

Role of Personnel Management in TISCO

Dr. VIJAY PRAKASH

HOD.COMMERCE

G.C.JAIN COMMERCE COLLEGE, CHAIBASA

EMAIL-vijayprakash.ranchi@gmail.com

ABSTRACT:

The Personnel Management in TISCO is continued to be harmonious for the last ninety years . The country has witnessed many occurrences of the Industrial disturbances in the different industries in last 85 years , whereas TISCO has been proved to be an ideal model of the Industrial harmony . The Personnel Management in TISCO is based on the Founder's Philosophy propounded by Jamshed Ji Naserwanje Tata . The sound relations between the management and the union is the experience of such a long period of co - operation . The Founder , J.N. Tata's philosophy stated that the company should consider socio - economic aspects of all sections of the people , besides producing the steel . The basic guidelines of the functions of personnel and the Personnel Management in TISCO is efficient as the managers of the organisation always consider basic philosophy of the Founder's as their function guide . The Personnel Management in the organisation became more strong after the chairmanship of Mr. J.R.D. Tata who lead the company in the marvelous manner . Once he stated that to achieve the efficient working conditions to provide higher wages and good amenities to the employees , the good Personnel Management programme should be launched in the company . He stated that the better relations between the management and labour should be maintained . Such a better relationship could be obtained only by creating a sense of trust and confidence to each other . He further stated that the sense of trust and the confidence can be established if the labourers are considered most important Personality in the industry and their feelings and sentiments should also be recognised and given due regard . The Articles of Association of the company has also lay down some important objectives of the organisation to maintain better Industrial Relations in the organization.

KEY WORDS :-Founder's Philosophy, Industrial Relation, Facilities, Modernization, Amenities, Levels, Globalization.

INTRODUCTION:

The Personnel Management in TISCO is based on the Founder's Philosophy propounded by Jamshed Ji Naserwanj eTata . The sound relations between the management and the union is the experience of such a long period of co - operation . The Founder , J.N. Tata's philosophy stated that the company should consider socio - economic aspects of all sections of the people besides producing the steel . The basic guidelines of the functions of personnel and the Personnel Management in TISCO is efficient as the managers of the organisation always consider basic philosophy of the Founder's as their function guide . The Personnel Management in the organisation became more strong after the chairmanship of Mr. J.R.D.

Tata who lead the company in the marvelous manner . Once he stated that to achieve the efficient working conditions to provide higher wages and good emenities to the employees , the good Personnel Management programme should be launched in the company . He stated that the better relations between the management and labour should be maintained . Such a better relationship could be obtained only by creating a sense of trust and confidence to each other . He further stated that the sense of rust and the confidence can be established if the labourers are considered most important Personality in the industry and their feelings and sentiments should also be recognised and given due regard . The Articles of Association of the company has also lay down some important objectives of the organisation to maintain better Industrial Relations in the organization.The objectives have been laid down to understand and accept the need and the right of employees and also to give them a general awareness of social problem of industry . It also stated that good wages , good working conditions , suitable opportunity provided to the given the sense of self - respect and better understanding of their role and for self - expression through closer association with management . The charismatic dynamic leadership style of Mr. RussiMody , the Ex - Chairman of the TISCO has also excelled the Industrial Relations in thorganisation . Mr. Mody believed in maintaining open - door policy to ensure freedom in self - expression of thought . In such situation all the workers get an opportunity to express their words which help to maintain a good Personnel Management in the company . Mr. Mody , the Industrial Relations master has established the harmonious Industrial Relations in the organisation for quite long time . He always preached and considered the " Man " as the core of all the operations in TISCO . Hence , the " Man " should be given due regard . His hearts and sentiments should be honored and regarded .ShriRatan N. Tata and Dr. J.J. Irani are pioneers in managing the change in TISCO . They successfully led the traditional featured company to the highly sophisticated company . They have tried their level best to improve the quantity as well as the quality of the product of the company . They have plan I for the modernisation and development of the production system 10 improve the quality of the product . They have improved the quality of the product consumed inside the country to a greater extent to bring it at per with the globalised quality of the product to fetch the global market of the world in place of only meeting the home demand of the country . As a result of the aforesaid effort of the modernisation and improvement in quality and quantity the TISCO company is sailing its boat fairly well to supply its product in the global market of the world . The different units of the TISCO have been awarded most prestigious mark i.e. ISO - 9000-9001-9002 , under their able leadership and enhanced the International demand of the products of TISCO . Now they have lead the organisation to achieve 3 million tones steel per annum by the month of May 1996 , and further its has been decided to produce 3.6 million tones of crude steel per annum . The Industrial Relations in TISCO at this turning points lead by them is efficient . They believed and preached the team work and quality movement for a better tomorrow and for an efficient Industrial Relations . The thought and philosophy of ShriRatan N. Tata and Dr. J.J. Irani have emergised the organisation and contributed a lot for maintaining an efficient Industrial Relations in TISCO in this changing period . The Industrial Relations is the everybody's concern in TISCO . Both the management and the Union's sole aim is to maintain a good Industrial Relations for higher production and productivity .

