

CHAPTER - 5

EVALUATION OF THE MANAGEMENT PRACTICES AT THE SANGOLE GIRNI

- Improvements and Needed**
- Evaluation of the system**

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Management of the Sangole Girni may be treated as efficient and effective for the following reasons :

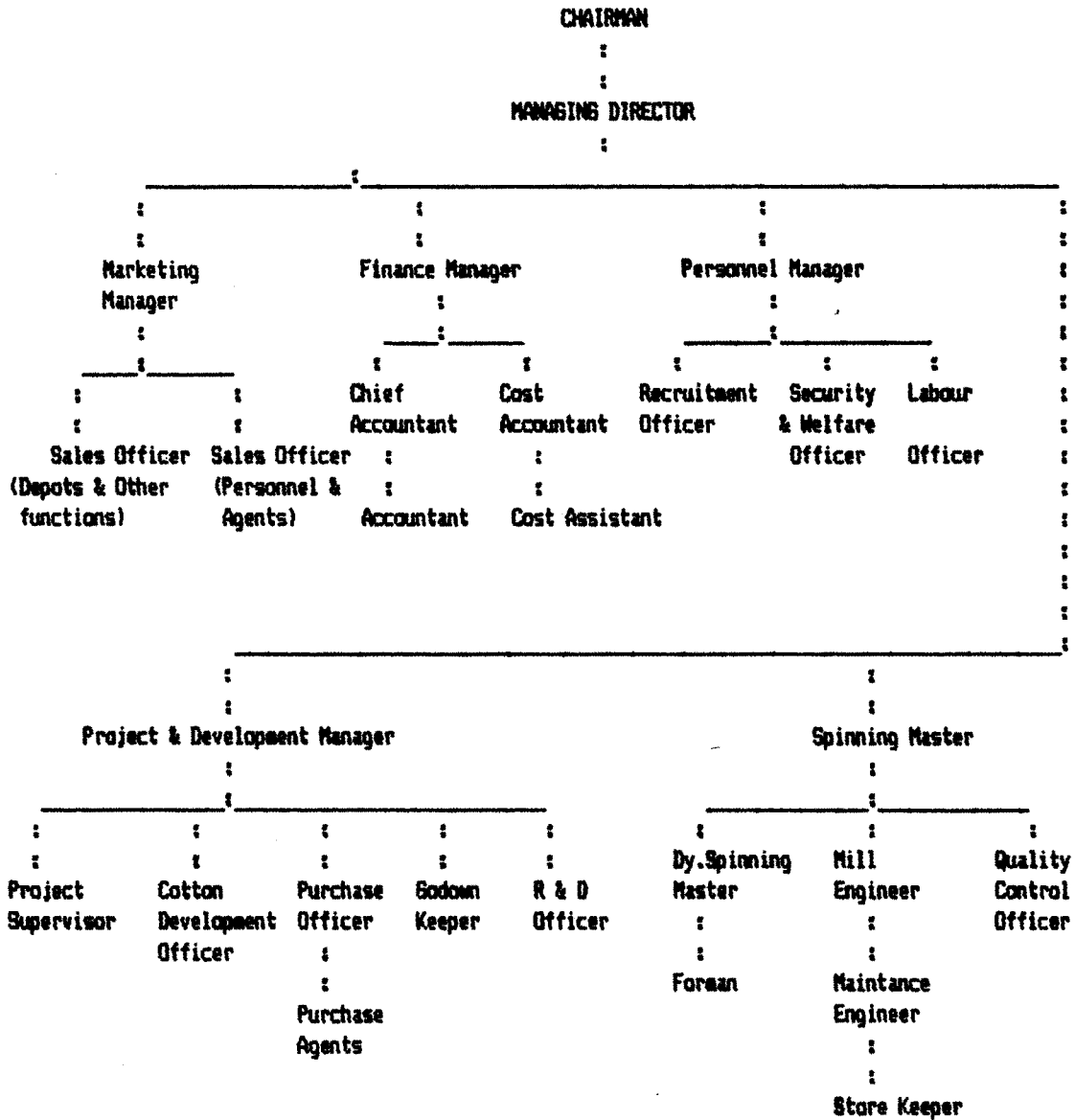
1. The Girni has been operating at cash gain except in the year 1994-95.
2. Capacity utilisation has always been higher than 81%. In the recent part, it has actually increased to 90% and above.
3. The Girni has been producing yarn which meets national as well as international standards.
4. Purchases of cotton and sale of yarn are done only on advice of the professionals in the field and close study of the data available.
5. In case of production, the management pays due attention to (i) utilisation of capacity (ii) maintenance of quality standards in respect of goods produced and (iii) uninterupted flow of production.
6. It pays due attention to Human Resource Development.
7. Identification of projects for expansion and their timely implementation are given utmost importance by the management.
8. Management has followed financial discipline in the areas like following austerity measures, raising of the funds and their repayments.

As a result, the Girni has received so many awards at State as well as national level for its performance in the various fields.

IMPROVEMENTS NEEDED

Organisation structure is of traditional type. As many as 9 managers report the Management Director at present. In addition to this there are sales personnel and purchasing agents, working at various places, who report to the Managing Director. It is advisable to reduce the responsibilities of the Managing Director. Sales personnel, Sales deposited and purchasing agents must be brought under control of Marketing Manager and Purchase Manager respectively. In short the revised organisation structure for the Sanole Girni should be as under.

M.Phil Dissertation



The suggested structure tries to emphasise the major functional areas and move towards a decentralised organisation. It would give importance to development activities, including R & D. activities. It also emphasises the importance of the personnel function in a developing organisation like the Sangole Girni. In the emerging competitive world, cost control, cost management and quality control should be treated as very essential for the Sangole Girni.

This new structure would also give a professional approach to the management of the Sangole Girni. Personnel Function and Development function are going to be important functional areas from the viewpoint of the Girni's growth. Cotton Development Officer and R & D Officer are going to be important officers of the Girni.

EVOLUTION THE SYSTEM

In the process, it is expected that the management would adopt a systems approach. Purchase System, Production System, Sales System etc. would be the various systems evolved and adopted in the Sangole Girni. Procedures, plans and budgets are prepared and implemented so that everything works in order with an objective to achieve. Deficiencies in a system are to surface in due course of time and ultimately removed from the

system. This would happen because all the systems in the Sangole Girni would basically be objective - oriented systems and there would be an in-built self corrective mechanism in each of them. Trained Personal, their involvement in the planning and, budgetary mechanism and an enlightened top management are the basic requirements for the systems-approach suggested above.

This would enable the Sangole Girni to become well-equipped to face tomorrow's challenges, viz., Competition, opportunities and threats offered by globalisation etc. The Girni has a potential to grow and this sort of growth requires professional management.