

Human Resource Practices in Transport Corporation – A Case Study

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Abstract:

In order to cater to the transport needs of the travelling public of the then state of Mysore, Mysore Government Road Transport Department(MGRTD) was inaugurated with 120 buses on 12th September 1948. The State Transport, which was being administered as a Department of the Govt. of Mysore was subsequently converted into an independent Corporation under Section 3 of the Road Transport Corporation Act, 1950 on 1st of August 1961. The assets and liabilities of MGRTD except those of BTS unit as on 01-08-1961 were passed on to the new Corporation, which was named as MSRTC. The assets and liabilities of the residual MGRTD i.e. of BTS Unit were subsequently passed on to the Corporation on 1st of October 1961. Thus, a Corporation was ultimately established for the entire State of Mysore. At the beginning, the passenger transport services were operated in 6 Divisions- 5 Divisions operating mofussil services and 1 Division operating city services of Bangalore. It had 37 Depots, 2 Regional Workshops and a Central Office at Bangalore. There were 15 permanent and 30 temporary bus stations with 35 wayside shelters and 104 pick-up shelters. The total number of employees deployed was 9705 and the staff ratio per schedule was 9.43. The total number of routes operated was 1065 with 1029 schedules and route length of 32,134 miles, average daily scheduled mileage being 127571. The total number of inter-state routes operated by the Corporation on a reciprocal basis with the neighbouring States were 40 i.e., 29 in Maharashtra, 1 in Goa, 7 in Andhra Pradesh, 2 in Tamilnadu and 1 in Kerala. The total number of vehicles held was 1518 with average vehicle utilisation of 123.8 miles. The average number of passengers carried per day was 4.35 lakh. The rate of breakdown was 1.88 and that of accident was 1.19. Earning per Mile (EPM) realized was 161.6 Ps., and Cost per Mile (CPM) was 127.2 Ps., resulting in net profit margin of 34.4 Ps/mile.

India now becomes a player in the global stage. Everyone wants to do business with us, this change has given lot of opportunities to our country to grow further but it posed lot of challenges in front of us like Indian companies gained confidence to acquire foreign giant companies and try to establish themselves very competitive than the foreign companies at the same time we have to give emphasis on the various challenges before us like the gap between people in the corporate world and those in the rural areas is becoming serious concern and the wage differentials between blue collared workers and senior managers, the candidates having good education and communication skills getting more chance in the job market than other people lesser than them, attrition levels are all time high in India for example business process outsourcing facing problems with talent retention.

This paper try to extract the facts to find out how the companies in India facing HR problems and what kind of innovative practices they are following to recruit and retain their employees and made them feel best place to work and enjoying working and made the companies in the great height in their own field of business.

Key words: Transportation. Corporation, Companies, HRD.

Introduction:

Attracting and retaining talent is becoming a big problem for every organization, they are following every trick and strategy to recruit and retain the employees. Develop and Grow: Nowadays organizations try to recognize the aspirations of employees and focus on their growth and development. India provides job rotation opportunities to high – performing employees from operations division. This gives them broader understanding of the business. Engage and Align: Employee engagement has retained the focus of organizational leadership and many companies keep launching new practices to woo employees. They are using innovative practices like “Loyalty Interview”- to find out what is it that makes its employees stay on, the feedback from loyal employees often reflects on the leadership style and is seen to work as a great motivation. Transition: Movement of talent within the organization and outside of the organization sends strong signals to the employees about the organization’s care and concern. Right from the induction, which is often the first impression the employees carries, to the exit interview, the sensitivity displayed by the organization has a lasting impact on all employees.