MATERIALS & METHODS:

For the purpose of in depth study the contents have been taken from relevant books and articles from journals and websites.

The methods used is analytical and descriptive. Both primary as well as secondary sources of information have been taken.

RESULTS AND DISCUSSIONS :

Application of the Founder's and his successor's philosophy for better Industrial Relations can be studied in the following statements :

- 1. Introduction of the 8 Hours a day :** The TISCO has introduced 8 hours work - a - day , which was never found even in the development countries of that period i.e. in United States and United Kingdom and many other countries . The 8 - Hours work in a day was first time introduced in 1912 by TISCO management , while the working hours was fixed 12 hours in U.K. as provided in the Factory Bill 1911. The 8 hours of work in a day was fixed in the Hours Convention 1919 at the Washington session of the Industrial Labour Conference . The weekly work was limited at 48 hours in Europe , and the same was fixed at 11 hours work in a day and 80 hours working day in a week in India and Japan . The trend shows that TISCO was much more ahead to maintain the ideal working hours for the workers which has established a feeling of trust in the heart of the workers for the management . The Industrial Relations is based on such unique leadership of TISCO in the area of the Industrial Relations .
- 2. Welfare Provisions:** The medical facilities and the facilities of school were provided to the workers by TISCO management in 1915 and 1917 respectively . The management also extended the facilities in 1920 for leave with pay, provident fund and accident compensation facilities in 1920, whereas it was legally started in 1926 in India . The provisions have helped to maintain and efficient Industrial Relations I TISCO.
- 3. Grievance / Complaints Handling System :** The TISCO management has introduced grievance / complaints handling system in 1919 by instating shops committee for consideration of complaints . The Board of the shop committee consist of two representatives of the management ant two shop committees consist of two representatives of the management and two from the union . All kinds of the complaints and grievances were tried to settle at shop Committee level . If the same was not settled , it was referred to the higher level committee consisting of the General Manager and President of the Labour union . This has led for efficient Industrial Relations in the company .
- 4. Workers Training and Development :** The TISCO Management established the Training Institute for the Workers Development in 1921

5. **Initiative Toward the Participative Management** : The TISCO Management introduced a suggestion Box Scheme to promote the participate Management System in 1919 .
6. **Gratuity Benefits** : The TISCO introduced the Retiring Gratuity Benefits in 1937 .
7. **Working together in Tata Steel** : The working system in TISCO is the outcome of agreement between TISCO Management and Tata Workers Union on 8.1.1956 and its supplementary agreement in August 1957 , which plays a very important role in maintaining and efficient Industrial Relations in the company after 1957 . In view of the above background , I would like to have a study of actual scenario of Industrial Relations in TISCO .

Actual Scenario of Industrial Relations

The actual scenario of the Industrial Relations will be studied under the following headings :

1. The Industrial Relations Policy in TISCO
2. The Industrial Relations system at a various level of Management .
3. Joint Committees : Their formation and functions .
4. Grass root meeting between the Department Heads and Union Stewards .
5. General development of Trade Union and Tata Workers ' Union and its roles .
6. Collective Bargaining .
- 7.

Now the detailed study of the above points are being given below :

I. The Industrial Relations Policy of TISCO :

The Industrial Relations Policy of TISCO are enumerated as follows :

1. **Policy of settling of the grievances at the plant level** : The Important policy statement if the Tata Steel is to settle the grievances at the plant level . The statement of grievances at the plant level is one of the most important condition for the maintenance of the industrial peace , as because the settlement of the grievances of the department level helped the organisation to maintain a clean environment are sellted at the very spot of the department level . The 98 % of grievances arise at the department are sellted at the very spot of the department . Only 2 % of the cases of the zonal Works Council or refer them to other outside agencies like Labour Court or Tribunal for the settlement . To implement the policy , the joint committee was set up in TISCO in 1919 which was revived in 1946 and in 1948 in conformity with the provisions of the Industrial Dispute Act , 1947.

