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# **Employee Empowerment In Factories** (Case Study Of Rourkela Steel Plant)

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#### Abstract:

Technology and Competition has forced both Unions and Management to move away from conflicting relations and to work together for a common purpose in a cooperative spirit. Organizations today need to change themselves by being more innovative, creative and reorienting themselves towards employees' based system that focuses on motivation, empowerment and freedom. Empowerment involves removing limits and recognizing the talent of employees in order to prevent employee dissatisfaction. Empowerment thus inspires change and increases the level of individual's commitment and helps in achievement of Organizational goal. The key inputs for positive result are training, education and counselling in order to create a new work ethos. One of the key responsibilities of the human resource development (HRD) department is to realize and gives emphasis on the importance of empowering and involving employees in the organization.

**Key words:** Employee Empowerment, Welfare activities, Factoriess

# 1. Workers' Participation In Management (WPM)

In Rourkela Steel Plant (RSP), Workers' participation in Management (WPM) has been a very rich, fruitful and rewarding experience. The system involving workers' participation in management operates at both formal and informal levels. The Workers take part and offer their suggestions in the managerial decision process through various forums in RSP, These are:

- Joint Participative Fora.
- Quality Circle.
- Srujani The Suggestion scheme.
- Structured Communication exercises.
- Miscellaneous forum.

## 1.1.Joint Participative Fora

The culture of joint participation in RSP was first experimented in 1961 when the Canteen Managing Committee was set up. This committee came into being because of statutory provisions. Similarly, the Works committee which owes its origin to the statute was set up in 1962. The Grievance Committee under the code of discipline came into being in 1963 followed by the Safety Committee in 1964. These committees not only owed their existence to the statutory provisions but also had limited areas of influence by virtue of the prescribed provisions.

It was only in the year 1969 that RSP decided to adopt and enlarge the participative culture by setting up of Joint Committees beyond the provisions of the statute. Through a Tripartite Settlement in 1969, the grievance handling procedure was reviewed and Zonal Grievance Committee and Central Grievance Committee were established. This experience impelled the Management and Recognized Union to enlarge the scope of participation and go on for setting up of the Departmental Production Committee and Departmental Safety Committee and Central Production Committee and Central Safety Committee through a Tripartite Settlement in the year 1971 and 1975 respectively.

It may be mentioned here that in the Tripartite Settlement there are equal number of Workmen and Management representatives in these committees. The Chairperson of these committees at the Departmental level is the Head of Department. Further, as per the

settlement, the Workmen representatives are nominated by the Recognized Union. No separate elections are held for deciding the workmen representatives.

As per the Verification of Membership and Recognition of Trade Unions Rules, 1994 notified by Govt. Of Orissa, for determining the Trade Union to be accorded recognition, the State Labour Directorate conducts the verification through

Secret ballot once in every two years. Accordingly, as per this provision elections were conducted in RSP in 1995 and 1997 in which the Rourkela Shramik Sangh (RSS) emerged as the majority union in both the elections and became Recognized Union. Prior to 1995, the Rourkela Mazdoor Sabha (RMS) was the Recognized Trade Union. After the RSS was recognized in 1995, they nominated their workmen representatives for all Committees and circulated the action points. The minutes of the Committee meetings were reviewed in the subsequent meeting, with emphasis with regard to the action points. Therefore, an internal mechanism was built into the system by virtue of the Committees earmarking a specific date in the month on which they would meet.

To initiate a spirit of competitiveness amongst the various committees, a scheme for awarding the Best and 2<sup>nd</sup> Best DPCs in each group was operative. Pursuant to the introduction of the scheme, awards have been handed over in the year 1997 and 1998. Apart from active participation in matters of Production, Productivity, Safety, Grievance handling, the Joint Fora members also focus on collective activities like generating Suggestions (Srujani Scheme), formation of Quality Circles (SIG Scheme), adherence to SOPs/SMPs, prioritization of Quality, Cost – Reduction measures, task forces for special assignments etc.

