

Employee relations

Sociology, Empowerment



PREFACE It is a matter of honour for me to present my findings on Employee Relations. This report is an honest earnest effort to study Employee Relations as an important tool of Human Resource Management. I got an opportunity to work at GPI for my summers which instigated initiated the idea of the project. I started with reading HRM by Ashwathapa which gave me a foundation to HUMAN RESOURCES as a function. Later I surfed the net for more specific information and browsed through a variety of HR policies of companies.

It gave me a brief knowledge about Employee Relations and I formed a questionnaire for the companies I was going to research on. Some articles that caught my attention while doing research are included in my observations. To add spice to this dish, I have also scaled the practices of Employee Relations in other countries. Since I was working at GPI, gathering information was easier compared to others. I have found some interesting insights regarding Employee Relations which are mentioned in the report. So, with due respect to my patient readers, I welcome you to the unremitting process of Employee Relations.

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The objective was to analyze Employee Relations at a plant factory and in the service sector. The Human Resources Management (HRM) function includes a variety of activities, and key among them is maintaining amicable relations with the workforce. Both the sectors are such where employees become the crux of all operations. For the plant (factory), it is the employee who works on the machine. Even at PARLE, where most of the operations are automated, workers need to operate the machines. At the hospitality sector, it is the employee who communicates with the guest. The behaviour of the employee gives inkling about the company. Thus it is very important to maintain cordial relations with the workforce.

The goal of Employee Relations is to end up with a productive and motivated employee that will help effectiveness. Following the introduction to Employee Relations is a brief overview of how Employee Relations has evolved as an activity. Following that in chapter 6 are the advantages of maintaining good employee relations. The importance of HR department, HR mission and the activities of the department for Employee Relations are detailed. According to me, HR department gets concerned in 3 types of relations. First the employer to the employee, second employees to employer and third is amongst the employees. There is comprehensive information on all 3 and how it benefits the company. The report gives a brief introduction about the companies.

It has knowledge about the history of the company, vision, core values and the Corporate Social Responsibility activities initiated by the company. Following this is the organization structure. In addition, I have also studied the practices at other countries like Japan, UK and USA for Employee Relations. This includes the different procedures for Employee Relations, their trade unions and the laws regulating the same. The report ends with my personal observations about each company and some articles that caught my attention while research. Conclusion about employee relations ends my report. In order to achieve the above mentioned objective and finish the study to perfection, the methodology used was a balance of primary and secondary sources.

Primary sources were the personal visits to the companies and secondary was the information collected from websites. To facilitate this, I started with

reading a few books on Employee Relations and human resources to understand the basic concept of Employee Relations. I also browsed the net to find more detailed information on specific topics. I practically saw the HR department at GPI work and Later, I formed a questionnaire on various practices to understand the functioning of HR department at other companies. A sample of these companies was chosen on the basis of their scale of operations, reputation and quick accessibility.

1. HUMAN RESOURCES MANAGEMENT

Human Resource Management is an integral part of management. It helps the management in taking a strategic view of a very important resource i. e. Human Resource. It helps management in identifying key skill sets, knowledge, values required in the employee and the rewards that are needed to be given to the employees so that the organisation goals are fulfilled. Also like other management functions, it has to ensure that these resources are available at an optimal cost. It has to look into various training and development activities to ensure this. This is a key area for Human Resource Management as it shows their contribution in terms of money.

The money here would be the opportunity cost incurred due to appointing of new employees instead of developing current employees for the task in hand. Functions From recruiting to orienting new employees, from writing job descriptions to tracking vacation and sick leave, and from instituting and monitoring policies to monitoring benefits, there has been a need for an HR generalist to assist senior management in both establishing a "structure" to holding down costs of administration. HRM is a function that helps manager's

recruit, select, train, and develop employees for an organization. 1. Human Resource Planning: is understood as the process of forecasting an organizations future demand for, and supply of, the right type of people in the right number. 2.

Job Analysis: is the process of studying and collecting information relating to the operations and responsibilities of a specific job. The immediate products of this analysis are job descriptions and job specification. 3. Recruitment: is the process of finding and attracting capable applicants for employment. The process begins when new recruits are sought and ends when their applications are submitted. The result is a pool of applicants from which new employees are selected. 4. Selection: is the process of differentiating between applicants in order to identify (and hire) those with greater likelihood of success in a job. 5. Placement: is understood as the allocation of people to jobs. It is the assignment or re-assignment of an employee to a new or different job. 6.

Training and development: It is an attempt to improve current or future employee performance by increasing an employee's ability to perform through learning, usually by changing the employee's attitude or increasing his or her skills and knowledge. The need for training and development is determined by employee's performance deficiency, computed as follows:
Training and development need = Standard performance – Actual performance 7. Remuneration: is the compensation an employee receives in return for his or her contribution to the organization. 8. Motivation: is a

process that starts with a psychological or physiological deficiency or need that activates behavior or a drive that is aimed at a goal or an incentive. 9.

Participative management: Workers participation may broadly be taken to cover all terms of association of workers and their representatives with the decision making process, ranging from exchange of information, consultations, decisions and negotiations to more institutionalized forms such as the presence of workers members on management or supervisory boards or even management by workers themselves as practiced in Yugoslavia. ((ILO) 10. Communication: may be understood as the process of exchanging information, and understanding among people. 11. Safety and health: Safety means freedom from the occurrence or risk of injury or loss. In order to ensure the continuing good health of their employees, the HRM focuses on the need for healthy workers and health services. 12.

Welfare: as defined by ILO at its Asian Regional Conference, defined labour welfare as a term which is understood to include such services, facilities, and amenities as may be established in or in the vicinity of undertakings to enable the person employed in them to perform their work in healthy, congenial surroundings and to provide them with amenities conducive to good health and high morale. 13. Transfer: involves a change in the job (accompanied by a change in the place of the job) of an employee without a change in the responsibilities or remuneration. 14. Separations: Lay-offs, resignations and dismissals separate employees from the employers. 15.

