CHAPTER V

FINDINGS AND RECOMMENDATIONS

Findings and Recommendations

Tata Group operates more than 80 companies that include steel, automobiles and software to consumer goods and telecommunications. It has around 200,000 employees across India and has the pride to be nation’s largest private employer. Mr. Ratan N. Tata has led the Tata Group successfully. He was trained as an architect at New York's Cornell University but he chooses to enter the family business. He became the Chairman of the Group in 1991. He was Named Business Man of the Year for Asia by Forbes in 2004, and serves on the board of the Ford Foundation and the program board of the Bill & Melinda Gates Foundation's India AIDS initiative. Tata Group chairman Ratan Naval Tata has stepped down to pass on the entire responsibility to Cyrus Mistry. Under Tata, the group went through major organizational phases — rationalization, globalization, and now innovation, as it attempts to reach a reported $500 billion in revenues by 2020-21, roughly the size of what Walmart is today. Approximately two third of the equity of the parent firm, Tata Sons Ltd., is held by philanthropic trusts endowed by Sir Dorabji Tata and Sir Ratan Tata, sons of Jamsetji Tata, the founder of today’s Tata empire in the 1860s. Through these trusts, Tata Sons Ltd. utilizes on average between 8 to 14 percent of its net profit every year for various social causes. Even when economic conditions were adverse, as in the late 1990s, the financial commitment of the group towards social activities kept on increasing, from Rs 670 million in 1997-98 to Rs 1.36 billion in 1999-2000. In the fiscal year 2004 Tata Steel alone spent Rs 45 crore on social services. Tata is accredited to initiate various labor welfare laws. For example- the establishment of Welfare Service Scheme was introduced in 1917 and enforced by law in 1948; Maternity Benefit was introduced in 1928 and enforced by law in 1946. A pioneer in several areas, the Tata group has got the credit of
pioneering India's steel industry, civil aviation and starting the country's first power plant. It had the world's largest integrated tea operation. It is world's sixth largest manufacturer of watches (Titan).

Tata Steel is a group of multinational public limited company, a private sector organization. Whereas, central coal fields limited is a subsidiary of coal India limited, a India government undertaking.

India is the third-largest producer and consumer of coal in the world. With proven reserves of 257.38 billion (Bn) tonnes, coal is one of the most abundant sources of energy in the country. In 2007, coal accounted for 51 percent of the primary energy consumed in the country (Source :- www.mainingtechnology.com).

The coal industry is a highly-regulated industry which gives it a monopolistic character. Only government owned/managed/controlled companies are eligible to mine and trade coal without the restriction of captive consumption. Coal India Limited (CIL) and Singareni Collieries Company Limited (SCCL) account for nearly 92 percent of the total coal produced in the country.

The industry is also characterized by inelastic demand. The technologies prevailing in the major coal consuming sectors like power, steel and cement are coal-based, thus rendering the substitutability of coal as a fuel in these industries difficult at least in the near future.

Coal mining is fraught with high risk, making safety issues critical for the industry. In addition, as mining has tremendous impact on the environment, clearances need to be obtained before mining can be initiated.

Though India has the fifth-largest proven coal reserves in the world, Indian coal is of poor quality (Source – www.mainingtechnology.com). Nearly 83 percent of the Indian coal is of
non-coking variety with high ash content. Of the 456.4 million (Mn) tonnes of coal produced in FY08; power, steel and cement sectors accounted for 75 percent, 4 percent and 3 percent, of the off take respectively. The domestic off take by the power and cement sectors have grown at a CAGR of 6.79 percent and 4.03 percent, respectively during the last five years while that by the steel sector has seen a decline of 2.03 percent during the last five years.

The off take of coal by different sectors is governed by coal distribution policy. In October 2007, the new coal distribution policy was introduced. As per this policy, 100 percent requirement of sectors like power (non-captive), fertilizer, defence and railways will be met at pre-determined prices. For other sectors, 75 percent of the requirement will be met at the pre-determined prices. Companies having an annual requirement of more than 4,200 tonnes will need to enter into Fuel Supply Agreements (FSAs) with CIL/subsidiary companies while others will need to enter into FSA with agencies as notified by the state government. E-auction of coal has been reintroduced for the benefit of small consumers who cannot enter into long-term contract due to small requirements.

In FY08, India imported approximately 50 Mn tonnes of coal, of which coking coal constituted 57 percent. The major source of imported coking coal is Australia while for non coking coal Indonesia is the dominant source. India also exports a miniscule amount of coal to countries like Nepal, Bangladesh and Bhutan.

Coal is one of the prime fuels in India. Coal constitutes 81% of the total generation and will continue to be crucial to the Country’s future power needs. India now ranks 3rd amongst the coal producing countries in the World. China is the largest producer of Coal with 3520 Million Tonnes (49.5% of the total worldwide production in 2011), followed by United States 992.8 MT (14.4% of the Worldwide production in 2011). Coal being the
most abundant fossil fuel in India till date, it continues as one of the most important sources for meeting the domestic energy needs and will continues to be the mainstay of its future energy supply. It provides most vital input for accelerating the growth of Indian economy. 52.4% of India’s total Energy needs is met by Coal, whereas 41.6% of energy requirement is met by Oil & Natural Gas. It is evident that 66% of Coal Reserve in CCL Command Area lies within 0-300 mtr. Depth, 26% of Coal Reserve in CCL Command Area lies within 300-600 mtr. Depth and rest 8% lies within 600-1200 Mtr. out of 298.914 Billion Tonnes of geological resources of coal estimated in India, CCL Command Area has 42.712 BT as on 01.04.2013, which is 14.29% of total Reserve in India(Source – Annual Report Coal India ltd 2013-2014).

