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TRANSFERS, PROMOTIONS, REWARDS AND PENALTIES

This chapter consists of four sections . The first section covers practice followed in KBL for transferring employees . Respondents' opinions regarding transfers are also recorded. In the second section, policy followed at KBL for promoting employees is discussed. Employees' feelings regarding transfers are discussed in this section. The third section deals with rewards given to employees for good acts done by them and disciplinary actions taken for wrongs done by them. Last section concludes the chapter.

SECTION - I

TRANSFERS

Introduction :

The purpose of transfer is better utilisation of existing manpower. Supervisory and managerial persons are transferred, when a particular department requires a person with specific experience or to cope with additional work-load in that department. Whenever a foreign collaboration takes place and new products are to be developed and manufactured, experienced persons are transferred to take those challenging assignments. Replacement is done either by recruiting fresh persons or by promoting experienced persons. However, this replacement is not given immediately as efforts are made to distribute the work of the person transferred amongst the remaining persons in the department.

Table 6.1 Transfer Details

Sr.No. and Designation	Whether Transferred after Joining		
	Yes	No	TOTAL
1.Supervisor (1,2,3)	21 (40.38) (45.65)	31 (59.61) (59.61)	52 (100.00) (53.06)
2.Line Manager (1,2,3)	19 (63.33) (41.30)	11 (63.33) (41.30)	30 (100.00) (30.61)
3.Manager (1,2,3)	6 (37.50) (13.04)	10 (62.50) (19.23)	16 (100.00) (16.33)
TOTAL	46 (46.94) (100.00)	52 (53.06) (100.00)	98 (100.00) (100.00)

NOTE : Figures in upper parentheses are percentages of horizontal totals and in lower parentheses are percentages of vertical totals.

Table 6.1 gives details of the transfers. It states that out of 98 persons interviewed, 46.94 percent are transferred and 53.06 percent are not. Whenever the need arises, management transfers persons without dislocating the functioning of the transferees department . In respect of transfer, managements's view is to utilise available talent and experience for more challenging jobs, and routine and well set work are handled by the incumbant with the help and guidance of the departmental head. Representatives of the management during the course of discussion explained the thinking behind transfer policy. The purpose is two-fold. One , staff members should become versatile and become capable to handle diversified jobs. Two,experience has proved that when persons are transferred, they take up the new assignments with lot of interest and enthusiasm. They try to apply their past experience to the new assignments.

Table 6.2 Title : Tranfers after Joining.

Sr.No. and Designation	Transferred			Reasons for Transfer		
	Yes	No	TOTAL	Own Request	Without Request	TOTAL
1.Supervisor (1,2,3)	21(40.38) (45.65)	31(59.61) (59.61)	52(100.00) (53.06)	1 1 2 1	16 (76.19) (43.24)	21 (100.00) (45.65)
2.Line Manager (1,2,3)	19(63.33) (41.30)	11(36.67) (21.15)	30(100.00) (30.61)	1 1 2	15 (78.95) (40.54)	19 (100.00) (41.30)
3.Manager (1,2,3)	6(37.50) (13.04)	10(62.50) (19.23)	16(100.00) (16.32)	-	6 (100.00) (16.22)	6 (100.00) (13.05)
TOTAL	46(46.94) (100.00)	52(53.06) (100.00)	98(100.00) (100.00)	9 (19.57) (100.00)	37 (80.43) (100.00)	46 (100.00) (100.00)

NOTE : Figures in upper parentheses are percentages of horizontal totals and in lower parentheses are percentages of vertical totals.

Transfers take place in two ways in KBL.

A) Management decision : Management decides to transfer a person when there is requirement in another department. However , while transferring a person, his strengths and weaknesses are taken into consideration and suitability for the new job is studied. Before the transfer is finalised, the departmental head discusses the matter with the concerned person and he is told about the reasons of transfer and his consent is obtained. However , if a person does not want to be transferred for valid reasons, his wishes are respected by the management.

One supervisor from Assembly section was transferred to Stock and Despatch department to look after final despatches of the products. One line manager was transferred from Industrial Engineering department to new Corrocoat divison where anticorrosion and rust preventive processes are done on major components of the pumps. He was sent to U.K. for training. One manager was transferreed

from sales department to monitor the functioning of the systems and the processes introduced as per the I.S.O.9001 Standards.