RSP is a pioneer in the area of joint participation and this culture has taken roots at Department level as well. This has been achieved by carefully nurturing these committees over the year. The various structured joints for a operating in Rourkela Steel Plant are:

Name Of The Committee	No of No of Representatives		sentatives	Frequency of	Chairman
Traine of the committee	Committees	Management	Workmen	Meeting	Chairman
Central Production Committee (CPC)	01	18	18	Once In Two Month	MD
Departmental Production Committee (DPC)	51	272	321	Monthly	HOD
Central Safety Committee(CSC)	01	14	14	Monthly	ED (W)
Departmental Safety Committee (DSC)	43	198	352	Monthly	HOD
Township Welfare and Amenities (TWAC)	01	10	10	Once In Two Month	In-charge of Town Admn.

Table 1: Details Of Committees

#### 1.2.Production Committees

With an objective of having a closer association of employees and Management to ensure desired level of production, Departmental Production Committees formed at each department called DPC as well as Central Production Committee (CPC) at highest level.

## 1.3.Departmental Production Committee (DPC) And Central Production Committee (CPC)

The DPCs and CPC consist of representatives from the management and employees with the following functions:

- (a) To study operational results, current and long term departmental production problems.
- (b) To advise management on steps necessary at the departmental level to promote and rationalize production, improve methods layout of processes, improve productivity and discipline, effect economy with a view to lowering costs, eliminate defective work and improve the quality of products, improve up-keep and care of machinery, tools and instruments, promote efficient use of safety precautions and devices, improve working conditions and ensure better functioning of the department.

Both the Central Production Committee (CPC) as well as the Departmental Production Committee (DPC) not to discuss matters falling within the sphere of collective bargaining, such as wages, allowances, hours of work, retirement benefits etc.

The Executive Director (Works) who is the head of works in Rourkela Steel Plant is the chairman of CPC and the Head of Departments are the chairman of the DPCs. Both the committees (DPC and CPC) consist of equal representatives (5 to 10 for DPC and 18 for CPC) from both sides i.e. Management and Employees. Normally the members of DPC from both sides cover all major sections of department including mechanical and electrical maintenance. The CPC and DPC have two secretaries one from management side nominated by management and other from employees' side nominated by recognized union. These secretaries are required to draw the agenda for the meeting. The DPC is required to meet once in a month while CPC to meet once in two month. Any non-member, required to attend the meeting, can be called as special invitees.

# 2.Safety Committees

Safety committees are also constituted like Departmental Production Committees and Central Production Committee called as Departmental Safety Committee (DSC) at Department level and Central Safety Committee (CSC) at central level to study and improve the safe working conditions.

## 2.1. Central Safety Committee

## 2.1.1. The Functions Of The CSC Are

Decide policy with respect of prevention of accidents, training, usage of safety appliances etc.

Overall supervision of the Safety education programme and Safety campaign and functioning of the Departmental safety committees.

- Shop-floor safety activities including housekeeping.
- Review of reports on fatal, serious or unusual accidents or hazardous occurrences.
- Probe into cause of accidents and advise on preventive measures.
- Recommendation to plant employees on safety initiatives and programmes.
- Promotion of safety of employees including the Contract labour in the works.
- Any other matter related to safety.

#### 2.1.2.Departmental Safety Committees

The functions of the DSC are:-

- Discuss preventive measures and various corrective actions for prevention of Accidents.
- Ensure observance of safety rules and follow up of issues discussed at the Central Safety Committee meeting.
- Ensure extensive usage of Safety appliances.
- Check details of serious accidents and dangerous occurrences and prepare action plans for prevention.
- Prepare Accident prevention schemes.
- Plan, execute, implement and review Safety campaign and Education programmes.
- Discuss any other matter relating to safety.