**Coal Demand**

The working Group for Coal & Lignite formulation of XIIth Plan has assessed a coal demand of 980.50 MT in 2016-17. The Compounded Annualized Growth Rate (CAGR) for XII plan period comes to 7.09%.

I personally attended the executives and almost 200 Tata Steel employees of various areas (Jamshedpur, Kolkata, Kharagpur). Maximum of them showed negativity to talk with me and refused to accept the questionnaire. With repeated request showing the urgency of my task. I was able to serve 63 questionnaires on condition. The condition was not to focus or publish elsewhere the names and addresses of the answerers. I was lucky to receive back 50 questionnaire conditionally after a hard trial. I found maximum of the employees were on dilemma, stress and anxiety to answer. I assured them to exercise their freedom in answering and to Co-operate me. That secrecy will strictly be maintained.
On the basis of interview and served questionnaire it is found almost a moderate feeling among the employees of Tata Steel regarding working ambience and quality of work life and in motivation. Tata Steel plays significant role and provides high magnitude of employer employee relationship including recruitment and training. The company also pays meaningful salary, pay and welfare packages. Scope of carrier development in Tata Steel is below satisfactory. I visited the executives of the central coal fields limited in Ranchi, and about 300 workers at different areas of the company’s control. Executives and employees were Co-operative in conducting. While at the time of interview and serving questionnaire they most spontaneously answered the questionnaires which I received back. CCL plays an important role in respect of financial & non financial benefits, motivation & scope of career development. The company ensures happy feelings of the employees in respect of working ambience also. Recruitment and training system and quality of work life of CCL are not so neglected also. Moreover, employees showed their above average level of satisfaction related to all the parameters against which questionnaire were prepared and served.

It was an exploratory research. The Industrial Relation (superior- subordinate relationship) is quite outstanding and this relationship helps in high performance and it affects the goals of individuals to a big extent. It contributes mainly to a good organizational culture as work is done in co-operation and through exchange of ideas.

Maximum employees like the type of work they do and enjoy the variety in work. This develops learning instincts in the employee and they are encouraged to undergo training to gain more skills and knowledge in the area of work.

The organization culture promotes trust, co-operation and mutual respect in the work place. The employee is willing to perform well, deliver his best to contribute to the growth of the
organization. This impacts the pay structure and there is continuous up gradation of the salary.

The employees are trained as per requirement in the company and are encouraged by the superiors to achieve high performance. This helps in career advancement of the employees.

The reward and recognition policy of the company promotes involvement in improvement initiatives, participation in events that improve company’s image. It ensures equity and uniformity in various kinds of rewards and recognitions in the company.

Findings & Recommendation

Findings

1) The employees of Tata Steel expressed their highest satisfaction in respect of Industrial relation including Recruitment and training & they feel happy in this context.

2) The second best parameter of satisfaction of the employees in Tata Steel is the Financial & Non-financial Incentives.

3) Motivation, Co-operation & Co-ordination is moderate and better.

4) A mixed feeling regarding working ambience and quality of work life at for Tata Steel Employees & Scope of career development is minimum and tough.

5) The image of the organization is high but as a private sector organization freedom of the workers is neglected. They feel stress and pressure always. Whereas,
employees of Central Coal Fields Limited are highly satisfied in respect of all the parameters so suggested in the questionnaire to answer as:

i. The lowest score of CCL employees is in Industrial relation but the mean of that parameter is also 2.75(Table 15, Page - ). So to say CCL employees are also satisfied in respect moderately in respect of industrial relation.

ii. The employees are got enough opportunities for implementation of their ideas leading to work simplification, productivity, cost reduction, improved productivity through teamwork.

iii. Attrition is low. This is because of the quality of life the employees enjoy & the various benefits amenities and welfare packages are allowed to provide them are attractive.

iv. As a government undertaking the image of the company is recognizable. Employee feels proud of being serving under government undertaking.

v. CCL is a government undertaking where security of the employees life & livelihood is ensured expectedly which satisfies the employees. Under the above consequences it can be concluded that, the objectives of research were met through the understanding of the various aspects of CCL & Tata Steel in connection with the related matters of employee satisfaction and study of the result obtained through analysis.

**Recommendation**

So on the comparative study of the employee satisfaction of CCL & Tata Steel, I can conclude that:
a) The employee satisfaction is a dynamic concept having variation for individual difference, time, place, social system etc. Thus careful observation is needed with innovative ideas of the application of different employee satisfaction measures perfectly matched with the changing situation.

ii) The philosophy of employee satisfaction is based on the theory the success of individual employee. And that success should be achieved through proper recruitment and training.

iii) Harmonious relation & Co-operative between labor and management is the striking point to have employee satisfaction. So to the business entity is to identify the pit falls and the area undone or untouched.

iv) Periodic review is necessary to evaluate the degree of the satisfaction of the employees’ in respect of the adapted satisfaction measures and for the newly introduced.

v) Welfare measures should aim at integrating the socio-psychological needs of employee which should strictly be followed.

vi) Avoiding political interference & blood relation in the industrial periphery but development of brotherhood as good as the members of same family are to be accelerated.