B) Own request of the employee : Staff members some time approach the management and request for transfer after giving their reasons. Their plea is taken into consideration and as and when there is "opening", that person is transferred ; provided that person is aptitudally and nature-wise suitable to the new position. Genuine domestic problems of the persons are also considered by the management.

One management representative explained that the transfers are also essential to break the monotony of work and stagnation of thinking which comes by doing the same type of jobs for many years.

Table 6.2 gives the statistics about the transfers on request by the concerned persons and transfers effected by management for administrative reasons.

Out of transfer of 46 persons, 5 supervisors were transferred on their request. One supervisor thought that his growth in that department had reached the limit and as such he wanted a transfer in the other department where he had growth opportunities. Hence he was transferred from machine shop to Material department. One supervisor working in assembly shop, wanted to have experience in machine shop to improve upon the problems faced by assembly shop fitters due to machining. One supervisor was placed in Product Engineering department but wanted sales and marketing as he had just then completed diploma in marketing. Two supervisors in Quality Control department,whose job inclination was machine shop ,were transferred to machine shop.

One line manager was transferred from machine shop, where he was required to wait for long hours after the shift is over. He had a domestic problem, as his old mother was very sick and his residence was about 8-9 Kms away from the factory. It was quite essential that he had to stay with his mother, as far as possible. His request was conceded. Two line managers requested transfer for the better prospects and growth. One line manager working in machine shop, completed his bachelor degree in Arts and he wanted industrial engineering department-Time and Motion study section,as he thought that his machine shop experience would be useful for circulating and fixing the standard time of machining operations.

All these were horizontal transfers with no promotion. All the request transfers are not immediately done on their asking, but as and when the vacancy arose. Some had to wait for more than a year.

Table 6.3 Transfers By Management and By Own Request

Sr.No. & Designation	Like - Dislike Classification			
	Yes	No	Neutral	TOTAL
1.Supervisor (1,2,3)	48 (92.31) (56.47)	1 (1.92) (100.00)	3 (5.77) (25.00)	52 (100.00) (53.06)
2.Line Manager (1,2,3)	23 (76.67) (27.06)	-	7 (23.33) (58.33)	30 (100.00) (30.61)
3.Manager (1,2,3)	14 (87.50) (16.47)	-	2 (12.50) (16.67)	16 (100.00) (16.33)
TOTAL	85 (86.73) (100.00)	1 (1.02) (100.00)	12 (12.25) (100.00)	98 (100.00) (100.00)

NOTE : Figures in upper parentheses are percentages of horizontal totals and in lower parentheses are percentages of vertical totals.

Table 6.3 gives details of employees responses. Out of 98 employees, 46 persons were transferred. 85 employees have liked the decision and were satisfied. This figure of 85 is inclusive of the persons who were not transferred.

The reaction of 12 employees was neutral, because they opined as they were performing their job equally well in the earlier department as well as in the new department.For administrative convenience the transfers were effected.

One supervisor did not like the transfer because he was quite happy with his job in the original department,but he was transferred to another department. He ,therefore, did not like the transfer, but continued to work in other department for some time. He could not do well there and had to be retransferred to his original department. This also shows the openness of mind of the management.

It is true that many persons are transferred by the management after discussing with them. Transfers in KBL are not considered as punishment. It is also not that the person transferred does not perform upto the mark or he has any weaknesses. But he is transferred to exploit his capabilities better. There are quite a number of persons who are not transferred any time. Persons who are transferred by management are also quite happy with their new jobs.

Management representative mentioned that persons should feel happy with their jobs, they should like the job and then only they can be expected to give their best and I quote "Unwilling horses don't run fast ". He further assured that if transferees come forward and explain their difficulties, the matter can be discussed and problem can be resolved. In

exceptional cases, when the person cannot be convinced of need of transfer and is unwilling for the transfer, the management exercises it's discretion because it is management's prerogative to make transfers.

SECTION - II

PROMOTION

Promotion is an advancement of an employee to higher position of responsibility and complexity . It is a basic human instinct to make progress and move higher and higher in chosen career, which brings status and more income. This helps to improve the standard of living and quality of life style. Promotion provides motivation and builds morale.

Table 6.4 Promotions Since Appointment.