The CSC consists of equal number of representatives from management and employees. The number of members for CSC is fourteen (14) from each side and number of members for DSC varies from 5 to 10 depending on the size and complexities of the departments. The members of DSC cover all the major sections of department including mechanical and electrical maintenance. The CSC and DSC have two secretaries one from management side nominated by the management and the other from the employees' side nominated by the recognized union. Both the DSC and CSC are required to meet once in a month.

### **3.Township Welfare And Amenities Committee (TWAC)**

Township welfare and Amenities Committee (TWAC) was constituted in the year 1976. The functions of the TWAC are as under:
To study operational, current and long term productivity problems concerning Township.

TWAC consists of equal number of representatives from management and employees (10 from each side). The committee is required to meet once in month under the chairmanship of Head of Town Administration.

# 3.1. Canteen Management Committee (CMC)

Prior to 1999 there was canteen management committee (CMC) consisting of equal number of representatives to discuss on Canteen related matters however, with the restructuring of canteen in 1999 as a result of which the activities of departmental canteens were reduced substantially and introduction of Canteen allowance, the CMC stopped functioning. The last meeting of CMC was held in January 1999.

#### 3.2.Medical Advisory Committee (MAC)

This committee was constituted on 13June1998, as a result of decision taken in Central Production Committee, to suggest measures for improvement of health standards in the Company Hospital. The MAC consists of 5 members from both management and employee sides. The MAC is required to meet once in every quarter under the chairmanship of Head of Medical. The functions of the MAC are to look after:-

- Cleanliness.
- Hygiene.
- Effective service by Health Center.
- Employees utilization.

## 3.3.Participative Forum In Education

In the schools run by Rourkela Steel Plant, there exists a forum called Parent Teachers Association (PTA). Through this forum the parents, who also happen to be the employees participate in various activities/decisions concerning school. This forum normally meets once in two months. The PTA consists of 3 teachers and 4 parents. This PTA influences various decisions on school matters. One such example is that as per the suggestion of PTA, the school timing of the schools have been changed to 11AM to 4 PM from 11 AM to 5 PM.

#### 3.4.In-house Journal

Rourkela Steel Plant has in-house monthly journal called "SAHAYOG". Apart from giving information regarding Steel Plant it also covers achievement of employees relating to production, work-practices, extra-curricular activities, suggestions of employees. The employees get chance to speak of their achievements and feelings through this journal.

# 3.5. Jointfora In The Absence Of Any Recognized Union

Rourkela Steel Plant had witnessed a peculiar situation during the period from January 2003 to September 2003, when there was no recognized union and no Jointfora like DPC, DSC, CPC and CSC were functioning. During this period, new type of committees called Departmental Consultative Committee (DCC) at Department level and Central Consultative Committee (CCC) at Apex level was formed. These committees like DPC and CPC comprising of equal members from employees and management. The meeting was held monthly. The committees gave suggestions and discuss safety, house-keeping, working conditions and other critical production related issues. The above joint committees have gone long way in enriching the employee-employer relationship in Rourkela Steel Plant. The above committees apart from discussing the related matter recommend many production and safety related suggestions. Small task forces if required, are also formed to carry out the related activities, which are indicted in the following tables:

Sl. No.	Year	No. of Meetings held	No. of Recommendations	No. of Recommendation implemented
1.	2007-2008	5	35	35
2.	2008-2009	3	41	41
3.	2009-2010	4	55	55
4.	2010-2011	2	49	49
5.	2011-2012*	1	17	17

Table 2: Central Production Committee

Sl. No.	Year	No. of Meetings held	No. of Recommendations	No. of Recommendation implemented
1.	2007-2008	599	1785	1518
2.	2008-2009	474	1403	1223
3.	2009-2010	550	1640	1440
4.	2010-2011	554	1618	1396
5.	2011-2012*	495	1409	1186

Table 3: Departmental Production Committees

Sl. No.	Year	No. of Meetings held	No. of Recommendations	No. of recommendation implemented
1.	2007-2008	488	1701	1465
2.	2008-2009	357	1315	1165
3.	2009-2010	445	1571	1417
4.	2010-2011	448	1590	1386
5.	2011-2012*	412	1155	977