Employee Relations: is concerned with the systems, rules and procedures used by unions and employers to determine the reward for effort and other

conditions of employment, to protect the interests of the employed and their employers, and to regulate the ways in which employers treat their employees. 16. Disputes and their settlement: Industrial disputes mean any dispute or difference between employers and employees, or between employers and workmen, or between workmen and workmen, which is connected with the employment or non-employment or terms of employment or with the conditions of labour of any person. 2. EMPLOYEE RELATIONS 2. 1 Introduction People in organisations interact with each other during work, formally and officially as well as socially and informally.

During the course of interaction, relationships develop, which are invisible connecting links, coloured by emotions of love, hate, repulsion, respect, fear, anxiety and so on. These are usually mutual but not necessarily reciprocal. If A hates B, it does not follow that B hates A. It is possible that B loves A and even sympathizes with his thoughts. Relationships imply feelings for each other. They may be positive (friendly, wanting to be close) or negative (unfriendly, wanting to be distant). Relationships always exist between interacting persons. There is no neutral point. Indifference is not neutral. Indifference tends to be negative. Relationships influence behaviours at work.

Expectations of each other, perceptions of the intentions of either, distributions of assignments, readiness to conform or to rebel, enthusiasm to contribute, etc. , are to some extent outcomes of these relationships. Attitudes and motivations influence, and are influenced by, the nature of these relationships. Employees are among an organization's most important

audiences with the potential to be its most effective ambassadors. Employee Relations are practices or initiatives for ensuring that Employees are happy and are productive. Employee Relations offers assistance in a variety of ways including employee recognition, policy development and interpretation, and all types of problem solving and dispute resolution.

Once there was a time when " Employee Relations" meant labor relations everywhere around the world. Negotiate. Orchestrate. Dictate. HR professionals helped negotiate collective bargaining agreements. The provisions of that contract defined the relationship between management, unions, and workers. Today, Employee Relations is a much broader concept. It involves maintaining a workenvironmentthat satisfies the needs of individual employees and management. Improving employee morale, building companyculture, conveying expectations

2. 2 Overview

An effective employee relation involves creating and cultivating a motivated and productive workforce.

People are generally motivated from within, but what can you do to help foster the type of environment where employees thrive, enabling your company to outperform the competition “ Employee Relations” starts with determining the type of workplace the company wants. It starts by considering what the company wants its employees to say about working for the company. In a competitive market, it is important to that employees don't feel that they might be treated more fairly elsewhere. After all retention is one of the major functions of HRM. By considering what the

company wants employees to say about working for it gives shape to the company's culture.

The company culture conveys organization's core values to its employees, customers, vendors, and community. In addition to the workplace climate, the company also considers the types of processes or systems it wants to employ within the workplace to support the company culture and enhance the working relationship that exists between the company and its workforce. Such systems could include communications, policies, training, and development. Also, an essential step in building effective Employee Relations is to evaluate the human, financial and other resources available that reinforce the values and guiding principles the company wants echoed throughout the organization.

For example, what type of supervisors and managers does it believe can bring out the best in people and projects? The company should also make certain from the start that employees are not in counter productive work environments where work is more arduous than it needs to be. Is the workplace compliant with employment law? A major source of frustration for employees is the feeling that they were treated unfairly. Good liability management tools are necessary to ensure that the company avoids unnecessary confrontations, time wasters and costly legal battles. Traditionally Employee Relations programs were centered around labor union relations. Today, Employee Relations does not necessarily involve unions.

However, it does involve cultivating the leadership style and workplace practices that help make union organizing activities a less attractive option

for employees. Establishing workplace and management principles set the stage for fostering a successful work climate and establishing your company's culture. Effective Employee Relations is about establishing processes that address and nurture that culture. Employees in such organisations develop attitudes very different from those in another organisation that does not make any such distinction and is more secular in its policies. These different attitudes will be reflected in their behaviours outside the organisation and will either strengthen or weaken the social fabric.

An organisation in which authority is highly centralised and does not allow its people enough discretion, will develop among its people tendencies for dependency and inability to take responsibility. These tendencies are handicaps in their roles as parents or citizens. The extent of concern shown for the effect of working conditions on employees' health has an impact on the society, not merely in terms of general health and costs on medical care, but also in terms of the kind of activities that the members of the society participate in. When an organisation is sensitive to its impact on society, and responds to the society's concerns, it is said to be socially responsive.

On the contrary, if it is concerned only with its own purposes and ignores the impact that it has on society, it is said to be socially not responsive

Relationships also contribute to stress and conflicts at work, which in turn, affect quality of work life of individuals as well as the quality of organizational outputs, measured in terms of customer satisfaction, competitive advantage, innovation, and so on. 3. EMPLOYEE RELATIONS IN

BRIEF According to me, Employee Relations can be classified in 3 types, with HRM intervening. First is the downward communication flowing from employer to the employees Second is upward flowing from employees to employer and Third is horizontal communication amongst the employees. 1. Downward communication (employer to employees) 3. 1. 1. Training and Induction

Every new employee needs a company orientation, but most supervisors forget that employees also need to be orientated to the company's VISION in addition to learning their coworkers' names, company policies, and what not to eat in the cafeteria. The company's vision statement tells the employee where the company is going, what their role will be, and how success and achievement will be measured. Achieving great performance in the company is a journey, not a destination. For any business to succeed one must first recognize that the people are the greatest asset, and service is your most valuable product. Continuous improvement by training and developing employees is critical for business survival. Recent U. S. workforce demographics provided by the Bureau of Labor Statistics make a compelling case for businesses of all sizes to begin planning for ongoing training of employees. Experts project that 60% of new jobs in the early 21st century will require skills possessed by only 20% of today's workforce. Technology is raising the skill level requirements for the best and fastest growing jobs, but schools and adult learning programs are not keeping pace. The likely result is that demand for highly skilled workers will outstrip the supply of qualified workers in the coming years. These statistics would seem to move training and employee development to the list of services in high demand. 2. Benefits

Benefits often have a higher impact on employee recruitment and retention than compensation.

