

A study on Comparative Analysis of Human Resource Management Practices in Western and Central Railways

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ABSTRACT

Manpower is the most valuable asset in any organization, more so in IR which is highly labour intensive. The Indian Railways with a work force of nearly 1.5 million is one of the biggest employers in the world. To have the optimum output from the workforce, higher motivation level and stress free environment is to be ensured. Suiting the job requirements, skills of manpower have to be suitably developed requiring adequate attention in their training facilities. Thus, in this specific context, the present research is based on very appealing research questions, such as what are the challenges faced by Indian Railways in managing their human resources and how far the employees of Indian railways are satisfied with the human resource management practices.

Keywords: *Human Resource Practices, satisfaction, western railways, central railways.*

1. INTRODUCTION

The railway industry of India needs to know and understand what their employees feel about working in this sector? What is their level of satisfaction? Employee satisfaction is a kind of survey, followed in HR practices, conducted by every organization or business to analyze and assess the company's HR performance. An organization can find out if its employees' satisfaction level was excellent, good, satisfactory or poor with the help of the stated method, which help them to revise and develop their HR practices.

The present research tries to state the employee satisfaction level working in the railway industry of India. It further tries to examine the socio-economic measures like wage structure, job satisfaction level and examine the performance appraisal and employer employee relationship in Indian Railways

and also suggest measures in improving the present system of Human Resource management in Indian Railways.

2. LITERATURE REVIEW

Service sector industry is growing day by day. It is the largest industry in India and the important reason for the economic growth of the country. Gross Value Added (GVA) at current prices for services sector is estimated at 61.18 lakh crore INR in 2014-15. Services sector accounts for 52.97% of total India's GVA of 115.50 lakh crore Indian rupees (Planning Commission, 2015). Transport is one of the service sectors in India. Indian Railways is the life line of India. The total approximate earnings of Indian Railways on originating basis during FY2014-15 were Rs 157,880 crore (US\$ 23.68 billion) compared to Rs 140,761 crore (US\$ 21.11 billion) during the same period last year, registering an increase of 12.16 per cent. The total approximate earnings from goods during fiscal 2014-15 were Rs 107,074.79 crore (US\$ 16.06 billion) compared to Rs 94,955.89 crore (US\$ 14.24 billion) during the same period last year, registering an increase of 12.76 per cent (IBEF, 2016). Thus railway industry is among the world's largest service industry.

Today all over the world companies have realized the importance of Human Resource management practices and its direct relation with productivity. In a huge organization like Indian Railways Human Resource management has to be kept on top priorities. The major challenges in front of an Indian Railways Human Resources manager are to recruit and attract new talented employees, to retain them, come up with competitive packages, working on the welfare programmes for the employees, managing workforce complexities, designing appraisal, etc.

PRESENT SCENARIO OF HUMAN RESOURCE FUNCTIONS IN INDIAN RAILWAYS

The 21st century has witnessed India undergo sweeping economic changes. Riding on a host of factors, India today stands at the cusp of becoming one of the top four economies in the world. A growth rate of over 8%, prior to the slowdown, was despite the inadequacies of infrastructure. Yet, one organization, which has shouldered the infrastructural burden of the transportation sector in India's growth story, is Indian Railways. The transformational turnaround would not have been possible but for IR's employees who are its true assets. IR is the world's ninth largest commercial or utility employer, by number of employees, with over 1.6 million. Following points highlight the HR functions carried on by the Indian Railways:

- a. IR is a self-sufficient and self-reliant organization: IR is often referred to as a 'country within a country' as they have their own schools, hospitals, housing and cooperative banks at the disposal of their employees. They also have their own federal 'railway budget' and maintain their own security force known as the Railway Protection Force (RPF).
- b. IR provides an attractive employment proposition: IR's employees and their dependents avail of free passes and concessional tickets to travel on all routes and it also gives its employees the opportunity to maintain a 'work-life' balance and a definite 'career progression' and provides a sense of job security.
- c. Recruitment and selection is highly formalized: Indian Railways is administered by Railway Board, which has a Chairman, 5 members and a Financial Commissioner. IR classifies its employees in 4 groups- Group "A" and Group "B" (Higher posts) or non-gazetted staff, Group "C" (Clerical, supervisory staff) and Group "D" (Technical, other maintenance staff). Group "A" and "B" officers are selected through Union Public Service Commission, they are civil servants. In case of jobs in Group A and B, candidates belonging to SC's and ST's will be given preference if equally qualified and meritorious. Selection of Group C employees is also on National basis, through the RRB (Railway Recruitment Board), which is run by existing railway officials. Group D employees are recruited through RSBs (Railway Selection Boards) with assistance of the local employment exchanges. All zonal railways fill 15% and 75% of their vacancies in Group C and Group D categories from the candidates belonging to SCs and STs respectively.
- d. Training and development is available at all levels: This is of paramount importance to IR as it concerns transportation and hence safety. All new recruits undergo training when they join. Gazetted officers train at seven 'centralized training institutes' (CTIs). The training needs of non-gazetted staff are being taken care of by 200 training centers located across IR. These training institutes and centers specialize in various functional training based on the different functions or departments. Railway personnel also receive periodic training in the form of refresher courses or when new methods or technology are introduced. Gazetted officers additionally, undergo management training courses at premier institutes, both in India and abroad.
- e. There is a complex structure of Pay and conditions: The structure of emoluments and conditions of service of railway employees are reviewed periodically by Government 'Pay Commissions'.

