5 indicates the wage-scales and variable Dearness Allowance paid to the various classes of the employees.

TABLE 5.5

WAGE SCALES AND VARIABLE D.A. AS ON 1-7-1988

Category	1	2	3	4	5	6
		Pay Scales	I.R.W.O. on L.I.86 Rs.45/-	G.D.A. for 40 Index	V.D.A. for index points 678-19 points increased	Initial start total pay
<u>1) Operatives :</u>						
Unskilled		Rs.335-5-360-8-400	45/-	57=00	683-55	1120-55
Semiskilled		Rs.343-7-378-10-428	45/-	54=00	683-55	1125-55
Skilled 'C'		Rs.350-9-395-12-455	45/-	56=00	683-55	1134-55
Skilled 'B'		Rs.365-11-420-14-490	45/-	61=00	683-55	1154-55
Skilled 'A'		Rs.385-13-450-16-530	45/-	88=36	683-55	1201-91
Highly skilled		Rs.430-15-505-18-595	45/-	95=36	683-55	1253-91
<u>2) Clerical :</u>						
Clerical-V		Rs.352-9-397-12-457	45/-	56=00	683-55	1136-55
Clerical-IV		Rs.362-11-417-14-487	45/-	62=00	683-55	1152-55
Clerical-III		Rs.385-13-450-16-530	45/-	88=36	683-55	1201-91
Clerical-II		Rs.410-15-485-18-575	45/-	98=36	683-55	1236-91
Clerical-I		Rs.480-17-563-20-665	45/-	102=36	683-55	1311-91

100

..Contd.

1	2	3	4	5	6
3) <u>Supervisory:</u>					
Supervisory 'C'	Rs. 430-20-560-30-530-40-760	45/-	103=36	683-55	1311-91
Supervisory 'B'	Rs. 530-25-530-35-770-45-860	45/-	108=36	693-55	1366-91
Supervisory A-II	Rs. 580-35-720-50-920-65-1050	45/-	108=36	683-55	1416-91
Supervisory A-I	Rs. 600-50-800-70-1090-90- 1260	45/-	108=36	693-55	1436-91

The table shows that pay scales are fixed and paid to the employees according to the nature of their duties and responsibilities. Moreover the employees are also paid interim relief and Dearness Allowance as per the variations in the index points. From the interview the researcher got the impression that the workers in the factory made no complaints regarding the payment of their wages. They have been paid due wages and allowances. This also implies the beneficial attitude of the management to pay its employees what is due to them and thereby ensure high morale of the employees and their loyalty to the organization.

11 PROMOTION :

The word promotion is derived from the Latin word 'Promovere' meaning "to move forward".³ Employees in any service public or private, make it a career on this they depend for their livelihood and development of their personality. As such the employees always look to the pay scales and other benefits attached to the job are significant in affecting the morale of the employees. But equally important are the availability of promotional opportunities. No employee intends to retire from the post appointed initially. Promotion opportunities provide for increase in pay, duties and responsibilities and at the same time enhance the position and prestige of the employee in the hierarchy. Hence promotions induce the employees to work diligently which in turn increases their efficiency in

the work too.

The promotion policy has a definite bearing on the satisfaction of the employees and their attachment to the job. It has been said that "in all progressive industrial countries, it is recognized that one of the effective methods of securing contentment among workers and creating loyalty to the organization is the existence of a definite and well-planned system of promotion".⁴

Of the 40 employees interviewed, 25 workers have got promotions. This indicates that majority of the employees interviewed were given due promotion. Moreover all the 40 respondents opined that promotions have been on the basis of the two criterions namely seniority and merit. What is also significant to note in matters of promotion is that all the 40 were unanimous in their opinion that promotions have been all along unbiased.

12 LABOUR WELFARE FACILITIES BY THE FACTORY :

It is true that better conditions of work inside the factory help to increase the efficiency of the workers. The workers are to work 8 hours daily. This has an important bearing on the health and personality of the workers. In this factory there were no instances of adverse effect on the health of the workers owing to better conditions of work inside the factory. But the facilities outside have also got important role. The factory management has provided

the facilities like Housing, concessional medical care, schooling for their children, recreational facilities etc. which have been mentioned in detail in Chapter 4. None of the employees expressed any inconvenience caused for want of facilities. Moreover the employees are supplied with cooking Gas at cheaper rate by trapping the Methane Gas.

13 RETIREMENT BENEFITS :

Opinion was unanimous as regards retirement benefits to the employees. Superannuation benefits like Family Pension, Provident Fund, Gratuity etc. were available.

14 TRADE UNION :

"Modern Industrial establishments employ a large number of workers. Individually the workers are unable to complain their problems and raise their voice. Hence workers resort to Trade Unions for the redressal of their grievances. Trade Union strengthens the workers and helps them to solve labour problems created by the industry".⁵ The trade unions have become ingredient of modern industrial society. They help to solve the labour problems and eliminate their exploitation and provide better welfare facilities to the workers.

At Ugar Sugar Works the workers union is managed by a Committee consisting of the following :-

President	:	Shri S.A.Marut
Vice-President	:	Shri R.B.Bhoi
General Secretary	:	Shri G.T.Patil
Joint Secretary	:	Shri S.I.Kumbar
Treasurer	:	Shri V.N.Katti
Secretary(two posts)	:	Shri B.H.Attar Shri S.D.Mahapure

Departmental Representatives :

The Committee also consists of one representative of each of the following Departments.

