

## CHAPTER - III

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### ORGANIZATION OF THE UGAR SUGAR WORKS

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## 1 INTRODUCTION :

After describing the methodology of the study, an attempt has been made to analyse the organizational structure of Ugar Sugar Works. The present chapter deals with the composition of organization, its nature, human aspect in the organization, and the organization in Ugar Sugar Works.

## 2 CONCEPT OF ORGANIZATION :

"The term organization originally refers to organ which means the part of an animal or plant which is adopted to perform a special function, as the eyes, the heart, the vascular system etc. The main element here is the fitness to perform a function".<sup>1</sup> In ordinary language organization has two meanings - "one is dynamic and consists in the process of adjusting various elements among themselves in order to perform a function. The other meaning is static and consists in the result of organizing. So we can speak of factory organization, business organization and Military organization etc. In this sense the term organization refers to the whole of organized industry and also the operations which brought about that organization. Another restrictive meaning of organization is the activities addressed to achieve production in accordance with the aims of industry".<sup>2</sup>

W.H.White remarks "It is no exaggeration to say that we are living in the age of organization Man".<sup>3</sup> Organization have become so important that people are today, members of one or the other organization and spend lot of their time in them. Men live in organizational environment which even makes their behaviour organizational. So much so, the problem of organization has become the focus of all human activity.

Commonly, organization means putting the things in working order. Organization is the form of every human association for the attainment of a common purpose. Organization involves arrangement of personnel to achieve some set objectives through allocation of functions and responsibilities. Organization consists of the relationship of individual to individual and of groups so as to bring about an orderly division of labour. All said and done, organization is a planned system of co-operative effort in which each participant has a role to play and duties to perform.

### 3 STRUCTURAL AND HUMAN ASPECTS OF ORGANIZATION :

Any organization has two sides (two aspects) structural and human. Structurally organization involves designing and building the structure. But no organization becomes dynamic and workable without human beings. Men, with organization ability, are necessary to both, design and build the structure. Human-beings are essential to co-ordinate the

work of interdependent parts of the organization so as to ensure the proper attainment of the desired goal. The efforts and capacities of the persons engaged in an organization help to successfully complete the work. Organization involves not only allocation of duties but also placement of right man in the right place. Hence human aspect is an integral part of any organization. To eliminate human aspect from organization is to render an organization static. To think of an organization without human beings would be totally unrealistic. Hence an organization is not merely mechanical structure but also human organization. An organisation is both structure and human-beings.

An organization is deliberately planned, designated and duly recognized by competent authority. It is based on certain rules and manuals. But an organization cannot be planned only according to abstract principles. Due care be taken of the nature of personnel in it, their influence on the organization and the practical facts of the situations. This approach alone certainly leads to an workable organization.

Organizations are mostly hierarchical in nature and provide for the following functions such as - division of work among its members, formulating standard practices, transmitting decisions upward, crossways and downwards providing a communication system and also for training of

its personnel.

#### 4 TYPES OF ORGANIZATIONAL MODELS :

"The group of organizational models centre around the concerns and problems of management. Management has always been concerned with such problems as efficiency and effectiveness in organizations, workers' productivity, the coordination of activities and processes - in short all these aspects of organization which are of importance to the achievement of the managerial values of profitability and the variability of the firm".<sup>4</sup>

Work must be organized so as to take account of the human characteristics. First the inefficiency and diffuseness of human-being must be eliminated through studies of the motions involved in tasks and the time needed to perform them until the one best way of performing a job is discovered. Second the worker must be shown that it is in his interest to perform the job in this one best way. This can be done by tying in wages with performance on the job for instance by payment through piece work arrangement if possible and if not, through hourly rates closely tied to the nature of the job. The rationality and individualism of the human-being will assure the success of this programme.

The conditions under which high productivity can be achieved determine the tasks of management and the structure of the organization though the Scientific management school

is less interested in these aspects of industry. Administration and organization must be oriented to the needs for high productivity. Thus certain environmental conditions must be provided for work, such as machine tools, task priorities. Management and organization also have the task of providing the supervision and discipline without which the pace of work will be determined by tradition and without which maximum effort will be withheld by the workers. Finally management and organization must provide for and allow technical staff with expert knowledge not only productive processes but of time and motions involved in jobs.

