CHAPTER XI

HRD PRACTICE IN COMPANY 08

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1. INTRODUCTION:

The company 08 has its genesis in 1983. Operation Research Group (ORG), which provides indicators of the Indian Pharma industry, rates the growth of this company as, being amongst, the highest in the whole pharma industry.

Group's main operating divisions are pharma, Bulk Drugs, Animal health products, feed supplements and medical electronics. DYNAMIC MACHINES, a subsidiary of industry under survey manufactures pharmaceutical machinery. Moreover, four modern plants in western India constitute concept's manufacturing facilities. This company has branch offices and depots all over the country and employs more than 600 distributors throughout the subcontinent. There are over 500 personnel works in its corporate offices, manufacturing facilities, branches and depots, besides around 500 personnel in marketing.

This pharmaceutical company is one of the fastest growing company in the field of pharmaceutical. Its operations include finished formulations, Bulk Drugs, Animal Health Products, feed supplements, medical electronics, pharmaceutical machines, chemical plants, and turn key projects. The company is not collaborating with any foreign company.

2. PRODUCTS RANGE:

The products of the company include pharmaceutical
specialities like anti-TB drugs, antibiotics, analgesics, antacid, anti-asthmatics, anabolic hormones, dermatological products, etc.

The multipurpose facility in Aurangabad has been designed primarily for the basic manufacture of Ibuprofen and Trimethoprim, Rifampicin, Diclofenac, ISMN, Ampicillin sodium, Cloxscillin sodium, etc.

3. MANPOWER:

The total employees strength was 207. Covering above 64% workers, 28% supervisors & 8% managers depicted in Table 8.1

4. FRINGE BENEFITS

Table 8.3 provides the informations that, various employees of the organisation gets housing loan, LTO, medical reimbursement, children education allowance etc.

5. SOURCES OF MANPOWER SUPPLY:

Manpower is recruited from internal as well as external sources. Amongst the internal sources, promotion, and transfer from other units or departments and Amongst the external sources of manpower supply the Employment exchange, and Open advertisement in news papers are commonly used. The company has a policy of transferring their managerial personnel from one unit to another unit. The relevant information is given in Table 8.3.

6 MANPOWER PLANNING

A) Estimation of Manpower Requirements

Table 8.4 shows that, the department in - charge estimates manpower requirements of the company which is
estimated on the basis of planned production destination. The analysis of manpower resources is done continuously.

B) Manpower Forecasting

The factors considered in manpower forecasting are corporate business plans and change in technology.

2 RECRUITMENT & SELECTION

The company employs the same method of selection for all categories of employees. In the selection process, the company prefers to select the candidates within the organisation, if available. In the selection process, the abilities tested are subject knowledge, work experience, physical abilities. The probation period before confirmation is one year which is the same for all categories of employees. The company considers the factors, for regularising the new recruits, like satisfactory performance during the probationary period, discipline, behaviour and attendance.

The company do not verify character of the candidate, before the appointment, as per the government's rule & regulations.

3 Placement and Induction Training

A) Method of Placement:

The company uses single job placement method for placement of selected candidates as well as induction training for new recruited person.

Thus the company offers informal training to new entrants. The duration of such training programme ranges from two weeks to one year depending on the nature of work.
The company also does follow-up study to measure the effectiveness of induction training. The company holds induction training programmes for all categories of employees. The company prepares the executives/officers for new responsibilities by way of In house training, In house training with external consultants and deputation, Sending Employees to abroad for training.

4 Human Resources - Information

Table 8.5 shows that the company maintains information about its human resources including Personnel bio-data, Training programmes attended, Performance records, Potential appraisal and Accomplishment of each employee. The human resource information is updated as and when required. The data of human resources information is utilised for Increments, Consideration for special projects, Training requirements, Promotion and Planning of human Resources.

5 Performance Appraisal

Table 8.6 provides that the company has a formal appraisal system for appraising managerial personnel. The personnel department is responsible for initiating and ensuring the administration of performance appraisal. The personnel performance appraisal system in this company is common for all levels of employees. The periodicity of personnel appraisal is six months. While doing appraisals, the company examines qualitative characteristics or traits like integrity, intelligence, honesty, other attitudes, and abilities and also examines the development, training, future potential and/or growth or development achieved by
an employee during the period under consideration. The performance appraisal system of the organisation is semi-confidential in nature. The performance appraisal system in the organisation is used for administrative decisions such as promotion, salary decisions, job enrichment. The performance appraisal system in the organisation provides opportunities for self-appraisal to the appraise. He, The self-appraisal is used only for officers and above.