Stores Department
 Workshop Department
 Bioler Department
 Motor Department
 Electric Department
 Workshop Department
 Chemicals Department
 Stores Department

Objectives :

The workers union has the following as its objectives :

- 1) To see that the Management pays full salary to each worker according to his work and pay-scales, fixed by government/wage board.

- 2) To see that the Management pays each worker Dearness Allowance and higher pay-scales fixed by the government from time to time.
- 3) To provide rupees 500/- as financial aid to a worker suffering from long serious illness.
- 4) To provide adequate financial aid to a poor and promising worker in the event of any emergency in his family.
- 5) To provide financial aid of Rs.2000/- to a worker's family after his accidental death and help his family to get Insurance Benefit and Family Pension.
- 6) To see that each worker gets leave and holidays and uniform according to rules.
- 7) In case of unfair dealing on the part of Management to a worker, the union will negotiate with the Management and see that the concerned worker gets compensation.
- 8) To find employment for a member of a workers family in the event of his death.
- 9) To provide financial aid for higher education of poor worker's children.
- 10) To persuade and provide suitable facilities to a worker in getting himself/herself sterilized and practice family planning methods according to the 20 point programme of the Government.

However the Union could not achieve many of its objectives satisfactorily for the welfare of the workers for lack of funds. Consequently many of the welfare schemes sponsored by the Union are pending owing to lack of funds.

The worker's Union has shown concern for safeguarding the interest of its members. It has made efforts both in protecting the services of the employees and also by extending financial help to the employees dismissed from the service. For instance, Shri V.R.Ganu a worker in the Accounts Department, was given financial help by the Union on his dismissal from service. The help extended by the Union helped Shri V.R.Ganu to start a cloth-shop and thus ensured livelihood for him.

As regards membership of the workers Union, of the 40 respondents, 27 workers were members of their union and 13 were not. Of the 13, a few officers and others of the security department who are not permitted to join the Union by virtue of the nature of their duties and responsibilities.

All the workers expressed satisfaction regarding working of their union for the welfare of its members. They were also of the opinion that the Union has spared no pains to solve the problems of the workers. There is no notable problem left unsolved so far by the Union.

15 WORKERS-MANAGEMENT RELATIONS :

The workers are having relations with the management apart from relations with his co-workers and supervisors. The worker-worker relations are based on the same status and the worker supervisor relations are based on the higher lower status relations. Both these relations are at the shop-floor level. Apart from these, the workers have to approach the management, which is the highest authority in industrial organization. Thus the workers are having contacts with the management. These contacts are comparatively few because the management has got the highest authority and status in the organization.

But great importance has been attached to worker-management relations because, "Communication is now being increasingly recognized the most important tool of management for promoting cooperative attitudes in employees and inculcating in them a sense of team spirit. Communication should function as two way process whereby information is passed on to employees and similarly information about the progress of work and other significant occurrences is passed to management".⁶

One pleasant thing to note that the attitude of the management towards workers and their union has been sympathetic throughout. The relations between the two have been harmonious and cordial all along. None expressed complaints about the management's attitude towards the employees. As regards contacts with the management, 10 respondents had

occasions to meet the management, while 30 of them had no contacts with the management. This is owing to their being in services where Periodical meetings rarely occur.

16 INPLANT CONDITIONS :

All the employees interviewed expressed happiness over the conditions of work inside the factory. They have been provided with labour welfare facilities like medical aid, accident relief etc. From the interview, it was revealed that the concept of Industrial Democracy not yet realized. Since the scheme of workers participation in the factory management is not practiced.

The general impression among the employees interviewed was that the factory has helped in improving the living standards not only of the factory employees in particular but also of the common men of the area in general. The average general impression of the employees about the factory and its management was good and impressive.

The net effect of general contentment among the employees has resulted in enhancing the morale of the employees and consequently their efficiency of work. The factory working and its administration has been smooth free from tensions like strikes and lockouts. In recognition of its sound working, the following prestigious awards have been given by both the Union and State Government.

- 1) "Shri S.V.Parthasarathy Memorial Award for the best performance in Sugarcane Development in Karnataka Region" (By Government of Karnataka)
- 2) Government of Karnataka Award for the best work done in Research and Development in sugarcane (1984-85).
- 3) National Safty Award for the Lowest Accident Frequency Rate in Sugar Industry for the previous three years (1984) presented by the then President of India, Hon'ble Shri Gyani-Zailsing.

All these awards received by the Ugar Sugar Works can be seen in photograph on page, 111.



" AWARDS RECEIVED BY THE
 UGAR SUGAR WORKS. "

REFERENCES

- 1 Flipp, Edwin, B.: "Principles of Personnel Management" p.133.
- 2 Schneider, B.V.: "Industrial Sociology", p.133.
- 3 Kerman, J.B., Dommermuth W.P, Sommers, M.S.: "Promotion - An Introductory Analysis", p.3.
- 4 The Bombay Textile Labour Enquiry Report, Vol.II 1940, p.359.
- 5 Patil Rajendra B.: "Industrial Labour in Ichalkaranji: A Sociological Study", Unpublished Ph.D.thesis, Shivaji University, Kolhapur, 1982.
- 6 Shintre, V.P.: "A Study of Communication between Management and Employees" Indian Journal of Social Work, Vol.XXXII, No.3, Oct.1967, p.329.