#### 5 THE PREREQUISITES OF INDUSTRIAL ORGANIZATION :

The three prerequisites of industrial organization mentioned by Schneider are as follows.<sup>5</sup>

1) Industrial organization is directed purposively or consciously to the attainment of single aim, or limited sets of aims, no matter how they may vary in time or come to be redefined. In the case of industry the aim is particularly clear, it is the creation of profit through production of some commodity. Industrial organization is firmly and transparently related to a narrow set of aims and the efficiency of the organization in meeting its goals is relatively clear.

2) In order to achieve its aim, industry must engage in a process of production designed to change material

objects from one form to another in the most efficient manner possible that is with least cost. This technical process has certain characteristics which have great significance for industrial organization.

a) Virtually all industrial technical processes though of great variety, are highly coordinated systems. Raw materials must appear in the plant at the proper time and be distributed to the proper areas, work must flow in an ordered pattern from one area to another at regular time intervals, machines must be operated at a pace determined by the operation of other machines, standards of work and of production must be maintained. The basic research and development of new products must proceed and at some point be "fed into" the productive process. All this means that numerous objects and people must be brought together according to some ordered plan.

b) Closely related to the need for coordination is the need for specialization. The effectiveness of the industrial organization has proven to be dependent in large measure on dividing the work-up in such a way that each person or group of persons is responsible for a definite and limited area. Specialization is necessary not only to achieve coordination but also to allow personnel to acquire expertise at their work.

c) Industrial production has always demanded a certain amount of specialized knowledge, but recently this demand has been increasing rapidly. This demand reflects the increasing complexity of industrial systems and the complexity of new products, the search for new products, the need to engage in long range research.

d) Increasingly, modern industrial organization has need to engage in long range planning in rational calculation for the future. Industry must have long range planning in order to meet future orders to have the proper types of raw materials at hand or available to ensure itself of the proper quantity and quality of employees to be assured that plants and machines may not suffer long periods of idleness. Long range planning is needed for the development and marketing of new products, in order that capital may be accumulated at a proper rate and be properly invested, in order that the rate of profit be maintained or advanced.

3) In order to carry out the work of production in all its aspects, whether short range or long range, industry must bring within the organization the prerequisite number of employees, train them for their work (if they do not already possess the skills) motivate them to perform satisfactorily the work assigned them and prevent them from acting in ways that will be disruptive of the productive system. Here industry must face the fact that the human

'capacities' physical strength and dexterity, motivations knowledge, intelligence, talents, skills, attitudes and values - which people bring into organizations may not necessarily be constant with the needs of production and profit making.

#### 6 STRUCTURAL FEATURES OF INDUSTRIAL ORGANIZATION :

A successful industrial organization must meet the demands posed by 1) the aims of the organization for efficient production and profit making. 2) the needs of production co-ordination, specialization, expertise, planning. 3) the need for mobilizing and controlling human capacities. 4) External pressures in order to meet these prerequisites, the organization must be structured in some particular way that is regular patterns.

#### 7 PATTERNS OF POWER AND AUTHORITY :

Perhaps the most fundamental structural feature of industrial organization is a graded or hierarchically ordered, system of power and authority. If organizational aims are to be met those who run the organizations must have the ability or power to create and maintain a system of coordinated production, mobilize working force, control its behaviour and meet external pressure.

By 'power' we mean the ability of one person or group to get things done even against the will of others or

their natural inclinations. But do not mean to equate power only with coercion. Power also includes ability to persuade, to educate, to provide definitions of the situations to determine the problems which will come up for discussion to control the possible alternatives of action. Power must rest on some sort of legitimate claim to the right to rule and to demand obedience it may therefore invoke tradition charisma or legal rights. It may rest on knowledge. These sources of power are necessary to create and maintain an organization. Power exists prior to organization though it may be enhanced by an organization.

On this background of the literature with reference to organization, the attempt has been made to show the organization of Ugar Sugar Works in the following pages.