Employees who know their needs are met are also more likely to contribute to a positive morale. Besides the customary Allowance like • For Workers Attendance bonus, Over Time Allowance which is double the Basic, House Rent Allowance, Education Allowance, Conveyance Allowance which is fixed as per 6 scales of the workers, and Leave Travel Allowance amongst others.

- For Staff (Basic) TA/DA, Attendance Bonus, Production Incentive, Over Time Allowance which is equal to one and half times, House Rent Allowance, Education, Leave Travel Allowance, and Annual Bonus amongst others.

(Sodexo Meal Vouchers, medical reimbursement) Companies also provide Monetary Benefits, (Insurance) and Medical Facilities to the workforce. 3.

Safety

Health and safety risks may arise from physically dangerous work, such as work with hazardous machinery or relate to less immediately visible factors such as exposure to pollution. Accidents and ill health may ruin or seriously impair the lives of employees and their dependents. An employer must encompass necessary safety measures for the trust from the employee. 4.

Career Development and job opportunities Career Paths are constructed in order to determine the optimum movement and utilization of people in the organisation. Therefore, due care should be given to various elements of the position – including job analysis and the competency requirements at each stage. 5. Stress management and Recreation facilities Working Hours and

Holidays need to reflect an adequate balance of the quality of work life of all employees.

It is recognized that for certain categories of employees business related work may transcend the routine office timings; whilst for other categories business may be purely confined to the work hours and timings. The quotation “ all work and no play can make jack a dull boy” is apt for the company to understand the importance of recreation facilities. 6. Collective problem solving It is the duty of the HR to find ways of resolving issues between employees on one hand and employees and Management on the other. As long as there are human beings at the work place there would always be need for arbitration amongst them. It is at this time that HR should use the " grape vine channel" to its advantage and call officers to a round table for reconciliation and if it is between workers and Management should ways of brokering peace.

Although the trade unions are expected to only deal with matters concerning workers, it can be argued that everything that happens within a company, including product development and business strategies, affect workers one way or other and trade unions have gradually sought to extend their areas of concerns. The management's attempts to contest such expansions on the ground of “ management prerogative” have by and large not succeeded. These activities involve a number of skills crucial to human resource managers. HR specialists are also involved in issues which are considerably legislated and touch on home life and health as well as more familiar

workplace topics such as discipline and conflict. 7. Involvement and Engagement

Participation of employees has been a subject of discussion since the 1930s when Elton Mayo's experiments led to the development of the human relations school. Participation can be and has been provided in the structure of the organisations. Participative management involves associating employees at every level in the decision making process. Participation may be at the board level, collective bargaining, job enlargement, job enrichment, suggestion schemes, quality circles, and empowered teams. Participative management is also called Employee involvement. The Industrial Disputes Act provided for participation in the management of the shop floor.

Representatives of the workers would be appointed to various committees to decide upon matters affecting the worker at the shop floor. The rationale behind the concept of involving workers in bodies that decide on matters concerning them is that the principle of democracy. The lesson is that the advantages from the practice of participation cannot be derived from creating appropriate structures alone. The nature of the processes within the structures, are important. At the basic level, calling for suggestions is participation. In terms of Herzberg's motivation-hygiene theory, participation in decision making is a powerful motivator, because in that process, there is recognition and achievement, a sense of being wanted, of being important.

Employees may also reduce turnover and absences when they begin to feel that working conditions are satisfactory and that they are becoming more

successful in their jobs. They identify themselves with the work and this leads to an improved performance. 3. 1. 8 Rewards and Recognition The purpose of an employee recognition and reward program is to express the employer's appreciation for a job well done. Employee recognition and rewards can take many forms, from a simple thank you note to cash to an extravagant awards ceremony, just to name a few. Generally, recognition and rewards can be distinguished in two categories. At all these companies, recognition is distinguished as a pat on the back or a word of praise, growth prospects and competent supervision amongst others.

Alternative monetary rewards include incentives, bonuses, and commissions. In addition, employees put a great value on benefits such as life insurance, disability insurance, health and/or retirement benefits, and perks. Top performing companies have begun documenting "best practices" which show a direct relationship between employee morale and productivity, profitability, turnover and retention, thus measuring the value of human resources. 1. Upward relation (employee to employer) 1. Feedback It is the job of the supervisor to guide the employee into understanding which of their ideas for change will be helpful in meeting the company's goals.

A good supervisor also guides each of their employees differently because similar to Pokemon, each employee offers unique talents and will evolve into different forms of advanced employees 2. PERFORMANCE APPRAISAL Most managers say they want to pay for performance, but few sit down and conduct a performance review with an employee. Raises, Career paths, training plans, and departmental productivity are impacted by an

employee's performance. In addition, a well-designed, effectively implemented appraisal system can provide solid documentation of performance accomplishments or problems that the supervisor can use to justify or defend a wide range of personnel actions or decisions. 3. Horizontal Relation (amongst Employees) 1. Annual events and magazines

Annual events are a way of getting to know the employee on a personal level. It is also a team building exercise and is common in all companies. Inhouse magazines too are common. They tell the employee about the company and employee participation is encouraged by articles. 3. 3. 2 Welfare activities The objective of providing welfare facilities is to ensure that employee attention is not diverted from work to maintenance activities. It also aims to provide a caring environment that enhances the satisfaction of the employee with working conditions 4 ADVANTAGES OF MAINTAINING GOOD EMPLOYEE RELATIONS. The Gallup Organization published research proved that a more engaged employee is also a more productive employee.