Sr.No. and Designation	Promoted			Total	If Yes, how many times
	Yes	No	Not Due		No. of persons (How many times)
1.Supervisor-1	7(87.50) (10.00)	-	1(12.50) (3.57)	8(100.00) (8.16)	4 (3) 1 (2) 2 (1)
2.Supervisor-2	6(40.00) (8.57)	-	9(60.00) (32.14)	15(100.00) (15.31)	1 (1) 2 (3) 2 (2) 1 (4)
3.Supervisor-3	14(48.28) (20.00)	-	15(51.72) (53.57)	29(100.00) (29.59)	2 (1) 2 (2) 1 (6) 7 (2) 2 (5)
4.Line Mgr. -1	6(85.71) (8.57)	-	1(14.29) (3.57)	7(100.00) (7.14)	1 (1) 2 (3) 1 (2) 2 (4)
5.Line Mgr. -2	5(83.33) (7.14)	-	1(16.66) (3.57)	6(100.00) (6.12)	1 (1) 4 (2)
6.Line Mgr. -3	17(100.00 (24.28)	-	-	17(100.00) (17.35)	1 (1) 9 (3) 5 (2) 2 (4)
7.Manager -1	6(85.71) (8.57)	-	1(14.29) (3.57)	7(100.00) (7.14)	1 (3) 2 (5) 3 (4)
8.Manager -2	4(100.00) (5.71)	-	-	4(100.00) (4.08)	1 (1) 1 (6) 1 (3) 1 (7)
9.Manager -3	5(100.00) (7.14)	-	-	5(100.00) (5.10)	1 (3) 1 (6) 3 (5)
TOTAL	70(41.43) (100.00)	-	28(28.57) (100.00)	98(100.00) (100.00)	44 (100.00) (100.00)

NOTE : Figures in upper parentheses are percentages of horizontal totals and in lower parentheses are percentages of vertical totals.

KBL is following a very pragmatic policy about promotion. Table No.6.4 reveals that out of 98 respondent 70 respondents were promoted and 28 persons could not be promoted as they were not due for promotion. This table also shows how many times, each of the 70 respondents were promoted.

Expansion in production activities, diversification, thrust on exports, more demanding customers, introduction of automation in machine shops and offices and use of computer

necessitated to have capable persons at such ventage positions. This brought about introduction of 9 layer promotion policy for supervisory and managerial staff, beginning with Supervisor -as S-1, S-2, S-3, Line managers as LM-1, LM-2, LM-3 and Managers as M-1, M-2, M-3 .

KBL knows the importance of promotion policy. Along with appraisal report work report submitted by employee to his departmental head is also considered. Every three year, a detailed appraisal report regarding all aspects of work and behaviour is prepard. Such reports of past three years are taken into cosideration to decide promotion of an employee. All employees get equal opportunity to show their merits and talent to go forward. Management postpones promotion if the performance is found to be unsatisfactory. In table 6.5, respondents have given their impression and opinion about the bases for promotion.

Table 6.5 Bases For Promotion.

Sr.No. and Designation	Promotion Criteria			
	Merit	Seniority and Performance	Not Due	Total
1.Supervisor-1	7(87.50) (10.71)	-	1(12.50) (3.57)	8(100.00) (8.16)
2.Supervisor-2	5(33.33) (7.35)	1 (6.66) (50.00)	9(60.00) (32.14)	15(100.00) (15.31)
3.Supervisor-3	13(44.83) (19.12)	1 (3.45) (50.00)	15(51.72) (53.57)	29(100.00) (29.59)
4.Line Mgr. -1	6(85.71) (8.82)		1(14.28) (3.57)	7(100.00) (7.14)
5.Line Mgr. -2	5(83.33) (7.35)		1(16.67) (3.57)	6(100.00) (6.12)
6.Line Mgr. -3	17(100.00) (25.00)		-	17(100.00) (17.35)
7.Manager -1	6(85.71) (8.82)		1(14.29) (3.57)	7(100.00) (7.14)
8.Manager -2	4(100.00) (5.88)		-	4(100.00) (4.08)
9.Manager -3	5(100.00) (7.35)		-	5(100.00) (5.10)
TOTAL	68(69.39) (100.00)	2 (2.04) (100.00)	28(28.57) (100.00)	98(100.00) (100.00)

NOTE : Figures in upper parentheses are percentages of horizontal totals and in lower parentheses are percentages of vertical totals.