The employees, in the company, are allowed to raise questions regarding their evaluations with their immediate supervisor. The superior holding the review has the authority to reverse the earlier decision. On the basis of appraisal report, action is taken usually at the time of considering the annual increment or promotion. The company normally takes the following action on unfavorable appraisal reports like oral warning to the concern employee and suitable training. The company provides training and arranges discussion to develop evaluation appraisal skills amongst those who are responsible for filling personnel appraisal forms.

On the Job & Carrier Development Training

Table 8.7 shows that the company does not have a separate training department. Usually, the departmental head, of the respective departments is in-charge of training. The training incharge reports directly to the General Manager. The department head/incharge of the training, is professionally qualified and experienced in his area and with the formal degree in the field of pharmacy. Apart from the function of training, the training incharge
The training in-charge is sent to attend the external training programmes. The volume of the training budget is decided by the chief executives of the company. The techniques used for in-company training programmes like straight lectures, lecture cum discussions, group exercises, seminars and plant visits. The company possesses the training facilities like library and residential accommodation for trainees. During the last accounting year some employees were sponsored to external training programmes, at IIM Bangalore, Local Management associations, Other agencies, specifically, various pharmaceutical disciplines & faculties but no employee is sponsored to training programmes abroad during the last accounting year. But, otherwise, the company has sponsored employees for foreign training programmes also. The company identifies training needs of its employees by way of using performance appraisal report, potential appraisal report and changes in the task. The personnel department of the organisation asks executives to formally report their assessment of the training programmes. The formal feedback report by the employees are used for deciding whether to repeat the same programme or not, to drop the programme, to change the faculty etc. In the last few years, the organisation has not undertaken a survey of assessing the effectiveness of training activity.

6 Careers Planning

The long range plans of the organisation are usually not made known to the employees. The career planning
opportunities offered to the employees in the organisation are as, Sponsoring for higher educational programme, Training abroad and preference for internal candidates for the new projects. If the employees acquire additional qualifications pertaining to the field of their work, the company rewards them by ways of, Additional Increments, other Monetary Incentives and promotion.

13 HRD CLIMATE

7.1 ATTITUDE OF TOP MANAGEMENT TOWARDS EMPLOYEES

The attitude of top management is just above the average as shown in Table 8.8. The top management tries to identify the potential of the employees and utilize it. The top management communicate the weaknesses of the employees to them in a non-threatening way. There is a need of improvement in quality of work life.

7.2 ATTITUDE OF SENIORS TOWARDS JUNIORS

Table 8.9 shows that the attitude of seniors towards juniors is moderate. There is a scope for change in attitude of seniors in the areas of appreciation of good work done by juniors and to help juniors to learn their jobs.

7.3 IMPLEMENTATIONS OF PERSONNEL POLICIES

Table 8.10 indicates that the implementation of personnel policies is below average. The company has no clear policy for rewarding good work and adequate efforts are not taken for employee welfare.

7.4 ATTITUDE OF EMPLOYEES TOWARDS EACH OTHER

The attitude of employees towards each of her is just average. The senior employees have fixed mental set-up about
each other hence they do not trust each other. The management is required to make efforts to develop sense of mutual trust & reduce fixed mental impressions. The relevant informations depicted in Table 8.11.

7.5 PROMOTING POLICY

The promotion policy of the company is based not on suitability the average is 2.8 which is below moderate average.

7.6 PERFORMANCE APPRAISAL.

The score of performance appraisal is above moderate. The company's performance appraisal is based on objectivity still given scope for favoritism to certain extent.

7.7 TRAINING

Table 8.13 shows that training function is above average still the company have to identify more training needs and to motivate the employees too.

7.8 SELF DEVELOPMENT

Table 8.14 shows that the opportunities for self-development is average. The management should create favorable atmosphere for self-development employees.
### Table 8.1
**MANPOWER**

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td>16 (7.9)</td>
</tr>
<tr>
<td>Supervisors</td>
<td>59 (28.3)</td>
</tr>
<tr>
<td>Workers</td>
<td>32 (63.8)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>107 (100.0)</td>
</tr>
</tbody>
</table>

### Table 8.3
**FRINGE BENEFITS**

- Housing Loan.
- Interest subsidy on housing loan obtained from other financial institutions.
- Medical reimbursement.
- Conveyance reimbursement (in lumpsum form).
- Leave travel concession.
- Children's education allowance.