- f. Indian Railways are also contributing to the Modern Market Economy: It connects industrial production centers with markets and with sources of raw materials and facilitates industrial development and link agricultural production centers with distant markets. In this process, IR has become a symbol of National integration and a strategic instrument for enhancing our defence preparedness. The IR contributes to India's economic development for about 1% of the GNP and the backbone of the freight needs of the core sector. It accounts for 6% of the total employment in the organized sector directly and an additional 2.5% indirectly through its dependent organizations. It has vested significantly in health, education, housing and sanitation. The IR is also planning to realize the potential of information technology in all areas of railways management and operations to cut costs and improve efficiency and safety

Therefore analyzing the satisfaction level of employees, working in the important sector of the country which is the major source of economic growth, seems very crucial

3. OBJECTIVE OF THE STUDY

The main objectives of the proposed study are as under:

- To examine the satisfaction level of employees working at Indian Railways.
- To examine the corporate culture, supervision, performance appraisal and employer-employee relationship in Indian Railways.
- To analyze the impact of Human Resource Management practices upon the employees of Indian Railways.
- To suggest measures in improving the present system of Human Resource Management in Indian Railways.

A number of specific research questions and issues emerged and were further refined in the course of developing the research design.

4. METHODOLOGY

4.1. RESEARCH DESIGN

Research design selected for the study is descriptive in nature, where the objective is to study respondents' satisfaction level in Indian Railways, based in western and central railways.

4.2. DATA COLLECTION

Data collected for the present research based on quantitative approach, where data would be collected using structured questionnaire and personal interviews with employees of Indian Railways from western and central part. .

4.3. SAMPLE SIZE AND SAMPLING TECHNIQUE

The sampling technique in this research was convenient sampling. The sample selected for the study was the respondents working in the western and central railways. Sample size was kept 50 for both central and western railways. Thus 100 employees were selected to fill the questionnaire.

4.4 HYPOTHESES FOR THE STUDY

Hypotheses framed for the study are as follows:

H1: The 'Overall satisfaction' ranking scores of Central and Western Railways are equal.

H2: The 'Corporate Culture' ranking scores of Central and Western Railways are equal.

H3: The 'Performance Appraisal' ranking scores of Central and Western Railways are equal.

H4: The 'Immediate Supervisor' ranking scores of Central and Western Railways are equal.

H5: The 'Benefits' ranking scores of Central and Western Railways are equal.

4.5 LIMITATIONS OF THE STUDY

There are four category of employees in Indian Railways, Category 'C' and Category 'D' are selected for the purpose of the study and due to effect of some constraints, thus the findings may not be fully representative of the whole. Although the number of sample for statistical analysis was decided on the basis of deep study of literature for sample size, but increased number of samples would have resulted into more insightful facts. The 17 Zonal areas spread all over India and reaching out to all places is not feasible research shall be concise to 2-3 Zonal areas and generalizations shall be done. Categories of employees selected for the study from southern and western Zone differ on the basis of their years of experience as well and that might create differences in their responses.

5. FINDINGS

Because of the scarcity of empirical literature on human resource management practices, mediating outcomes and impact on employee satisfaction of central and western railways, an exploratory and descriptive research design using structured questionnaire was chosen. The respondents in this study were the 'C' and 'D' category employees working in the western and central railways. The

present section depicts the key findings on the basis of the research and analysis parts designed for the research.

The above stated hypotheses revolve around five important variables i.e. Overall Satisfaction, Corporate Culture, performance appraisal, Immediate Supervisor and Benefits.

These variables were tested for their relationship and influence with the help of Wilcoxon Signed Rank Test.

The Wilcoxon signed-rank test is the nonparametric test equivalent to the dependent t-test. As the Wilcoxon signed-rank test does not assume normality in the data. It is used to compare two sets of scores that come from the same participants. This can occur when we wish to investigate any change in scores from one time point to another, or when individuals are subjected to more than one condition.