## 8 ORGANIZATION OF FACTORY

### Full address :

The Ugar Sugar Works Ltd.,  
PO Ugar-Khurd, Pin.591316  
Tal : Athani, Dist. Belgaum  
Karnataka State

### Registered Office :

The Ugar Sugar Works Ltd.,  
Mahaveer-nagar (Wakharbag)  
Sangli, Pin.416416

### Bengalore Office :

The Ugar Sugar Works Ltd.  
446, Sadashiv Nagar,  
Bengalore - 560080

Bombay Office :

The Ugar Sugar Works Ltd.  
514, Tulsiani Chambers, 5th floor,  
Plot 212, Backbay Reclamation,  
Nariman Point, Bombay-400021

Though the factory is situated at Ugar-Khurd its registered office is at Sangli (Maharashtra) which is the nearest district place. The factory is also maintaining two offices - one at Bangalore and another at Bombay, these two cities are the capital cities of Karnataka and Maharashtra respectively.

9 ORGANIZATIONAL CHART :

The chart indicates the organization system of the Ugar Sugar Works.

10 FACTORY ORGANIZATION AT A GLANCE :

Organization and Management are two sides of the administration - big or small, Public or Private. Men and materials organized and managed efficiently produce successful administration. Efficient Management helps to realize the set objectives. But a proper and effective organization of men and material precedes efficient management. Placement of right men in right place is the surest way to maximum utility and minimum waste of the resources-human and material - put to use. Sound organization is the bedrock of sound management.

In tune with this cardinal principle of sound administration, the Ugar Sugar Works has provided efficient organization of the factory. The factory organization as shown in the organization chart reveals the following.

Chairman :

At the top of the factory organization is the Board of Directors headed by its Chairman. He looks after the entire working of the factory.

Managing Director :

Immediately below the Chairman, there is the Managing Director who is incharge of the overall management of the factory - administrative and technical. He looks after, supervises, directs and guides the day-to-day administration of the factory.

Senior Executive (Administration)

There is one senior Executive who assists the M.D. in the management of the regular administration of the factory. He is specialized officer in the administrative work of the factory.

Managing Director (Technical)

To assist the Managing Director of the factory as regards the technical side of the factory organization and Management, there is a specialized officer immediately below the Managing Director designated as Managing Director (technical).

## 11 UNITS OF FACTORY ORGANIZATION :

The entire factory is organized into various horizontal and vertical units as below :

### 1) Office Superintendent :

This is the unit attached to administrative office under the control of Managing Director. The Office Superintendent helps the Managing Director in matters of office work. He also acts as P.A. to the M.D. The Office Superintendent is assisted in his work by Assistants and clerical staff.

### 2) Labour Welfare Officer :

This is the unit that looks after the activities of the factory workers and acts as a liaison office between factory management and the workers. There are two sub-units in this section namely (1) Time Keeper and (2) Gate Keeper.

### 3) Factory Manager-cum-Assistant Secretary :

This unit assists the M.D. in the day-to-day working of the factory. The Factory Manager is also Assistant Secretary. The sub-units in this section are - (1) Watch and Ward Office, (2) Security Officer, (3) Assistant Security Officer.

### 4) Production Manager :

He is incharge of the sugar production process in the factory. Production of sugar takes place under his

direction and supervision. In this work he is assisted by subordinate units in the descending order namely Chief Chemist, Deputy Chief Chemist, Manufacturing Chemist, Lab-in-charge, Lab-chemist, Pan-in-charge, Manufacturing Assistants pan-mate and workers.

5) Chief Engineer (Mechanical ) :

There is one Chief Engineer in-charge of mechanical work of the factory assisted by Deputy Chief Engineer, Assistant Engineer, Foreman, Supervisors, Head Fitters and Assistants.

6) Chief Engineer (Civil) :

He looks after the building construction works of the factory. He is assisted by civil overseers.

7) Secretary and Chief Accountant :

To assist the Managing Director in the execution of the policies and programmes of the factory administration and also maintenance of the Accounts of the Factory there is one officer designated Secretary and Chief Accountant. He is, in his work, assisted by Additional Accountants, Assistant Accountants, Accountant Supervisors and Clerks.

8) Sugar Godown Keeper :

He looks after the keeping of sugar bags into the Godowns and maintains the record of the number of sugar bags received and delivered out. He is assisted by Clerks and Workers.

9) Store Keeper :

He keeps a record of the goods, commodities purchased for factory use and their issue for utilization. He is assisted by Assistant Store Keeper and Clerks.

