# <u>HR PRACTICES IN SUGAR INDUSTRY – A STIMULUS</u> <u>PERSPECTIVE</u>

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The purpose of this paper is to outline some of the key issues related to HR Practices in sugar industry. Sugar industry particularly in Maharashtra plays a significant and sensitive role particularly in western Maharashtra which is said to be sugar-belt. Manpower is the most important power in the any industry so is in this multi core industry. The human resource management practices in the recent industries are normally come from corner to corner while investigating in academia, it's not the same in the case of sugar industry human resource area is uncommon experience. This paper focus on the motivation forces that drive employers of sugar factory to implement HR Practices are if any implemented on the organized and unorganized workforce.

Keywords: sugar industry, HR practices, resource, and unorganized workforce,

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### INTRODUCTION

Sugar industry is a traditional rural based agro industry in India and it plays a very momentous responsibility in the improvement of rural areas. The financial system of Maharashtra and its surrounding area is extremely conquered by the sugar industry. Sugar is made from sugarcane, and was discovered thousands of years ago in New Guinea. And then the route was traced to India and Southeast Asia. India was the first to begin with the production of sugar following the process of pressing sugarcane to extract juice and boil it to get crystals. The government of India in 1950-51 made serious industrial development plans and has set many targets for production and consumption of sugar. These plans by the government projected the license and installment capacity for the sugar industry in its Five Year Plans. India is well known as the original home of sugar and sugarcane. India is the largest sugar consumer and second largest producer of sugar in the world according to the USDA Foreign Agricultural Service. Indian Sugar Industry has total turnover of Rs. 500 billion per annum and contributes almost Rs. 22.5 billion to central and state exchequer as tax, cess, and excise duty every year according to the sources of Ministry of Food & Government of India.

Year Area	Area '000 ha	Yield t/ha	Sugarcane (million tons)	Sugar (million tons)	Recovery%
2010-11	4886	70.1	342.382	24.394	10.17
2011-12	5038	71.7	361.037	26.343	10.25
2012- 13*	5064	66.9	338.963	25.000	n.a

Area, Production and Productivity of sugarcane in India

Source: Cooperative Sugar Vol 45 (1), September 2013

Sugar Industry is regarded second after the Textile Industry in India as per the agro-processing industry in the country. The industry currently has 453 operating sugar mills in different parts of the country. Indian sugar industry has always been a focal point for socio-economic development in the rural areas. Today nearly 50 million sugarcane farmers and a large number of agricultural laborers are involved in sugarcane cultivation and ancillary activities contributing to 7.5% of the

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rural population. Today India has 453 sugar mills, those constituting 252 mills from the Cooperative sector and 134 Mills from the private sector. And there are boosting 67 mills in the Public sector. As according to the statistics there is total number of 571 sugar factories in India as on March 31, 2005 compared to 138 during 1950-51. These 571 sugar mills have a production of total quantity of 19.2 million tonnes (MT). There is an increase in the Sugar production in India from 15.5 MT in 1998-99 to 20.1 MT in 2002-03.

Indian Sugar Industry has created ample employment opportunities in rural India. Today the Indian Sugar Industry has absorbed around 5-6 lakh rural people. The cultivation of sugarcane employs about 4.5 core farmers which is the primary stage of the sugar production. Indian Sugar mills are cooperatives, public or private enterprises. The industry today provides employment to about 2 million skilled/semi skilled workers and others mostly from the rural areas. Hence the role of human resources practices for either organized or unorganized manpower needs examination secondly to find out the outcome of human resource practices adopted by these sugar industries. Sugar industry is highly labor-intensive; employ a large number of workforces at different levels and different skill sets varying from top level management to sugar cutters. The main wonderful attribute of the business is its fundamental relationship between the sugar factory and the cultivators, who are interdependent.

Indian sugar industry chase a cycle, 2 to 3 year of high production; followed by 2 to 3 years of low production; This leads to floppy season of a irregular duration create foundation for suspicions about employment. Datta et. al. (2000) conducted a study on "Economic Efficiency of Indian Sugar Industry" and scrutinized three essential managerial functions-namely, procurement, processing and marketing and suggested several policy actions to be taken by industry and government for making it cutthroat competitor in the globalized world.

HRP in sugar cooperatives is archetypal to the fact that it is significantly affected because of mix of factors from seasonality of the type of weather to cultivate sugar production business, market, government policies on rate per ton and labor, sugar & cooperatives, skilled & unskilled workers, nature of the body. It's a normal practice in most of the sugar factories that the employees from production are shifted to other work like distribution, packing and production of packaging material. This kind of HRP prepares the staff to leave for higher paying jobs .Davis

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(1999) In the author's words "managers managing cooperative organizations should have access to not only technology and new management theories but also understand how to apply them in the context of the cooperative and purposes that their organizations serve".