Table 6.5 clearly reveals that promotions at KBL are not given on ad-hoc basis, but on definite bases. Out of 98 respondents, 68 respondents feel that merit and performance have highest priority while giving promotion. Two employees thought that seniority and performance should be considered.

Management representatives mentioned that management's thinking is quite clear that merit and performance are key factors. Seniority is given some weightage in the process of promotion.

Opinion of the respondents about Promotion Policy :

As a part of enquiry respondents were asked to express their opinions about promotion policy followed by KBL.

Out of 98 respondents, 94 (95.92 percent) persons expressed that the promotion policy is sound and it does not have any deficiency. However, four persons have felt that there are deficiencies in the promotion policy. The opinions are summarised below :

1. Promotions should be done on specified date and it should not be delayed . Delay in promotion creates a sense of uncertainity in the minds of employees as to whether promotion will be given or not. This is quite a disturbing and agonising period. More so, when you are expecting promotion on account of your performance and if it does not come through in time, then it leads to a temporary frustration.

   Management representatives explained that promotion is given on the basis of overall performance, work-report and results of the interview and these are required to be studied for correct evaluation . When performance is satisfactory, there is no reasons as to why persons should feel uncertain about promotion. Sometimes, delay takes place due to technical and administrative reasons and it is never done purposely.

2) Three year is too long a period as one has to be satisfied with annual increment. Now the technological changes are taking place in industry with great speed. Automation, labour and time saving devices are coming in the market in good number. Technically qualified persons, by studying and

reading technical magazines, etc., come out with workable suggestions and prove them on the shop-floor. That benefits the company in good measure. Considering this, three years waiting for promotion is too long.

Management representatives expressed the view that three years period is necessary because during this time, he has to perfect his job and must know ins and outs of the work. He should study all aspects of the job and perform his duties and responsibilities consistently for quite a length of time. When he develops understanding of subject ,then only he should be considered for promotion. In exceptional cases, fast-track promotions are also given to those who exhibit consistent outstanding achievement and overall performance.

3) Everybody should be given individual targets and they should be asked to submit monthly performance reports and evaluation should be done on the basis of average performance of three years.

Management representatives expressed the view that while giving promotion, work performance is taken into consideration. Opinion and assessment of the departmental lead about the individual's contribution in fulfilling the monthly production targets of the division are also considered. Listing and giving individual targets to all persons every month is not practical and necessary.

4) Appraisal of the immediate superior should be made while considering promotion.

Management representatives opined that departmental head discusses the performance of the candidate with his immediate superior and finds out his opinion. Too much attachment of the immediate superior is not desirable as personal view and subjective element may introduce pias the objective evaluation.

Management has very elaborately thought on the vital issue of promotion and efforts are made to ensure that no deficiency remains in the promotion policy.

Suggestions on Promotion Policy

Following are few suggestion regarding promotion made by superiors, Line managers and Managers.

1) With a view to make promotion policy more effective written examination should be conducted in respect of persons due for promotion.

2) Along with educational qualifications, weightage should be given to persons' output and seniority.

3) As a candidate is not likely to give best of his during short period of an interview more weightage should be given to work performance.

4) Yearly report should be called from staff members,because yearly performance report will give the details about the consistency of work performance and achievements.

5) Performance of work should be considered rather than rating his performance in interview.

6) In the event of retirement and transfer, line of successurs should be decided and weightage should be given to seniority and merit.

It can be seen from foregoing information that KBL is following a progressive and satisfactory promotion policy. "Technology era " dawned very early in the life of the company.

CONCLUSION :

Promotion policy is based on merit and performance though weightage is given to seniority also. Total procedure adopted for promotion is systematically followed.

Some of the deficiencies perceived by employees and suggestions made by them to improve promotion policy would be looked into by management. This is very symbolic of the open-minded KBL management has.

SECTION - III

REWARDS

In every organisation rewards and penalty system are formed. Reward and penalty systems are two sides of the same coin and are complementary to each other. Furmer enhances discipline, latter cures in discipline. In Reward system, employees are given rewards in form of cash for their outstanding performance in work. The quantity and quality of the product depends upon the observance of discipline in the factory, so every organisation has to prepare code of behaviour

or code of conduct and the code of attitude which will be considered as breach . Punishment is fixed for such unwarranted behaviour. The objective of punishment is not to hurt the ego of the employee but it is to avoid recurrance of such behaviour and to put illustration before other employees. So they would not indulge into such activity.