5.1 RESULTS OF THE WILCOXON SIGNED RANK TEST

Wilcoxon signed rank test has been applied using IBM SPSS 20.0. The results of the test have been summarized below:

Table 1 Rank Scores

		Ranks		
		N	Mean Rank	Sum of Ranks
W_Satisfaction - C_Satisfaction	Negative Ranks	10 ^a	18.40	184.00
	Positive Ranks	34 ^b	23.71	806.00
	Ties	6 ^c		
	Total	50		
W_Corporate_Culture - C_Corporate_Culture	Negative Ranks	20 ^d	17.80	356.00
	Positive Ranks	22 ^e	24.86	547.00
	Ties	8 ^f		

	Total	50		
W_Immediate_Supervisor - C_Immediate_Supervisor	Negative Ranks	10 ^g	10.00	100.00
	Positive Ranks	28 ^h	22.89	641.00
	Ties	12 ⁱ		
	Total	50		
W_Benefits - C_Benefits	Negative Ranks	8 ^j	14.88	119.00
	Positive Ranks	23 ^k	16.39	377.00
	Ties	19 ^l		
	Total	50		
W_Performance_Appraisal - C_Performance_Appraisal	Negative Ranks	14 ^m	13.07	183.00
	Positive Ranks	19 ⁿ	19.89	378.00
	Ties	17 ^o		
	Total	50		
a. W_Satisfaction < C_Satisfaction				
b. W_Satisfaction > C_Satisfaction				
c. W_Satisfaction = C_Satisfaction				
d. W_Corporate_Culture < C_Corporate_Culture				
e. W_Corporate_Culture > C_Corporate_Culture				
f. W_Corporate_Culture = C_Corporate_Culture				
g. W_Immediate_Supervisor < C_Immediate_Supervisor				
h. W_Immediate_Supervisor > C_Immediate_Supervisor				
i. W_Immediate_Supervisor = C_Immediate_Supervisor				
j. W_Benefits < C_Benefits				
k. W_Benefits > C_Benefits				
l. W_Benefits = C_Benefits				
m. W_Performance_Appraisal < C_Performance_Appraisal				
n. W_Performance_Appraisal > C_Performance_Appraisal				
o. W_Performance_Appraisal = C_Performance_Appraisal				

The above output shows (table 1) the ranks for the Wilcoxon test. It gives the number of observations (N), in which western railways employees rated the stated variables less than their matched counterpart i.e. central railways (The Negative Ranks row). It also gives the number of observations, in which the western railways employees rated the stated variables more than their matched counterparts' i.e. central railways (the Positive Ranks row.) Finally, it gives the number of observations, in which western railways employees rated the variables the same amount as their matched counterparts' i.e. central railways (the Ties row.)

It can be observed from the above table that the positive ranks of western railways are higher than the central railways. Only in case of corporate culture the difference is not much. The same data can be validated with the help of next table, which gives the significance of the results.

Table 2 Test Statistics

Test Statistics ^a					
	W_Satisfacti on - C_Satisfactio n	W_Corporate _Culture - C_Corporate _Culture	W_Working_ Condition - C_Working_ Condition	W_Immediat e_Supervisor - C_Immediate _Supervisor	W_Benefits - C_Benefits
Z	-3.674 ^b	-1.234 ^b	-2.999 ^b	-4.009 ^b	-2.638 ^b
Asymp. Sig. (2- tailed)	.000	.217	.003	.000	.008
a. Wilcoxon Signed Ranks Test					
b. Based on negative ranks.					

The above table gives the values of the Wilcoxon test. In this test, the p value for the Wilcoxon test is .000, .217, .003, .000, .008 respectively. If the p value is less than the specified α level (.05), we can reject H_0 .

For all variables, except corporate culture, the p value was .000 which is less than α (.05). Thus we can reject Null Hypothesis and conclude that there is a difference in scores of Central and Western Railways for overall satisfaction, performance appraisal, supervision, and benefits. (i.e. the sums of the positive and negative ranks will be different). And the difference state that western railways

employees are rated them more on overall satisfaction, performance appraisal, supervision, and benefits as compare to the central railways.

5.2 COMPARISON: WESTERN V/S CENTRAL

Thus, whole statistical analysis represents that employees of Western Railways are much satisfied working in Indian Railways as compare to the Central Railways. For overall satisfaction, Performance Appraisal, Immediate Supervisor, and Benefits western Railways employees rated themselves more satisfied as compare to central railways. For Corporate Culture variable the difference between western railways employees and central railways employees was not noticeable, and hence the result was significant. overall scores represented with the Overall Satisfaction that states that western railways employees are in better position that the central railways.

6. SUGGESTIONS AND CONCLUSION

Following points highlight by the employees of the Indian Railways working at Central and Western Railways:

- Employees suggested that for the development and growth of Indian Railways it is required that norms related to reservation policy of Indian Railways need to be revised and necessary amendments should be made in order to give priority to hard working and efficient employees.
- In order to increase satisfaction level of employees, Indian railways should provide better work conditions and more manpower to augment the work of IR.
- Employees have also suggested that increase in manpower of Indian railways would help to balance employees between their work and personal life.
- It was also suggested by the employees that Indian Railways should have proper grievance system, so that employees can give feedback about their present problems and can get immediate solutions over that. That approach would help to bring disciplinary work environment in the organization.
- An interesting suggestion of Performance based Incentive was also recommended in order to bring fairness in the performance appraisal. Increments and work benefits should be given on the basis of individual employees' efficiency and work output.

In this way, employees have many expectations from Indian Railways, and Indian Railways are making various initiatives in order to achieve employee satisfaction. The next section will elaborate about what new initiatives have been taken up by Indian Railways for effective human resource practice for effective human resource satisfaction.

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