The research also proved, that a more engaged employee is also a more profitable employee, a more customer-focused employee, a safer employee, and an employee who is more likely to withstand temptations to jump ship and in turn it is also true that the longer employees stay with an organization, the less engaged they become. Following are the advantages of maintaining good relations with the employees. 1. Reduced Absenteeism One reason, outside of illness, that employees are absent is stress, and the number one reason employees are stressed has to do with their relationship with their manager/supervisor. Management styles that are too authoritarian

tend to promote high levels of absenteeism among employees also increase turnover, job burnout, and employee health problems such as backaches and headaches.

Employees may also reduce turnover and absences when they begin to feel that working conditions are satisfactory and that they are becoming more successful in their jobs. Absenteeism rate at GPI is around 13-14 % on an average but a little high during summer holidays. (Does it include approved leaves?.. why elaborate/justify..) Absenteeism at TAJ is under control as per the norms. The absenteeism rate at PARLE is 8 % and increases by 3 % reaching to 11 % during the summer holidays. In addition, these programs help reduce turnover thereby reducing your training, recruiting, and administrative human resource expenses.

2. Improved Morale & Motivation.

The secret of creating a motivating employee review lies in the relationship between accuracy and money(not a correct expression... xpectations of the employee & the C) The right combination provides with a highly motivated employee. Maintaining good Employee Relations creates an environment of trust and increases morale. This improves the motivation of the employee. A motivated employee is contagious and is beneficial for the growth of the company

3. Harmony in the organisation

Increase in the level of job satisfaction has a direct relation with the smooth workflow. There will be lesser arguments and more discussions. Employees will be ready to share information and help each other out. A good relation with the employee also inculcates discipline. Thus harmony is maintained.

4. Lesser attrition -

reduced cost on training, less cost of retention

A reduced attrition rate will reduce the cost of training and induction. No new employees will need to start afresh. The company can save on getting to know new employees. GPI spends around Rs. 5 Lakhs(isn't it less?..) on training every year with the attrition rate being less than 2 %. For TAJ, There is a bloodbath in Mumbai today, with seven hotels cheek-by-jowl near the airport. Retention of talent is the chief challenge. Staff is routinely poached by not just industry competitors but also banks, call centers and others. On the upside, they are the biggest and the most profitable chain and apparently enjoy an attrition rate which is lowest in the industry. They are most in the news, too.

They must be doing something right(What are they doing?..) At PARLE, it seems the employees are not interested in leaving at all. The attrition rate is a minimal at 2-3% for staff, and between 1-2% for its workers. (Please re-check the figures!! It can't be!! Last one year it should be around 15%.. which Parle location is this?..) 5. Attract good talent Attracting the most qualified employees and matching them to the jobs for which they are best suited is important for the success of any organization. A good company with good Employee Relations will be talked about. There is a brand image created in the mind of the employees which attracts them to the company like a drop of honey.

Like for example there are companies like TATA, HLL, Birlas, or Infosys where people would be glad to work. TAJ wants to create an image where, if 10 employees are interviewed and 1 gets selected, then the rest should feel sorry, not for being unemployed (selected) but for losing getting an

wonderful opportunity to work for an interview with for TAJ Knowledge about satisfying work places with comfortable working conditions and friendly work culture and transparency in the organisation are always passed through the grapevine and thus attract employees. Later it's the job of the recruitment cell to hire employees as per the requirements. 6. Responsible for increase in productivity.

As the saying goes, a happy worker is a productive worker. Thus a satisfied worker will take lesser breaks, spend lesser time in the canteen gossiping and more time working for the company. There will be Greater commitment which means quality output. There will be loyalty and less wastage of company resources. The employee will seek for opportunities for intensifying the business and look out for new chances of expanding the company. They identify themselves with the work and this leads to an improved performance. Finally, the act of participation in itself establishes better communication, as people mutually discuss work problems. 7. Open to organizational / hierarchical changes (flexibility)

The workers' self-esteem, job satisfaction, and cooperative with the management is improved. The results often are reduced conflict and stress, more commitment to goals, and better acceptance of a change. 8. Shared learning and Continuous improvement. A satisfied employee will look for ways of continuous improvement. They will participate in programs such as kaizen and try for the better of the company. Employees in a good employee relation management will share their new learning's and wisdom with his colleagues. 5. ROLE and scope of Human resources The key process that

defines the HR strategy is ensuring an effective and efficient organisation through appropriate people-job-organisation fit

Each and every HR plans thus focuses on: • Productivity • Performance • Satisfaction, to further the business objectives of the organisation through the optimal utilization of the human resources. 6. GODFREY PHILLIPS INDIA LTD. (ANDHERI) Vision “ To be the best quality cigarette manufacturing in the country, producing at optimum cost with total employee involvement and maintaining clean and safe environment inside and outside the factory premises. ” INTRODUCTION GPI, the second largest player in the Indian cigarette industry with an annual turnover of over US\$ 265 million is a joint venture between Modi group and global cigarette major Phillip Morris.

Some of the leading brands in GPI's portfolio are Jaisalmer, Cavenders, Four Square, Red & White and Originals. The company has a value market share of 11. 4% and a volume share of 12. 4% in the cigarette industry in 2004-2005. Godfrey Phillips has the strong backing of over 15, 000 shareholders in the Country. The manufacturing of cigarettes is done in the Andheri factory in Mumbai and in Guldhar (Ghaziabad) called the ITC factory (International Tobacco Company). These constitute the manufacturing operations of the CIGARETTE DIVISION in the company. Core values Core Values are those values, which are enduring tenets of the organisation and are timeless guiding principles.

