

Ocean exim india pvt. Ltd. essay sample

[Business](#), [Company](#)



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Executive Summary

The research identifies the non financial motivators of Ocean Exim India Pvt. Ltd., one of the leading export houses in Jaipur. These non financial motivators helped the company to increase its labor productivity and decrease its labor turnover rate which resulted in an increased efficiency of the company.

Due to recent economic crisis, Ocean Exim has faced a serious threat. Ocean Exim primarily exports to USA and due to dollar weakening and inflation the cost of production has increased and profit margin had decreased. It is of vital importance for the company to maintain its goodwill and efficiency in the market or else they will face severe business losses. To achieve this, company required a strong team and here non financial motivators helped the company to motivate its employees.

The research starts with the introduction about the firm which portrays the company's background. Interview with the managing director of Ocean Exim and survey through questionnaire acted as the main source of primary information. Organizational structure and the motivational strategies used by the company were mentioned in order to find out the exact motivation required in each field. Main results, recommendations and conclusions were based on the analytical tool like SWOT analysis, motivational theories and business tools like surveys and interview. Analysis and recommendations appears to be quite beneficial for Ocean Exim, as they helped the firm to identify there problems and also helped to firm in plotting there the future line of action to get over this problem.

Further discussions (like motivational theories) are used for understanding of the problem and helping the firm in plotting there line of action and also helping the firm to get the answers of some unanswered questions.

Research Proposal

Research Question:

What non financial motivations can Ocean Exim India Pvt. Ltd. use to increase labor productivity and decrease labor turnover?

Rationale for study:

Ocean Exim India Pvt. Ltd. recently experienced delay in its shipments and also received a few complains regarding the quantity as well as quality of the products. Being a part of this export business from almost two decade, this was the first time that Ocean Exim, reportedly got complains from its customers. The possible reason for this problem could be decrease in the firm's labor productivity and increase in its labor turnover. Ocean exim never paid importance to the non-financial motivators and this could be one reason for its decrease in labor productivity and increase in labor turnover. Ocean Exim would like to focus on the Non Financial motivators, because with the recent financial crunch, the situation is not favoring growth, today the best of the firms are looking for survival rather. In this temporary phase of the financial crunch it is important for Ocean Exim to use Non-financial11 motivators, in order to cut its costs and grow at the same time.

Theoretical Framework:

I plan to carry out my research by first analyzing the motivational measures currently followed by Ocean Exim, and I would also consider the measures followed by other firms, which will help me in evaluation of the problem. To understand the situation properly, I will do a common survey among the employees (labors); this will prove to be a most important part of my evaluation process. Analytical tool like SWOT and motivational theories would help me reach the final conclusion and carry on the further discussion.

Key Areas of Syllabus:

Organizational Planning Tools:

- SWOT Analysis

Human Resources

2. 1 Human Resource Planning

2. 2 Organizational Structure

2. 3 Communication

2. 5 Motivation

2. 6 Employer and Employee Relations

Methodology:

Primary Research:

- Interview with the Director of Ocean Exim India Pvt. Ltd.

- Interview the HR manager.

- Survey among the labors and interview with few of them to find out what they actually want.

Secondary Research:

- Review of the problems faced by Ocean Exim India Pvt. Ltd.

- Comparison of the problem of Ocean Exim India Pvt. Ltd. with other firms.

- Identification of the methods used by other similar firms for motivating their staff.

Problems

Solutions

Getting appointments from the director of other firms.

Rescheduling the appointments by ensuring the firms that knowledge used is for educational purpose only.

Finding the exact problem among the labors by interviewing them.

Need to ensure the labors that with there support I can really make difference and try to come over there problems.

Difficulty in analyzing problems and in making a comparative study with the other firms.

I would take help from my teacher.

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Employees might be biased while answering the questionnaire.

Anonymous Survey

Not getting the right answers in the surveys

Had to take another whole survey with the required changes and more tricky questions.

Survey questionnaire not in there regional language.

Had to arrange for a typist who could type and translate the exact questions in the employee's regional language (Hindi).

Action Plan:

-25th June: Topic Selection

-30th June: Start the general outline of the topic.

-1st July: Schedule for project and take appointments from Director, HR manager and

Director of other firms.

-3rd July: Preparing Research Proposal.