Policy of Dealing with the social and Industrial Expectation : Under this heading the social and industrial expectation the employees as well as of the general public are deal with the Industrial Relations policy statements emphasised that the human relations in the industry and its surrounding should be strengthened in order to

achieve an efficient Industrial Relations as human relations is the foundation stone of the Industrial Relations . Hence , there should be charming touch of Human Welfare in the purvies of Industrial Relations . That is why TISCO does not only care the Industrial escectations of its employees , but it does also care far the communities need of the general people of the surrounding . It was welfare and social services division which have extended welfare and development services have played a major role in maintaining and strengthening Industrial Harmony in TISCO . Better amenities have been provided to the employees in other working place . The employees in their working family and to other general people have been also provided different welfare and development activities through community development and social welfare department .Adivasi Welfare and HarijanWelfare , Family Planning Division and the Rural Development Department . The sincere activities of social service division has made and very good relations of the company particularly with the population of the surrounding if Jamshedpur .

2. **Policy to promote Joint Working System :** It is Industrial Relations policy of the organisation which establishes and promotes the joint working system in the organisation . The joint working system was established in 1919 , which was given due shape and importance in the historical agreement of the management and the Tata Workers in 1956 . The form of he structure of the joint working systems has been scientifically explained in the agreement of 1956. Today , in the Tata Steel , all the actions of the Steel making is a joint effort . The policy statement of the Industrial Relations has promoted the system of working together in the Tata Steel .
3. **Policy of considering " Man " as dominating factor :** The most important basic policy of Industrial Relations in TISCO is that it considered " Man " as the core of the " Industrial Relations System " . TISCO has considered the factor of modernisation . The " Man " as the most important factor for the modernisation . The " Man " and their social values are given due consideration and proper recognition in the Works as well as in the surrounding . It is because of this an ordinary worker could see the chairman or the top management of the company at a single appeal for any problem . Whole bargaining with the employees the overall interest of the " Man " is sincerely taken into consideration .
4. **Policy of Considering " One " Union :** The Industrial Relations Policy statements of TISCO has also stated to consider the one union Le . Tata Workers ' Union as the official and recognised union . The TISCO Management has considered Tata Workers ' Union as the recognised Union in 1936. In the process of the Labour

Movement in TISCO , the Leftist Union had also tried several times to be the official union of TISCO but the management never allowed . Throughout its development , the Management has considered the Tata Workers ' Union as the recognised official union . The policy of considering one union has helped the organisation to strengthen Industrial Relations in TISCO .

5. **Policy of boosting up the Production and Productivity :** The Industrial Relations of TISCO also consider the production and productivity as the prime factor . The harmonious Industrial Relations in the organisation fully depends on productivity of the organisation . The achievement of the set target at the highest level of productivity provides a better economic and other benefits to the employees , and made them happy in the organisation . The Industrial Relations Policy statements explains that the workers and their union must contribute to their best to achieve highest productivity for the best contribution of the labour force , the employees are required to work peacefully .
6. **Policy of propagating the scientific grievances handling system for peaceful negotiation of the Industrial Disputes :** The Industrial Relations policy of TISCO propagates the scientific system of the grievances handling procedure and also to redress the conflicts through the system . Being influenced with the policy statement , the grievances handling system is duty approved by the management and the union and so this has been established in the organisation . Hence all sorts of the grievances are handled through the system . The employees are free to put their grievances are tried to redress at the very initial stage of the grievances handling in the organisation . No cases are allowed to refer outside agency for solution . As a result of the above grievances handling system the Industrial Relations in TISCO become efficient . After the discussion of the Industrial Relations policy a the first point of the actual scenario of Industrial Relations , we shall go through the next point as given below :

II. Personnel Management System in TISCO

The Industrial Relations system is one of the important constituent (factor) of the Industrial Relations scenario in TISCO . The Industrial Relations system consists of different factors i.e. the Representative of the Management , union and government , who meet and settle different kinds of Industrial Disputes as the different level management . The Industrial Relations system also includes different entests i.e. social , economic , environmental , political and such other issues of problems , to be discussed at the various level of management by the management and the union . The Industrial Relations system in TISCO are studied at different level of Management as follows :

1. **Industrial Relations system at the Corporate Level :**the corporate level the actors of Industrial Relations system are from the management sides are the chairman , managing director , senior vice president , vice president , executive director of the company . On the other hand the actors from the Tata Workers ' Union , at this level , are the president , General Secretary and Vice President . The labour Commissioner of Assistant Labour Commissioner is an Actor of Industrial Relations system who represent the government at the meeting of

collective bargaining at the corporate level . At this level all the participating persons discuss the matters concerning the policy of the company .