Reward System :

Out of 98 respondents, 3 respondents have received rewards from management for their outstanding and excellent work.

One superior-1 got the reward as his suggestion resulted in Maharashtra State Electricity Board (M.S.E.B.) refunding seven days electricity bills of the company. As the refund amount was quite high, the Company was benefitted .

One Line manager-3 was rewarded by the management as substantial saving was made in custom duty concession.

One manager-3 was rewarded for developing and preparing a measuring card of Sinumeric system and was successfully tested on computerised numerically controlled Vertical Turret Lathe . This was an electronic device and the measuring card was an imported one. Importing the card from abroad would have taken a long time and the machine would have remained idle. The manager showed initiative, studied the system, of the card and with lot of efforts, trial and error, he become successful.

Table 6.6 Reward Scheme Rating.

Sr. No. & Designation	Rating Description					Total
	Satisfactory	Useful	Useless	Effective	Ineffective	
1.Supervisor (1,2,3)	20(38.46) (60.60)	24(46.15) (54.54)	-	3 (5.77) (42.86)	5 (9.62) (41.67)	52(100.00) (53.06)
2.Line Manager (1,2,3)	8 (26.67) (24.24)	13(43.33) (29.55)	1 (3.33) (50.00)	2 (6.66) (28.57)	6 (20.00) (50.00)	30(100.00) (30.61)
3.Manager (1,2,3)	5 (31.25) (15.15)	7 (43.75) (15.91)	1 (6.25) (50.00)	2 (12.50) (28.57)	1 (6.25) (8.33)	16(100.00) (16.33)
TOTAL	33(33.67) (100.00)	44(44.90) (100.00)	2 (2.04) (100.00)	7 (7.14) (100.00)	12(12.24) (100.00)	98(100.00) (100.00)

NOTE : Figures in upper parentheses are percentages of horizontal totals and in lower parentheses are percentages of vertical totals.

Just to know how the reward scheme is rated by the respondents, their reactions were studied. Table 6.6 gives the rating given by the respondents. 33 respondents have rated the scheme as satisfactory because the points considered for giving the reward are satisfactory and the reward scheme procedure followed is satisfactory. 44 respondents rated the reward scheme as useful because it is beneficial to the company as well as to the employees because they receive the recognition and reward.

Two employees found it useful because according to them suggestion scheme would have been more useful. Seven employees found it effective because the procedure followed for reward scheme is systematic and so it is effective . Twelve employees found the reward scheme ineffective. In their opinion suggestion scheme would give better results.

Table 6.7 Opinions About The Reward Scheme.

Sr.No. and Designation	Motivation	Encourag-ement	Scheme Not Widespread	Ineffective	Total
1.Supervisor (1,2,3)	27(50.00) (49.09)	21(38.89) (63.64)	5 (9.26) (55.56)	1 (1.85) (20.00)	54(100.00) (52.94)
2.Line Manager (1,2,3)	16(51.61) (29.09)	9 (29.03) (27.27)	4 (12.90) (44.44)	2 (6.45) (40.00)	31(100.00) (30.39)
3.Manager (1,2,3)	12(70.59) (21.82)	3 (17.65) (9.09)	-	2 (11.76) (40.00)	17(100.00) (16.67)
TOTAL	55(53.92) (100.00)	33(32.35) (100.00)	9 (8.82) (100.00)	5 (4.90) (100.00)	102(100.00) (100.00)

NOTE : Figures in upper parentheses are percentages of horizontal totals and in lower parentheses are percentages of vertical totals.

Respondents were requested during the enquiry to give their opinions about reward scheme. Column in table 6.7 are mutually inclusive. Many respondents have stated more than one advantage of the reward scheme in KBL.

Table 6.7 reveals that 88 respondents out of 98,have mentioned that the scheme provides motivation and encouragement. There is a basic conceptual difference between the meaning of headings of two columns namely - motivation and encouragement though apparently two words seem to be synonyms. Motivation induces an employee to follow certain course of action,which benefits the organisation. That activity is induced by reward scheme instituted by the management. Encouragement urges an employee to undertake, continue, repeat a particular activity which would benefit the organisation .