Core values help the organisation to achieve its vision. Core values are those values, which are not compromised, even though they become a competitive disadvantage under certain situations. The Andheri Factory, has articulated

the following Core Values. • Provide Environment For Development • Urge to change for Improvement • Focus on Quality. The Andheri Management Team with its commitment to achieve excellence in Quality shall ensure compliance to this policy and economic competitiveness in the implementation. Nothing represents the true spirit of Godfrey Phillips more aptly than the many initiatives it has taken to be a socially responsible corporate citizen.

The commitment has always been to enrich and energize the community within which it operates. • Red and White Bravery Awards Started in 1990-91, the purpose of these awards is to instill in people the culture of selfless action. The awards bring into limelight extraordinary, yet little known acts of bravery and social acts of courage by the common man. • Farmer Program Godfrey Phillips helped create awareness amongst the farming community about the benefits of adopting approved agricultural practices. It imparts training and knowledge to farmers in tobacco producing areas • AIDS Prevention Program GPI's participates in AIDS Prevention Programme, rehabilitation of the Gujarat Earthquake victims and Blood donation camps.

However, since charity starts at home, they insist upon and ensure safe environmental practices within our factories and offices Realizing the importance of human factor in producing good quantity and quality, GPI signed an agreement with Japan Tobacco Company (an acknowledged world leader in the management of people and machines) for the improvement of its Andheri factory. The Andheri plant went 100% filter manufacturing in 1991. The modernization of the primary line at a cost of RS. 11 Crore's was

done in 1990-91. Organization structure GPI believes in a flexible, business-oriented organisation structure. It follows a flat organisation structure with decentralized management.

There are around 5 levels in the organisation structure making it a decently flat structure comprising of 407 employees comprising of 69 staff members, 289 workers and 47 managers. (Hey give an organization structure as an annexure) The organizational business is built around a structure that comprises various jobs carried out by individual in the organisation Role and scope of HR at GPI Mission To facilitate the processes which create an environment where each member of GPIfamilyis able to contribute their best.

Aim: To be amongst top 10 employers in India. • All HR processes are linked to Core Competency Model which was launched for GPI, 2003. Assessment Centers are launched for promoting staff into management cadre. • HRIS (Human Resource Information System) launched to empower employees of Godfrey Phillips. • Six-Sigma project is undertaken to create a robust performance management system. • Annual training calendar is introduced which is based on the GPI competency model. • Internal Recruitment is encouraged to fill vacant positions. • Each management staff is entitled to training and development intervention of at least 8 days. • 360-degree feedback is initiated. • Variable income plan was launched in 2004 to attract the organization to raise their performance bar. GPI believes in Total Employee Involvement.

This is done through small group activity including all employees in teams, whereby identified problems are resolved and presented to management.

The HR department is the central point which initiates, monitors and follows up on the processes. It coordinates the task force activities of the factory. There are at present 11 task forces in the factory. There is a micro site that has been created called ELIVE to generate the awareness among the employees about the concept and its benefits. Each manager should therefore evolve his or her people strategy aligned to the business strategy of the organisation.

DOWNWARD RELATION TRAINING AND INDUCTION

An employee at GPI is placed on the job after induction.

The basic induction training is a seven-day program; additional training is imparted as required. Technical personnel are given induction training in various technical departments for one month before being placed on their actual jobs. GPI at its HO follows a mentoring program for the employees. It will be implemented at the Andheri factory from July 2005. Training for the same will be conducted by the HO. Mentoring at GPI was launched on the 5th September, 2004 which is celebrated as the International Mentoring Day world wide. GPI believes that the best investment that it can make towards its people is in increasing their knowledge, skills etc.

This can be done by periodically identifying the training needs, imparting training and measuring the effectiveness of the training programs thereby assessing how effective the training programs are and their contribution to the bottom line of the business. GPI places a great emphasis on training. Training and Development systems focus on aspects such as continuous learning, on-the-job learning, easy access to training programs, self-managed programs. Training is controlled and monitored through a budget.

of around Rs. 5 Lakhs A Training Directory is created by each unit. The Directory identifies both training needs as well as training delivery in respect of all employees. The training programs include both job related technical training as well as behavioral training. Training needs of employees are decided once in a year. The factory manager identifies training needs of HOD's.

In line with the Training Activities in the Factory, Quality System Procedures of Personnel Department are documented, scope of which includes Training Need Identification, Training Plan, Training Calendar, Training Evaluation and Training Records. GPI provides the following BENEFITS:

- Canteen Facility - The Company has a subsidized canteen for its employees, which provides food at highly subsidized rates in all shifts. The employees working in the night shift get refreshments. Everyday in the morning, the food is tasted by the responsible person from the Personnel Department and accordingly the taste is approved or is changed if necessary. Every week, the menu is approved by the Personnel Department. Lunch is made available at 50 paisa, refreshments for 20 paisa and tea for 10 p
- Uniform - The Company provides free uniforms to certain categories of employees once in every year around the month of Feb-March. The washing of the uniforms is taken care by the company itself once a week. Winter and monsoon wear is also provided to selected employees.
- Housing facility - is provided to the security guards and workers at key position. They are highly subsidized accommodation at a pay of Rs. 7. 50 per month.
- Holiday Home Scheme - Each individual management staff is entitled to a stay up to one week at any of the properties available during the course of a calendar year
- Marriage Gift

Scheme - The Company provides a gift to all its managers on the occasion of the wedding of the employees as well as their children.