10) Cost Accountant/Internal Auditor :

He advises the Management as regards the cost of production and also acts as Internal Auditor of the factory accounts. He is assisted by Assistants and Clerks.

11) Research and Development Manager :

This unit is engaged in research work in the field of sugarcane development and water management. He is assisted by Research and Development-cum-Cane Development Officer and Clerks.

12) Agricultural Engineering and  
Motor Transport Officer :

This officer has dual responsibilities. As an Agricultural Engineer, he looks after land development and levelling, soil testing and conservation etc. so as to promote the fertility and productivity of the lands. As Transport Officer, he manages Vehicle Department by way of the maintenance, repairs, transport work, disposal of the out moded ones and requirements of new vehicles of different types.

13) Branch Manager at Sangli Office :

The Registered Office of the factory is at Sangli (Maharashtra) managed by a branch manager. And the location of the factory at Ugar-Khurd, Belgaum District (Karnataka).

14) Managers at Branch Offices :

The factory has two branch offices - one in Bangalore and other in Bombay each office headed by a Manager.

15) Marketing Officer :

To manage and promote the sale of the factory products there is one Marketing Officer.

16) Medical Officer :

There is one fullfledged Hospital providing for health services namely "Dr.Shirgaokar Smarak Arogya Mandir". There is one Medical Officer appointed by factory to look after the health services.

The duties assigned to various positions have been carried out by the concerned person. Therefore the smooth running of the factory has been possible.

19. ORGANIZATION ; PERSONS AND POSITIONS

The following table shows the names of persons who are occupying the above mentioned positions along with their qualifications.

TABLE 3.1

## PERSONS AND POSITIONS IN ORGANIZATION CHART

Name	Qualification	Designation
1 Shri V.S.Shirgaokar	B.Sc.(Hon.)	Chairman
2 Shri S.S.Shirgaokar	B.Sc.(Hon.)	Managing Director
3 Shri P.V.Shirgaokar	M.Sc.	Senior Executive (Administration)
4 Shri R.V.Shirgaokar	B.Sc.(Hon.)	Managing Director (Technical)
5 Shri S.S.Ingalagi	B.A., B.Com.	Office Superintendent and P.A.to M.D.
6 Shri G.N.Bellary	B.Sc., M.S.W.	Labour Welfare Officer
7 Shri R.P.Tagare	B.Sc., LL.B.	Factory Manager- cum-Asstt. Secretary
8 Shri J.V.Mantri	B.Sc.(Hons.) ANSI FSTA	Production Manager
9 Shri S.S.Hongal	B.E.(Mech.)	Chief Engineer(Mech)
10 Shri V.M.Biradargoudar	B.E.(Ele.)and ANSI BOE	Chief Engineer (Civil)
11 Shri R.G.Jogalekar	C.A., LL.B.	Secretary and Chief Accountant
12 Shri M.V.Chavan	-	Sugargodown Keeper
13 Shri R.R.Deshpande	B.Com.	Storekeeper
14 Shri M.G.Patwardhan	B.A.(Hon.), B.Com., AICWA	Cost Accountant and Internal Auditor
15 Shri V.G.Desai	B.Sc.(Hon.)	Research and Development Manager
16 Shri P.R.Nasalapurkar	Dip.in Auto- mobile Engg.	Agri.Engineer and Motor Transport Officer

Name	Qualification	Designation
17 Shri Y.P.Ghate	-	Branch Manager, Sangli Office
18 Shri S.S.Shirgaokar	B.Sc.	Branch Manager, Bombay Office
19 Shri C.Narendranath	B.A.(Hon.)	Branch Manager, Bangalore Office
20 Shri G.V.Bhat	B.Sc.,D.M.M.	General Manager - Marketing
21 Shri P.V.Jog	M.B.B.S.	Medical Officer

The above table clearly shows that the persons having adequate qualifications have occupied positions in the Ugar Sugar Works. The table also shows that the technical and general qualifications have been fulfilled by the persons occupying these posts.

REFERENCES

- 1 Gisbert Pascual S.J. "Fundamentals of Industrial Sociology", p.79.
- 2 Ibid. p.80
- 3 Tyagi, A.R. "Public Administration - Principles and Practice", p.109.
- 4 Schneider, E.V. "Industrial Sociology", p.100
- 5 Ibid. pp.101-102.

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