Persons are motivated to attempt to find a solution to a difficult and insoluble problem. They would get recognition from the management and also a reward . Persons are encouraged to undertake the difficult problems,because

management always comes forward to extend the necessary technical and financial help to solve the problem or complete an assignment or project in a record time.

Nine respondents have given the opinion that the scheme should be more broad based so that it can cover more number of employees. Five persons opined the reward scheme as ineffective, because very few persons get the rewards and to give more impetus, many persons should be given reward.

Representatives of management expresed their opinion on the reward scheme that the reward should really go to very deserving cases and no one should feel that one can get the reward very easily. Rewards are given for excellent performance and outstanding achievements. The act must provide solution to some chronic technical problem. It must involve comprehensive study, take decisions where the company stands benefited and complete very difficult and complicated assignments in a record time.

Fairly big amount is earmarked for each division and the divisional head is given freedom to announce reward after discussion with the concerned Associate Vice President, in deserving cases.

Such rewards are given at the hands of Vice President at an informal small function . In deserving cases,depending upon the achievement, rewards are given at the hands of the Managing Director of the Company.

SECTION - III

P E N A L T Y

Staff members are not immune to disciplinary action. The main purpose of the penalty is not to hurt or offend the wrong doers,but then to spread the message that errors committed intentionally or unintentionally or due to negligence do not go scot-free . This reminds the wrong-doer not to repeat such types of mistakes in future and to that extent it has a curative value.

Table 6.8 Penalties levied.

Sr.No. and Designation	Whether Penalised		Total
	Yes	No	
1.Supervisor -1	-	8 (100.00) (8.79)	8 (100.00) (8.16)
2.Supervisor -2	1 (6.67) (14.28)	14 (93.33) (15.38)	15 (100.00) (15.31)
3.Supervisor -3	1 (3.45) (14.28)	28 (96.55) (30.77)	29 (100.00) (29.59)
4.Line Manager-1	1 (14.29) (14.28)	6 (65.71) (6.59)	7 (100.00) (7.14)
5.Line Manager-2	1 (16.67) (14.28)	5 (83.33) (5.49)	6 (100.00) (6.12)
6.Line Manager-3	3 (17.64) (42.86)	14 (82.36) (15.38)	17 (100.00) (17.35)
7.Manager -1	-	7 (100.00) (7.69)	7 (100.00) (7.14)
8.Manager -2	-	4 (100.00) (4.39)	4 (100.00) (4.08)
9.Manager -3	-	5 (100.00) (5.49)	5 (100.00) (5.10)
TOTAL	7 (7.14) (100.00)	91 (92.86) (100.00)	98 (100.00) (100.00)

NOTE : Figures in upper parentheses are percentages of horizontal totals and in lower parentheses are percentages of vertical totals.

Table 6.8 depicts that 7.14 percent- i.e. 2 supervisors and 5 Line managers had to face disciplinary action. This shows that middle level management has higher responsibility and therefore they should discharge their duties with lot of care and caution. As such the number of Line managers penalised is more. This throws light on management's attitude not to unduly penalise the persons.

Table 6.9 Penalty Reasons.

Sr.No. and Designation	Statements of Reasons of Penalty
1.Supervisor -1	-
2.Supervisor -2	1 - Work remained pending (14.28)
3.Supervisor -3	1 - Despatch instructions wrongly given (14.28)
4.Line Manager-1	1 - Failure in decision making. (14.28)
5.Line Manager-2	1 - Date of supply of castings not honoured (14.28)
6.Line Manager-3	1-Mistake of assistant-in turn self mistake 1-Important work-Execution lapse. 1-Planning programme work remained pending.
7.Manager - 1	---
8.Manager - 2	---
9.Manager - 3	---
TOTAL	7 (100.00) (100.00)

NOTE : Figures in upper parentheses are percentages of horizontal totals and in lower parentheses are percentages of vertical totals.

Table No. 6.9 gives designation-wise reasons also why penalty was imposed. In all the following cases,penalty in the form of a cut in incentive was levied. Very important work of despatching important documents remained pending at the hands of supervisor-2, for a very paltry reason . It was a case of irresponsibility and as such his incentive was cut. According to him, the penalty charged was justifiable . Instruction regarding despatch of valves was wrongly given by one supervisor grade three and the vehicle left the factory. His incentive was cut. He agreed that it was a mistake ,but felt that strong written memo should have sufficed.