On all such occasions the employees shall have the option to purchase a gift of their choice at a value not exceeding an amount of Rs. 5000/- per wedding

Monetary benefits GPI employees can avail Retirement Services/benefits GPI has a credit society which provides the following benefits. It was established in 1953 and membership is open to all employees working in the various establishments of GPI. It is registered under the Societies Registration Act. Its meetings are held once a month. It offers 2 savings schemes to its members • Cumulative Deposit Scheme • Monthly Contributory Deposit Scheme. A member can also avail of loan schemes immediately on acquiring membership in the credit society. Short term loans - for a period of 1 year, monthly installments, which are deducted from the member's salary • Long term loans: for a period of 5 years and is recovered through 60 monthly installments deducted from the salary. MEDICAL FACILITY. In GPI, there are two panels of doctors. The company has 50 trained first-aiders which are required if any accident takes place. Every department has a first aid kit which is replenished and audited every month. The Personnel Department includes a Nurse and an Ambulance room who maintains a medical kit as well. The company carries out medical examination of all the employees once in every three years. SAFETY

GPI believes that companies are responsible for ensuring the health and safety of the employees. Every employee follows operating procedures and practices are designed to protect people and equipment from risk of injury or

damage to property. GPI has a Safety Department which aims “ To create at all levels in the organisation a Safety Consciousness and to develop and maintain safety at work place. ” HR department has to see to it that an acceptable safety standard is kept in the workplace-safety gears are provided, Fire extinguishers are placed at the right places, multiple entrances and exits are provided and possible fire/safety drills are conducted once in a while.

The safety squad conducts a safety drill in the first week of March on safety day and once in two months. GPI also pursues ERP which is run by the emergency squad. The EMERGENCY RESPONSE PLAN is responsible to deal with various types of emergencies that could occur at the facility with the response organization structure being deployed in the shortest time possible during an emergency. Thus when an emergency occurs, the initial indication is by raising the alarm by the person who first notices a problem. The respective Managers is immediately notified who then assesses the severity of the condition, classifies it appropriately and directs the response actions of the facility personnel to mitigate the condition.

Upon analyzing the emergency situation, if situation is beyond his control he informs the Security Main Gate who activates the ERP. GPI also has a Medical Attendant (Nurse) who during an emergency is to provide first-aid to victims of the accident, and to ensure their prompt transportation to a treatment installation such as a hospital, when required the Medical Function is responsible for the establishment of a first-aid station for the immediate treatment of possible victims, which shall be appropriately equipped with

medical supplies, oxygen, resuscitators, and other supplies and the emergency response personnel are familiar with first aid administration. There hasn't been a case of sexual harassment or drug abuse.

GPI is short of a policy against it, but any individual found guilty will not be allowed on the premises and will be dismissed if it continues. CAREER DEVELOPMENT OPPORTUNITIES The emphasis at GPI will be to focus on career paths rather than on career per se. GPI focuses on generic career paths as well as specific career paths for identified individual. There are 8 basic Job Bands. All grades are structured around these levels. Jobs are placed in appropriate bands, corresponding to the responsibility levels. Job bands are used for specific HR action such as promotions, career development etc. GPI recognizes that in a dynamic, fast-changing environment jobs will also be flexible

Job Rotation Programs (JRP) can not only reduce turnover but they also increase learning, and provide added bench strength. At GPI, the technicians are rotated in the whole department. This helps the technicians become Almighty operators. Knowing a variety of jobs improves the worker's self-image, provides personal growth and makes the worker more valuable to the organization. It also helps them become a trainer and fill the vacant places if some employee turns out absent. Job rotation is a way to overcome boredom and monotony. Periodic job changing can also improve interdepartmental co-operation, employees become more understanding of each other's problems.

Job enrichment too is used at GPI. It seeks to improve both task efficiency and human satisfaction by building into people's jobs, quite specifically,

greater scope for personal achievement and recognition, more challenging and responsible work, and more opportunity for individual advancement and growth. Operators become Technicians who then become supervisors who in turn become managers

RECREATION AND STRESS The employees at GPI work for 8 hours with a lunch break for half an hour. The leaves allotted are different for workers and different for staff. For Workers: Workers receive Annual leave of 21 days, Casual leave of 14 days & Sick leave of 21 days.

FOR STAFF:

The staff members are entitled to get Annual leave of 30 days, Casual leave of 14 days & Sick leave of 20 days. GPI proudly holds interdepartmental cricket matches annually. Steps are taken by each department to send their best players and employee participation is encouraged to the fullest Various stress management programs are held by external faculty for the welfare of the employees

COLLECTIVE BARGAINING The trade union at GPI is KAMGAR UTKARSH SABHA is registered under commissioner of labor and recognized under All India Trade Union Congress. Employee Relations as an activity extends through negotiation and bargaining, discipline and employee involvement. When GPI is concerned, there hasn't been a strike ever.

All are part of this union for the past 15 years. The procedure for grievance solving at GPI is followed as per hierarchy, the employee goes to the department head and the grievance is presented. If the department head is not in the condition to solve the grievance, the personnel department is informed. If the employee is still not satisfied, the grievance is then forwarded to the FM.

INVOLVEMENT AND ENGAGEMENT GPI follows the

technique of Quality Circle, originating from Japan and introduced in many establishments in India. In this, employees voluntarily become members of quality circles, which study various situations and problems at the work place, suggest and implement solutions.

There is thus much involvement of the worker, in what happens at his work place. The participation is not of representatives. All of them could get involved. GPI follows a Suggestions scheme called Kaizen Teian. Employee can give suggestion in the field of Operation, Safety, Quality, Workplace Environment, Waste Elimination , 5 ' S', Energy Saving , Cost Saving. There are department committees consisting of Dept Head, Dept Level Managers and Supervisors, who motivate employees and evaluate the suggestions and reward the employees. The factory committee meets once in a fortnight. It is involved in planning and implementing for increasing the participation and number of suggestions of the employees.