### Table 8.4
**DETAILS OF MANPOWER PLANNING OF COMPANY**

<table>
<thead>
<tr>
<th>Planners</th>
<th>Department of Manpower need.</th>
<th>Periodicity of analysis</th>
<th>Factors considered for manpower forecasting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incharge</td>
<td>Planned Departmental Production estimation</td>
<td>Continuously</td>
<td>Corporate Business Plan change in Technology Trends in Productivity.</td>
</tr>
</tbody>
</table>
### Table 8.5
**HUMAN RESOURCE INFORMATION**

<table>
<thead>
<tr>
<th>Contents</th>
<th>Objectives</th>
<th>Up-datement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Bio-Data</td>
<td>Training Requirement</td>
<td>Once in a Year.</td>
</tr>
<tr>
<td>Performance Record</td>
<td>Special Projects</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Promotion</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increment</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Planning of HRD.</td>
<td></td>
</tr>
</tbody>
</table>

### Table 8.6
**PERFORMANCE APPRAISAL SYSTEM**

<table>
<thead>
<tr>
<th>Nature of P.A</th>
<th>Responsibility</th>
<th>Types</th>
<th>Period</th>
<th>Traits</th>
<th>Used for</th>
</tr>
</thead>
<tbody>
<tr>
<td>Semi-Confidential</td>
<td>Personnel Department</td>
<td>Common for Six all levels monthly</td>
<td>&amp; Salary</td>
<td>Quantative Promotion</td>
<td></td>
</tr>
<tr>
<td>Formal appraisal decision system</td>
<td>employees</td>
<td>workers</td>
<td>Quantative traits</td>
<td>Job-enrichment</td>
<td></td>
</tr>
</tbody>
</table>
TRAINING SYSTEM

Table 8.7

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Changes in the task.</td>
<td>On job No.</td>
<td>Lectures.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Seminars.</td>
</tr>
<tr>
<td>Performance appraisal</td>
<td>Group exercise</td>
<td>Plant visits.</td>
</tr>
<tr>
<td>Potential appraisal</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 8.8

ATTITUDE OF TOP MANAGEMENT TOWARDS ITS EMPLOYEES

<table>
<thead>
<tr>
<th>Item No.</th>
<th>1 2 5 13 19 21 36</th>
<th>Average %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responses</td>
<td>2 4 4 4 3 3 2</td>
<td>3.1 52.5</td>
</tr>
</tbody>
</table>

Table No. 8.9

ATTITUDE OF SENIOR TOWARDS JUNIOR

<table>
<thead>
<tr>
<th>Item No.</th>
<th>3 6 8 12 16 20 28 30 31 35</th>
<th>Average %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responses</td>
<td>4 3 2 2 3 4 4 4 3 4 3.3</td>
<td>57.5</td>
</tr>
</tbody>
</table>
### Table 8.10
**IMPLEMENTATION OF PERSONNEL POLICIES**

<table>
<thead>
<tr>
<th>Item No.</th>
<th>4</th>
<th>7</th>
<th>15</th>
<th>37</th>
<th>38</th>
<th>Average % Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responses</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>3.0 50</td>
</tr>
</tbody>
</table>

### Table 8.11
**ATTITUDE OF EMPLOYEES TOWARDS EACH OTHER**

<table>
<thead>
<tr>
<th>Item No.</th>
<th>9</th>
<th>10</th>
<th>16</th>
<th>27</th>
<th>29</th>
<th>33</th>
<th>34</th>
<th>Average % Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responses</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>3.2 55</td>
</tr>
</tbody>
</table>

### Table 8.12
**TRAINING**

<table>
<thead>
<tr>
<th>Item No.</th>
<th>24</th>
<th>25</th>
<th>26</th>
<th>Average % Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responses</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>3.3 57.5</td>
</tr>
</tbody>
</table>

### Table 8.13
**SELF DEVELOPMENT**

<table>
<thead>
<tr>
<th>Item No.</th>
<th>11</th>
<th>22</th>
<th>23</th>
<th>32</th>
<th>Average % Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responses</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>3.2 55</td>
</tr>
</tbody>
</table>