One Line manager-1 failed in taking a decision and the matter remained hanging. His superiors told him that if he was not in a position to take a decision,he should have consulted his superiors to enable them to take decision either way. But he neither took the decision nor did he consult his higher ups. Though he agreed,. he said that incentive cut was more.

Exact date for the supply of critical castings to the manufacturing division was given . But the commitment date was not honoured by a Line manager-2 and there was lot of delay. Incentive was cut as a penalty. He pleaded that it was not entirely his fault,but if he was to make some adjustment in the pouring schedule, then the commitment date could have been honoured. Since the castings were very critical, incentive was cut.

One Line manager-3 said that he had given correct instructions regarding the assembly work,but his assistants made the mistake. Management told him that it was his duty and responsibility to check whether the instructions were carried

out or not by his assistants. After convincing him,he agreed that it was his mistake. Further, he added that the percentage of incentive cut was more.

Important work of proper distribution and instruction about the work load in his section was not carried out by one Line manager-3. As a result expected desired production of few components was not completed. He agreed that it was his mistake . According to him percentage of incentive cut was correct.

Production Planning work and distribution of work-load in relation to the supply dates of castings to the divisions was not done by a line manager-3 though it was his duty. That caused disturbance and dislocation of work in foundry. The Line manager said that it was his mistake and penalty charged was justifiable.

Table 6.10 Justifiability of Penalty.

Sr.No. and Designation	Whether Penalised		Total
	Yes	No	
1.Supervisor (1,2,3)	1 (50.00) (33.33)	1 (50.00) (25.00)	2 (100.00) (28.57)
2.Line Manager (1,2,3)	2 (40.00) (66.67)	3 (60.00) (75.00)	5 (100.00) (71.43)
3.Manager (1,2,3)	-	-	-
TOTAL	3 (42.86) (100.00)	4 (57.14) (100.00)	7 (100.00) (100.00)

NOTE : Figures in upper parentheses are percentages of horizontal totals and in lower parentheses are percentages of vertical totals.

From table 6.10 it can be seen that three employees said that the penalty was justifiable and four employees said it was not justified. In the explanation of Table 6.9 ,it has been recorded as to why the employees felt that the penalty was justified and not justifiable.

However the Management representatives expressed their opinion that before penalty is levied ,each and every defaulter opportunity is given to defend his case.

It is quite clear from table that opportunity to defend was given to all the seven defaulters. It is routine practice that before the penalty is imposed, Divisional head calls the defaulter and asks him to tell "his story" about the default. Divisional head then explains his point or view and asks the defaulter whether he agrees. Then the Divisional head discusses the case with concerned persons,immediate boss, finds all the details about the case from all the available sources and concerned persons. He also briefs the concerned Associate Vice President .

The defaulter is called by the divisional head and is told the decision. He is also specifically told that he is free to meet the A.V.P. and explain his point of view within 2 days . After verifying with the A.V.P. a written memo signed by the divisional head and A.V.P. is sent to the Accounts department to cut a certain percentage of incentive.

All the seven respondents who were penalised were asked their opinions about the penalty procedure and all of them said that penalty procedure was followed properly.

SECTION - IV

In the preceeding two sections, a detailed discussion is done about Transfer, Promotion, Reward system and Penalty system. These are the important aspects of manpower policy and manpower planning.

Inter-departmental transfers at KBL take place in two ways - one ,transfer by management for administrative convenience or to remove imbalance of less work and more persons and more work and less persons. Second is, on request from the employee. Genuine cases are taken into consideration and whenever there is upening,such adjustments are4 made. Proper case is taken to see that transfers are not forced on persons.

One of the best features of promotion policy at KBL is that there are internal promotions and very rarely outside persons are recruited at higher levels of management. This helps to create a sense of loyalty and belongingness towards the company . Bases of promotion are merit and performance , some weightage is given to seniority also.

KBL follows a policy to good achievements and penalise wrong-doers. Management has ensured that rewards cannot be won easily and equity , justice and fair-play are maintained while penalty is levied. However,it is a human instinct for defaulters to feel that they were either over-penalised or penalised for no fault of theirs. It is really satisfying that persons have felt that the penalty imposed was right. After all, management has the last word as one has rightly said " AFTER ALL MANAGEMENT HAS TO RUN THE FACTORY".