It also reviews the reward at regular intervals. GPI (as per rules of KT) has star, super star and pole star. Star is felicitated with a silver medal of approximately Rs. 225. Super star is awarded with 30 Gms of silver medal of approximately Rs. 450. The pole star who must have 3 implemented Kaizens per month for 6 continuous months is awarded with Sodexo coupons worth Rs. 350. At GPI, mostly the department heads go at the employee's workplace and congratulate them and gift them their reward. Best suggestion of the month and kaizen of the month are recognised by displaying their photo at the canteen and at main gate entrance. And also gets a free lunch with family in a restaurant.

The company has a tradition of felicitating those employees who have completed 20 years of service with the company by offering them a gift and a certificate. UPWARD COMMUNICATION FEEDBACK GPI has started taking an EMPLOYEE SATISFACTION SURVEY annually from the last two years. It is conducted, monitored and evaluated by the HR department. PERFORMANCE APPRAISAL At GPI, managers have an online Performance Appraisal. For the staff, an informal procedure is followed, the employees are monitored regularly by their immediate boss and regular feedback is given to the employees as and when required. This forms the basis for identification of training needs with respect to HOD's and management staff. (what kind of system of PA is followed?..) HORIZONTAL RELATION ANNUAL EVENTS GPI holds the following: Picnics – GPI has a four squares club which carries out picnics and other excursions for the staff to nearby places like Khopoli and Virar. • Dassehra Puja - The workers organize Dassehra Puja every year with the aid of contributions collected from the employees of the company. Every department celebrates this auspicious day by carrying out pujas in their respective departments. The company distributes sweets to all the employees. • House Magazine - GPI publishes a quarterly house magazine known as ' SAMVAD'; highlighting the various events at GPI. It was started in the year 1986. This helps to encourage people for active participation in writing pros, poems, drawings.

The magazine also gives information about the Kaizens given by the employees and the Kaizenee. The promotional activities, suggestions regarding Safety, Pollution Control are also included in the house magazine. The achievements of the employees and their family members are published

in the magazine WELFARE ACTIVITIES GPI gives the welfare facilities as mentioned in THE FACTORIES ACT, 1948. Various incentives, cash benefits, rewards for good performance etc. are offered at GPI as a part of the commitment towards the well being of employees. In addition to these, the company has initiated several other programmes to achieve the goal of employee welfare.

The Godfrey Phillips Employees' Welfare Society: It was constituted and registered under the Mumbai Trusts' Act, 1950 in 1971. The membership of the society is open to the employees of GPI. A few of the programmes organized by the society are listed below:

- Annual Prize Distribution: This programme is organized every year. The employees' children who excel in academics are awarded so as to encourage them to perform better. In addition to the prizes, each awarded also gets a Textbook Gift Coupon.
- Note Book Distribution: Every year, before the beginning of the academic session the employees of GPI are given notebooks at concessional rates. Each employee can purchase a maximum of 4 dozen-note books from the welfare society.
- S. S. C. Vyakhyanamala:

An expert hired by the society gives the children of employees appearing for the S. S. C. exhaustive guidance in all the aspects of these exams. If the number is inadequate, the society sends them to counseling agencies at its own expense.

- Career Counseling: Children of employees in the 9th and 10th standards and Jr. College are given guidance as to which career they should choose based on the results of a 5 hour test administered to them by the Maharashtra Vyavasya Margdarshan Kendra. The society has several

other activities in the pipeline such as a talk on the Union Budget, a rangoli competition, establishment of Adarsh Kamgar Puraskar, a pulse polio vaccination scheme etc. 7. INTRODUCTION TO PARLE

VISION “ With the unfolding of the InfoTech age, and the emergence of a borderless world, we have a quest to become the most admired group to all our stakeholders, alike customers, employees, contract manufacturers, wholesalers, C&F agents, suppliers and society. Our customer being the king we will try to exceed their expectations by pursuing world class standards in our people, products, process & performance encouraging innovation & nurturing intellectual capital. We will follow ethical & fair business practices maintaining respect for all the fellow human beings. ” INTRODUCTION Mr. Mohanlal Dalal came to Mumbai in the 1880's from pardi village.

He did some work here and there to earn his living. Soon PARLE biscuits were formed in a 60 ft long and 40 ft wide tin shed with an initial investment of 1, 50, 000 with the help of 12 men. In the year 1929 the market was dominated by famous international brands that were imported freely. Despite the odds and unequal competition, this company called PARLE Products, survived and succeeded, by adhering to high quality and improvising from time to time. Over the years, PARLE has grown to become a multi-million US Dollar company. Many of the PARLE products - biscuits or confectionaries, are market leaders in their category and have won acclaim at the Monde Selection, since 1971.

Today, PARLE enjoys a 40% share of the total biscuit market and a 15% share of the total confectionary market, in India. ORGANISATION STRUCTURE

PARLE on the other hand has an organisation structure of 7-8 levels. Starting with the Factory Manager and then the Deputy Manager, but it is more on paper than for operational purpose. It has a total of 742 workers, 30 staff members and 150 managers and officers. Role and scope of HR at PARLE

The HR mission at PARLE is to develop the employee behaviour, identify their training needs and help them grow in the future. They don't have a HR Department per se, but the personnel department handles the functions of the HR. Their Personnel department handles 742 workers, 30 staff members and 150 managers and officers.

Though no special steps are taken to increase employee involvement at PARLE, they have had no disputes and work goes on smoothly because of the team spirit in the employees. The Personnel department handles all the activities amongst the employees and believes that no disputes and smooth flow of work is a live testimony of credibility to HR department.