- 2. Industrial Relations system at the Divisional Level :** The divisional level consists of the different authorities of the different division i.e. works division , medical services division , town division , marketing division , engineering division etc. At these divisional level , the actors from the management side are concern Vice President , senior General Manager , General Manager Assistant General Manager , Executives of the Personnel Division , and the actor from the Tata Workers ' Union side are president , Vice President , General Secretary , Assistant Secretary . At this level the representative of the Government is not required . The management representative and the union representative discuss the issues regarding production , productivity welfare and safety scheme of the Division .
- 3. Personnel Management System at the Department Level :** At the Department level the heads of the department are the Actor of the I.R. systems from the Management side . The union committee member or union steward are the actor from the Tata Workers ' Union . The personnel Executive attached to the department organisemeeting , circulate agenda and minutes to both the departmental head and the union committee members of the department . In this level of meeting the issues of the department are discussed and settled . The different Actors of the Industrial Relations system at different level of management and interact under certain coded guidelines of the company . The policy matters of the company cannot be discussed at the department level . It can be discussed at the corporate level of meeting and collective Bargaining . Similarly the Divisional and Departmental level meeting have their own issues and problems . The efficient Industrial Relations of the company is very much dependent on the effectiveness of the different Actors . At this Juncture it seems imperative to throw some light on the subject matters at different level of Industrial Relations system . So the subject matters are given below : Subject matters or the contents of Industrial Relations at different level of Industrial Relations system :The subject matters of the Industrial Relations system in TISCO are not only concern with the issues of conflicts inside the factory , but it also includes the various issues of the outside works i.e. issue of social and communal harmony . Generally the subject matter of the present context of the

Industrial Relations system includes social , economic and political Issues and different situations existed in and around industry . The social context of the Industrial Relations system includes the worker's individual and social values , their caste creed , faith , social customs , social welfare and development , education , working environment , medical and social security etc. the political context of the Industrial Relations emphasised the total political situation and the existence of various political parties i.e. its influence on the industry ,

government's industrial policy for industrial development and social harmony , legislative measures for laws and order situation in the outside the organisation . The economic aspects in the present context of the Industrial Relations system include the technological development , marketing situation and the employment status . The context of the Industrial Relations also includes the modernisation of the technology , value engineering or managerial economics to bring all sorts of economics along with the usability control . In addition to the above subject matters of Economics in the present context of the Personnel Management system the aspects of Labour control and Personnel Management also be included in the purview of Personnel Management system . In the day to day working life , the recruitment of personnel , its placement , development , establishment , rewarding etc. are the basic subject matters of the Personnel Management system . The globalisation of the Founder's Philosophy of the steel company is also the basic contest of the Industrial relation system . The Management has succeeded in the fulfillment of the globalisation of its products and services for last several years as it could made possible to export a large volume of its product . As a result of the above efforts TISCO has a remarkable phase in the world market of the steel . Besides the above subject matters to be dealt with at the different level of the present system the Industrial conflicts of the labour unrest aspect may also be taken as the contents of the present Personnel Management system , so some example of conflicts or industrial disputes are being given as the subject matter of the system in the following pages , which are generally discussed and solved at the various levels of management.

CONCLUSION:

The man and Management should maintain the name and fame of an ideal and model company , in the area of an efficient Personnel Management in the company they should maintain and improve the past glory of the company by the help of scientific effort and quest for excellence at this juncture of entering into the 21st century . This will improve the efficient Personnel Management in the company in the future . There is a natural phenomena that generally a common man and the labour force as a whole chooses amusement and recreation before choosing any wise thing but the Management should always keep the target of the best result and experience on the top priority .Therefore , the Management should have a wise compromise with all the parties to keep them please an happy to reach the goal of excellence because the excellence is the ideal tune for all the time in business Management . The scientific advancement and the rapid pace of industrialization with the efficient results is the call of the modern era .Therefore , the tactfulness and the excellence should be the

guiding force of the ideal Management to get rid of all the Industrial troubles and to win the race of excellence on all the fronts .The employees suggestions play dominating role in boosting up the workers morale in the company along with the excellence on the frontiers of the Personnel Management of the company . Therefore , the suggestions Management in the company is needed to be improved .

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