Lopoyetum et. al. (2003) professionalization and transformation of process in cooperatives involves a extensive array of organization strategies which are capable of solving problems

Kamat (1966) in his PhD. dissertation titled "Management of Cooperative Sugar Factories in Maharashtra" studied 12 cooperative sugar factories in Maharashtra and concluded that big gap is seen in standards of cooperative business management practices.

#### **Research Methodology:**

This study was based on the interview & questionnaires. Personal visit to employees and records were observed to collect information.

For collecting necessary data both source were Used

A) Primary data: Primary data is the data which is collected by the researcher as the first hand data. For the collection of primary data the following source were used: Questionnaire method Interviews, Personal observation and Discussion with managers

B) Secondary data: Secondary data is the second hand information, which was already collected by others, and that information is available in printed form.

The researcher has adopted simple random Sampling with 200 employees as sample size of its study. In order to solicit the Proper responses the researcher has focused on those respondents willing to participate and cooperate in the present study.

The researchers will use simple random Sampling for 200 employees from the sample units of a sugar factory in sangli district for the study. Due care was taken to see that all the levels of employee are represented from the sample unit.

### Objectives:

1] To study the HRM policies and practices adopted by the co-operative sugar units.

2] To study the awareness and attitude of the workers towards HRM practices followed by the organization.

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3] To study the approach of management towards HRM practices adopted in selected sugar units.

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### DATA ANALYSIS

### 1. Employees Feeling standard HR Practices are Important.

Sr	Particulars	Respondents	%
No			
1	Newly Recruited	60	30
2	Old Employees	140	70
	Total	200	100

The Above Table Shows That Majority Of The Old And Experienced Employees Had got motivation in their tenure, Whereas Only 30% Newly Recruited enjoyed motivation process and felt it is important aspect of work life and majority of old employees also had a feeling of importance in the motivation process.. This Shows that motivation is the fundamental thing which every employee irrespective of the age.

2. I	2. HR Practices change employees' Beliefs					
SR	Level of employees	Respondents	%			
NO						
1	Managerial level	80	40			
2	Supervisor	40	20			
3	Lower-level.	80	40			
	TOTAL	200	100			

The above table shows that the motivation programmes among the different levels of employees play an important role and change employees' beliefs or commitment to their job. Hence motivation techniques are the essential part of Organization.

### 3. Opinion on HR Practices not IMPLEMENTED.

SR	Particulars	Respondent	%
Ν			
	•	•	•

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0		S	
1	Managerial level	88	42
2	Supervisor	32	18
	Lower-level.	80	40
	Total	200	100

The above table shows that the majority of respondents opined that the motivation factors are not calculated scientifically or mathematically, hence biasness, nepotism is bound to happen. Majority of the senior work force agreed upon the fact that the motivation factors and techniques are not calculated scientifically and same is the case with lower level employees and supervisors .hence it is revealed that wherever get the benefit of motivation is happy with the method of giving motion and a majority of the employees are away from the motivation.

SR	Particulars	Respondent	%	<b>N</b> .,
Ν		S		
0				
1	Goals can limit	60	30	
	performance Programs	-1		
2	foster cheating Programs	64	32	
	destroy teamwork	NI		×.
3	Wrong behaviors are	32	16	1
	rewarded	-		
4	Reduce creativity and risk	44	22	
	taking.			
	Total	200	100	

#### 4. Lack of Good HR Practices Harm Employees Morale

Above table shows that traditional reward system has increased biasness, nepotism favoritism which results into limiting performance goals, destroying teamwork, as the traditional reward system had proved to increasing wrong behaviors and reward for the

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underperformers. Hence the present reward programs devalue work and decrease overall motivation

#### 5. HR Practices strategy for Retention of temps .

SR	Particulars	Respondent	%
Ν		S	
0			
1	yes	140	70
2	No	60	30
	TOTAL	200	100

Satisfaction is a psychological phenomenon, it was observed that majority of the employees were highly dissatisfied with the existing motivation programmes as traditional reward and recognition programs that try to motivate employees actually do more harm than good.

Hence it is revealed that the best solution in this present scene would be a mathematical model for human motivation on the line of vroom's theory of motivation.

### CONCLUSION:

Despite all the research that confirms traditional reward and recognition programs *decrease* employee motivation and productivity, organizations persist in their use, perhaps these programs persist because people just don't know any better. Reward and recognition programs fail for the same reason that diets fail — because they are *programs*! Programs don't fundamentally change employees' beliefs or commitment to their job. They simply change their behavior during the course of the program. Rewards are not inevitably what employees want. Reduce creativity and risk taking. The employees who increased their efforts and were not recognized will be demoralized and adopt the attitude. The present factors which do not work as motivator for employees as they do not quantify the importance mathematically.

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