DOWNWARD COMMUNICATION TRAINING AND INDUCTION At PARLE, the nature of recruitment is purely internal. Thus training needs may be more as compared to hiring trained individuals. Here, the department Heads identify the training needs as and when required. These training needs are then sent to the Personnel department. The Personnel department checks its external brochures and the training is conducted

There is internal training for the workers for KAIZEN, 5S, and other Japanese systems which are recently implemented by the company. External training is not given for workers unless critical or really required. The staff and the managers are given external training for behaviour and management. There

is follow-up done after the training with the help of feedback forms. These feedbacks are submitted to the Personnel department who looks after them and implements the changes if possible. There is religious feedback taken after training and the form is evaluated by the Personnel department. PARLE doesn't have an induction program for its workers in place. Workers are recruited and put on job, whereas the managers and staff have to go through a 15 day induction program.

The employees learn about the functioning of each department. PARLE has the following BENEFITS • Apart from the regular allowances, PARLE provides Production Incentive and festival allowance. • Canteen facility - It too has subsidized food for all its employees. Lunch is for Rs. 2 and tea and refreshments are served at 20p. The canteen is run by contractors. • Housing facility - PARLE doesn't provide housing facilities to its employees but a few important ones like the technicians and engineers stay on the compound of the factory. • Uniforms – Like in GPI, the workers wear uniforms, some also receive monsoon wear and winter wear. The uniforms are washed on a weekly basis on contract.

PARLE also gives various MONETARY BENEFITS. It has an ECS (employee credit society) which offers loans short term and long term loans like GPI. MEDICAL BENEFITS There are 2 in-house doctors who conduct free medical check ups on half yearly basis at PARLE. There is a well equipped ambulance room with 3 full time nurses. Employees at PARLE also receive reimbursement of medical expenses. Compensation is also given on death of the employee SAFETY PARLE endeavors to adequately train all employees,

suitably equip them and instruct them to perform their duties in a safe and effective way. PARLE trains all its employees against safety and first aid and Fire fighting.

Apart from this there is a Guard for all the machines who prevents the accident from occurring. PARLE is a non tobacco zone. Thus there is no smoking allowed in the premises or the working area. They are also strict about alcohol or drugs. Though there is no policy, but an employee is not allowed to enter the gates if he is drunk or is caught with drugs. There has never been a case of sexual harassment either. PARLE also conducts safety day competitions on safety week during March. Colourful posters and illustrations of the harms of not wearing a helmet and other such warnings are pinned on the entire lobby and the passage area all over PARLE.

CAREER DEVELOPMENT PARLE doesn't follow Job rotation, thus an employee does gain specialization. PARLE believes Moving from one job to another also gets irritating because the normal routine of an employee is disturbed and also time is wasted in adjusting to the new job. PARLE too believes that enriched job will have more responsibility and autonomy (vertical enrichment), more variety of tasks (horizontal enrichment), and more growth opportunities. Thus after receiving considerable knowledge at packing, a worker is soon promoted to charge-hand.

RECREATION AND STRESS
Employees at PARLE receive an annual leave of 16 days, sick leave of 10 days and CL of 7 days.

The management decides the paid holidays after discussion with the Union and the list of holidays is posted on the notice board. In all, there are 14 paid

holidays. Although there have been talks about health clubs and gyms.

Employees at PARLE receive an annual leave of 16 days, sick leave of 10 days and CL of 7 days. And refreshment breaks of 15 minutes at PARLE. They are sanctified with a play ground. They have regular tournaments of volley ball, cricket and tennis. Employees also have the facility to play carromen, table tennis in their rest rooms. There is an annual sports day held by the ECS where employees are encouraged to participate. COLLECTIVE BARGAINING The trade union at GPI & PARLE is the same; KAMGAR UTKARSHA SABHA.

There has been a strike at PARLE due to conflict of interest which lasted for 40 days, in the year 2000. The procedure for grievance solving at PARLE goes as per hierarchy too, first the employee goes to the department head and the grievance is presented. If the department head is not in the condition to solve the grievance, the personnel department is informed. If the employee is still not satisfied, the grievance is then forwarded to the FM. The grievance is further sent for conciliation. (If you can...study the documents of negotiations between the two & analyse how the final draft was arrived at ...) INVOLVEMENT AND ENGAGEMENT PARLE has a suggestion box which comes under the plant services manager.

These suggestions are received on a weekly basis. PARLE like GPI follows the technique of Quality Circle, originating from Japan and introduced in many establishments in India. In this, employees voluntarily become members of quality circles, which study various situations and problems at the work place, suggest and implement solutions. There is thus much involvement of

the worker, in what happens at his work place. PARLE has also implemented KAIZEN recently. Here, employees are expected to submit at least 6 suggestions per month. If the suggestion is creative and implemented, the employee earns 2 points. These 2 points entitle him to a gift. There is a considerable rise in the self-esteem.

This helps in terms of interpersonal relationships which directly affect Employee Relations. Finally, the act of participation in itself establishes better communication, as people mutually discuss work problems. Rewards at PARLE are as per KAIZEN. No other rewards or gifts are given to the workers for making suggestions. There is a Best worker of the month who is called as the PARLE – G anmol. His picture is displayed on the notice board and he receives a small gift too. The bottom line is to increase employee productivity which contributes to making a company more profitable.

UPWARD RELATION FEEDBACK PARLE doesn't follow job satisfaction survey or any other kind of feedback for its workers or staff PERFORMANCE APPRAISAL

PARLE doesn't hold any performance appraisals for its workers, though the management and staff follows a 90 degree performance appraisals system.

HORIZONTAL RELATION ANNUAL EVENTS PARLE holds the following functions for the employees • PARLE does not hold picnics for its employees. • PARLE has a Sports day arranged by the ECS annually. It has activities like football and volley ball and cricket