Growth and Progress of KSRTC

Along with the rapid progress of Karnataka in all spheres of activity, KSRTC has emerged as the best organisation in meeting the aspirations of Kannadigas and the people of neighbouring states of Karnataka. As at the end of 31-03-1997, the Corporation operated its services in 19 Divisions - 18 Divisions operating mofussil services and 1 Division operating city services of Bangalore. It had 108 Depots, 2 Regional Workshops and a Central Office at Bangalore. There were 281 permanent and 11 temporary bus stations with 337 wayside shelters and 1009 pick-up shelters. The total number of employees deployed was 59033 and the staff ratio per schedule was 6.22. The total number of routes operated was 13273 with 9493 schedules, route length of 9.49 lakh Kms. and average daily scheduled kms of 27.95 lakh kms. The total number of inter-state routes operated by the Corporation on a reciprocal basis with the neighbouring states were 602 ie., 282 in Maharashtra, 37 in Goa, 223 in Andhra Pradesh, 33 in Tamilnadu and 27 in Kerala. The total number of vehicles held was 10476 with average vehicle utilisation of 299.6 Kms. The average number of passengers carried per day was 57.82 lakh. The rate of breakdown was 0.23 and the rate of accident was 0.22. EPKM realized was 807.3 Ps. and CPKM was 975.4 Ps., resulting in net loss margin of 168.1 Ps./Km.

Bifurcation of KSRTC

To increase operational efficiency, to provide quality transport service to the traveling public and to have an effective supervision on the operations of the Corporation, the Government of Karnataka ordered for bifurcation of KSRTC into 4 separate Corporations vide its order No.HTD 127 TRA 96 dated 22-02-1997.

Thus, KSRTC was a monolithic State Road Transport Undertaking till 1996-97. Thereafter, during the year 1997-98, the State Government divided KSRTC and carved out two new Corporations, viz., the Bangalore Metropolitan Transport Corporation(BMTC) with its corporate office at Bangalore and the North West Karnataka Road Transport Corporation, with its corporate office at Hubli. The Bangalore Metropolitan Transport Corporation which came into being on 15-08-1997 caters exclusively to the city of Bangalore. And the North West Karnataka Road Transport Corporation which came into being with effect from 01-11-1997 caters to the north western districts of Karnataka. NWKRTC became financially independent w.e.f. 01-04-1998 under RTC Act 1982. One more new Corporation called the North East Karnataka Road Transport Corporation was also established with effect from 15-08-2000 with its head quarters at Gulbarga to cater to the north eastern districts of Karnataka, which became financially independent w.e.f. 01-10-2000.

INNOVATIVE PRACTICES IN HR AREAS:

Recruitment and selection
Learning and development
Rewards and recognition
Career planning
Compensation and benefits
Performance management
Leadership and development
Organization structure

1. RECRUITMENT AND SELECTION

1. Google:

(i) Diversity among employees: Ex – army man to former school teacher in the workforce.
(ii) For recruitment they expect the person has to be comfortable with technology and be optimistic about the future. “Like someone who you would find interesting on a long train journey”. The company’s recruitment process ensures that it gets the people edge it needs. There is a battery of wiring tests, interviews are rigorous, not in the sense of being a stress interview, but interviewers try and go deep into what makes the candidate tick. Then the detailed feedback on the candidate is given to an independent team in charge of hiring. The company’s credo is to hire someone who is better than you.

2. Employee referrals by employees which comprises 50% of all hiring at SAP Labs India, Bangalore.

3. Non – standard pool of talent: housewives with a gap in career

4. “Bar Raisers”:

The HR department has organized an elite group of 34 employees – who have veto power in an recruitment decision, if a Bar member feels a potential recruit does not match upto the company’s standards.

5. Short stories:

The Company compiled 52 short stories, one for each week, the company used to introduce new recruits. The stories talk about its history and evolution, technology and people who made a difference.

6. The company goes beyond its employees and connects with their support group: the family, when an employee joins, his parents or spouse get a welcome letter.