-4th July: Preparing questions for the interview and the questionnaire for the survey.

-7th July: Taking all the interviews with the firms Managing Director,

Production

Director and the HR manager.

-12th July: Meeting with the Directors, interviewing the HR manager once again for further

queries

-16th July: Making the firms analysis(SWOT)

-17th July: Visiting the firm again for the survey among the labors

-18th July: Analyzing from the surveys and checking the problem faced while doing surveys.

-24th July: Another survey conducted with the necessary changes made in the

Questionnaire.

-24th July: Making the required changes as per recommended by the teachers.

-25th July: Identifying the exact problem and making conclusions

Contents

Introduction:

About the Firm:

Ocean Exim is an ISO certified, professionally managed and recognized export house. It started with just one small sized factory in the year 1979

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and is now spread over more than 3 locations. The company exports home furnishing products to all the big countries like USA, Germany, France and Japan directly as well as through their overseas office located in USA and Japan.

All the three factories are equipped with the requisite facilities for fabric checking, dyeing, printing, cutting, stitching, finishing and in-house testing. Right from sourcing to dispatch, rigid tests are carried out by the Quality Assurance team so as to conform to the international standards. Ocean also boasts of having an in-house R & D department that has some major innovations to its credit. The company's chequered history on the export front proves that it can compete with the rest in the world.

Problems faced by Ocean Exim India Pvt. Ltd.

Following are the problems faced by Ocean Exim because of the decrease in labor productivity and increase in labor turn over.

1) The company saw a phenomenal increase in the number of complaints from domestic as well as international customers. The complains included:

i) Delay in delivery.

ii) Wrong tagging on the goods(products).

iii) Poor packing of goods which led to damaging of goods.

iv) Less quantity received by the customers.

v) Trouble in tracking the shipments.

1. 1 Number of complains from 2005 to November 2008

2) Ocean Exim also experienced a dip in the sales, especially in the export orders from the retailers.

1. 2 No. of orders received by Ocean Exim from 2005 to December 2008

Ocean Exim received an outstanding number of orders in the year 2006-07 but on the other hand they received ample quantity of complaints (fig. 1. 1) which brought down the number of orders received by the company.

From figure 1. 1 and figure 1. 2 we can easily see that Number of complaints and number of orders goes hand in hand. The reason behind the increase in the number of the complaints is the decrease in labor productivity and increase in labor turnover. From the figures we can easily make out that the workforce in Ocean Exim is quiet inefficient. One of the major problems faced by Ocean Exim is, the company is not able to send its employees for training consistently because of high labor turnover², and this affects the productivity of the employees. By looking at the problems faced by Ocean Exim we can make out that the firm needs to motivate its workers to increase there efficiency, and keeping the recent economic crisis and the financial crunch under which the global market lies today, Ocean Exim would have to look forward to the non-financial motivators in order to cut costs.

Non- Financial motivational strategies currently followed by Ocean Exim.

Workers can perform there best when they are motivated to do so.

Motivation could result in increase in productivity. Failure to motivate the

employees could lead to absenteeism, increased labor turnover, poor service and low quality product.

Ocean Exim does not involve their staff in decision making, although sometimes their opinion is taken but decisions are taken by the senior management of the staff. Sometimes the decision is accepted by the worker some times they stand against it.

All the workers are not sent for training although, experts from different fields do visit the company often and workshop is held, hence giving a chance for the workers to grow within the company.

Performance appraisal: Ocean Exim does not have a proper system for performance appraisal, although the appraisal basically depends on effective communication, timely execution of the order, customer satisfaction, workers reports from the supervisors and also productivity.

There is a weekly off on Sundays, sometimes the workers are asked to work on Sunday to finish an order. All the workers are given extra holiday when the work load is less.

A staff party is organized for the labor every year

With the ineffective non-financial motivators the company is facing a major problem of low labor productivity and high labor turnover.

Survey Analysis

Two surveys were conducted separately in the factory unit of Ocean Exim India Pvt. Ltd., Jaipur. First survey was conducted on 25th July, 2008. It was an anonymous survey, so that the results obtained can depict the true picture. However, another survey was conducted after a few days as the prior survey findings were considered incomplete and non reliable. The new survey was translated in the local language, Hindi, and was explained to all workers and labors in detail.

The survey was filled by 50 workers of the firm, including skilled and unskilled labors. The data obtained from the prepared questionnaire³ gave a better insight of the problem faced by the workers. Moreover, the survey findings were indicators of the areas in which the company could motivate their workers and thereby increase their productivity, benefiting both the company and the workers, simultaneously.

Survey Findings:

Survey helped me in understanding the problems faced by the employees, here are some important findings which became an important part of my evaluation process.

Figure 1. 3 shows that there are very few employees who are associated with the firm from a very long time. This shows the increased labor turnover of the firm.

Majority of the employees felt that the interaction is very well appreciated but they also felt that it was rare. Frequent interaction would help the firm in

boosting up there morale and hence motivating them to work more efficiently.

This question cleared the fact that one of the main reason for decrease in labor productivity and increase in labor turnover is that the senior management does not give the employees ample amount of time to listen to there personal problem, it could be regarding other employees or some other problems.

Other important findings which came to my notice are as follows:

- i) Employees are not happy with there working hours.
- ii) Employees feel that they are getting less opportunity to exhibit their skills.
- iii) Employees would like to have few outings with their colleagues, so that they get to build there social network also.
- iv) One major area of concern is hygiene. Employees want clean drinking water and a clean refectory.

McGregor's Theory X and Theory Y

Douglas McGregor devised Theory X and Theory Y. This theory represents the different assumption that managers have about their employees. This theory actually focuses on management attitudes. Theory X explains negative management attitude whereas Theory Y portrays a more positive approach.

At present Theory X seems more likely to be portraying the condition at Ocean Exim India Pvt. Ltd. I think that the senior management follows more of centralized approach, hence making the work less challenging and less exciting for the employees.

Senior Management (Managers) should adopt Theory Y and make the approach more decentralized. Management should start relying on there employees and make the work challenging for them which will act as motivator for them. Management should also try to get rid of less autocratic style

Maslow's Theory

Abraham Maslow:

Employees in Ocean Exim generally belong to the level of Security Need, Social Needs and Esteem Needs.

Ocean Exim should set working hours in such a way that it is suitable to both Men and Women. Ocean Exim should take care of its employees by assuring them their job security, maternity leave. Ocean Exim should take care of all those employees who desire to feel safe and stable and try to bring them to next level of social needs.

In order to fulfil their social needs, Ocean Exim should organize more outings (picnics), informal meetings, official lunch or dinner, in order to give the employees ample amount to be a part of the society and enjoy his/her life.

In order to fulfil employees esteem needs, Ocean Exim should start appreciating the work of the employees more often and make him/her feel a sense of achievement. In order to make the employees in such a way Ocean Exim should start a ranking method. In addition Ocean Exim should also increase internal promotions.

Herzberg

Ocean Exim should try to focus on making the work more challenging for the employees and the company should also give the employee the variety in what they do, which will help the company to make the work more interesting. By doing this employees would feel a sense of achievement and this would help the firm in making the employees realize their own potential and hence making them self motivated. Employees should be given a place in the decision making panel which will boost their overall morale. This should help Ocean Exim to increase the labor productivity.

Recommendations

Ocean Exim should hire a well trained supervisor who could handle the labor problem conveniently and can present the problem to senior staff with some solutions already figured out for that.

Conveyance facility like an office bus or a van should be started which will make conveyance more convenient for the workers, and this may reduce absenteeism also.

Cafeteria should be well maintained with fresh food, fruit juices, and cleaner.

Company should give employees more responsible work, i. e. more opportunities which will boost employee's morale and may result in the productivity.

Employees should be paid for there overtime work.

Drinking water facility should be improved.

Company should provide employees with ESI (Employee State Insurance), and provident funds. (Delete)

Separate time should be spent with the employees to listen to there personal problems.

Company should promote schooling for children of the employees and those who can't afford it, and then company should help financially.

Cultural programs, outings and reward functions should become a common practice; this will help employee's interaction among each other and among the senior management also.

A suggestion box should be added in the factory.

Senior management should listen to employees' problem separately, which will arouse a feeling of faith and trust among the employees for the senior management.

Managers should ask workers for their ideas and suggestion when dealing with a particular task or problem. Such participation will allow workers to become more involved an interested in their work.