2. LEARNING AND DEVELOPMENT

SME's (Subject Matter Experts):

HR team identifies the internal subject matter experts to give training to the employees

Sending employees for higher studies

EWelcome:

When employees join the company, they have to interact with functionaries in other regions who assume that the new person knows the internal systems. Often the new employee is unfamiliar with the systems and is at sea. The EWelcome gateway lists certain universal systems of the company and helps them get familiar with such things. A stand-out feature is that if this checklist remains incomplete it sends an automatic notice to the manager responsible for the employee.

Company follows a training policy to have seven days of training every year is mandatory for all employees, even this chairman and the directors.

GOLD (Godrej Organization for Learning and Development):

Web-based learning tied up with UK – based NetG to distribute e-learning modules among the workforce.

The company gives equal importance to soft skill training. “Out of box thinking is more important”, the sponsored the Edward De Bono certification of lateral thinking for two of its managerial employees, so they could teach in-house. This learning creates a leadership pipeline.

3. REWARDS AND RECOGNITION

1. MAD (Mutual Admiration):

Is an event where every employee is given green cardboard leaves on which they scribble messages of appreciation and pin them onto the MAD tree in the cafeteria. The leaves are a way of reaching out to colleagues and teams who have mattered. And at the end of the week, the foliage gets thick. Surely, the employees like being around each other.

2. Smart Work and Smart Reward:

It directed towards improving employees productivity. It rewards those who complete tasks in fewer working hours than stipulated.” The reward process is well defined and transparent. It has helped in ensuring better work – life balance.

3. Promotion within

4. CAREER PLANNING

1. Career Success Centre:

An online portal and a one – stop shop for all career related resources. The portal helps employees plan and develop their careers according to business needs.

5. COMPENSATION AND BENEFITS

1. Paternity leave
2. Extra three months maternity leave at half the salary leave
3. No attendance monitoring
4. unlimited sick leave
5. equal privileges for employees across levels: employees at all levels travel in the same class, stay in similar hotels, work out of standard cubicles, log in their own leave.

6. PERFORMANCE MANAGEMENT

1. 360 degree feedback system
2. “Performance Task Force”: A cross functional team constitutes 20 members and this force keeps track of what needs to be plugged, and what seems to be working. It goes back to HR every six months to deliver feedback.

7. LEADERSHIP AND DEVELOPMENT

1. Food for thought:

Inviting employees in groups to chat with Managing director over lunch in an informal environment on various issues and topics.

2. Succession planning
3. Employee empowerment
4. Reach out:

An initiative to keep a direct link of communication to its employees, the president of the company meets the employees.

8. ORGANIZATION STRUCTURE

1. Flexi and Part – time
2. The companies allow the employees to shift jobs if they wish to, across its different functions.
3. Skits: The companies are asking the employees to devise skits to dramatize its values, design screen savers and even create mascots themed on the values, they would much rather hunker down and design some more.
4. The company created new position called “Employee Engagement Manager”: the major task of the manager is to energize the workplace with fun – filled events and effective communication.
5. “People Champions”: Every project team has one facilitator from the HR department. The people champion takes care of any administrative need a project might have, leaving the project members free to concentrate on their work.
6. Orientation along with parents: The Company invites the parents of new recruits for orientation, its good for the parents to know the kind of organization their children work for, this insight came from campus recruitment, where parents would stay with their children right till results were parents would stay with their

children right till results were announced.

7. "People Movement Management Review Committee": it ensures talented employees were retained by reassigning them to other groups. The company also hired consultants to assist those who were asked to leave to find jobs in other organizations.

CONCLUSION:

In the present competitive world, the companies are facing lot of skill shortage, talent crunch and attrition those reached historically height ever, that made the companies feel the internal customer also more important equally with external customers, so every company try to devise innovative HR practices to attract best talent , giving them nice environment to work with, that enables the company to retain talents, the above said practices are conceived and implemented and found successful by the leading companies in India. It is found that convergence of practices of different companies in different HR areas, if any company wants to apply those practices that will benefit for the company to become more competitive in the global market.

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