Table 4: Departmental Safety Committees

Sl. No.	Year	No. of Meetings held	No. of Recommendations	No. of Recommendation implemented
1.	2007-2008	8	130	110
2.	2008-2009	3	30	30
3.	2009-2010	4	64	64
4.	2010-2011	2	33	33
5.	2011-2012*	1	34	34

Table 5: Central Safety Committee

Sl. No.	Year	No. of Meetings held	No. of Recommendations	No. of Recommendations implemented
1.	2007-2008	3	40	31
2.	2008-2009	4	35	30
3.	2009-2010	3	31	28
4.	2010-2011	2	24	19
5.	2011-2012*	1	10	8

Table 6: Township Welfare and Amenities Committees

# 3.6.Effectiveness Of WPM

In Rourkela Steel Plant workers' participation in Management has been a very rich, fruitful and rewarding experience. Both the employees and management have shown a high level of maturity, mutual understanding and a tradition of resolving conflicts through discussions across the table. Over the year a bipartite culture has been nourished.

#### 3.7.Joint Fora

The Jointfora like DPC, DCS etc. have gone a long way in taking joint decisions in various productions, safety and other related issues. In the DPC, DSC meetings sometimes very small, but effective taskforces are formed to carry out the recommendations made in these committees. We can see from the table that over the years a number of recommendations have been made and implemented through these committees. Even during the absence of recognized union, participative forum like Departmental Consultative Committee (DCC) and Central Consultative Committee (CCC) on the lines of DPC/DSC were operating to look after production, safety, housekeeping related issues. This shows the concern of management towards employees' participation.

However, since last year, the Jointfora have been behaving like collective bargaining forum. The union members representing the workers have raised some pending/new issues, which should come within collective bargaining forum. In some departments, these joint committees have not been so effective, while in other departments, it has proved very effective. From the table describing the status of DPC/DSC meetings during 2010-11, it can be seen that in some departments the meetings have not been held regularly.

But more or less, Jointfora in Rourkela Steel Plant has been able to achieve co-determination in the matter of production, productivity and other related issues.

## 4. Srujani - The Creativity Award Scheme

The greatest assets of an organization are its employees. The only way for an organization to scale the peak of excellence is by utilizing the potential of its employees to the maximum extent. Keeping this credo in view Rourkela Steel Plant launched 'Srujani- the Creativity Award Scheme' on 15<sup>th</sup> August 1989.

## 4.1.Objectives

- To motivate employees for creative thinking and offer such ideas, to bring about all round improvement in their day to day work, through the application of their experience and knowledge.
- To imbibe culture of belongingness, foster mutual trust and co-operation, and promote employees' involvement at all levels.
- To recognize the positive contributions made by employees to bring about improvements.
- To gainfully utilises the hidden talents and tap the latent potential of employees.
- To provide employees with an opportunity to suggest improvements.

## 4.2. The Suggestions Could Pertains To

- Improvement in the quality of products/services.
- Prevention of spillage.
- Elimination of wastage.
- Conservation of energy, power, raw materials and other inputs.
- Increasing production and productivity.
- Recycling and utilization of waste materials.
- Improvement in maintenance practices, resulting in reduction in down time etc.
- Improving net sales realization.
- Improving utilization of assets.
- Finding new sources of revenue.

The scheme was modified in June 2001 to make it more employee-friendly. As per old scheme, the suggestions could be given either in the department or in Industrial Engineering Department- the nodal agency for implementing the scheme. Now the suggestions are given in the department itself. Each department has a departmental co-coordinator who holds meeting every month and processes the cases.

#### 4.3.Awards

There are two types of awards:

- Individual.
- Departmental.

## 4.3.1.Individual Awards

Individual Awards shall consist of-

- Tray/Thali: In case the suggestion is accepted for implementation.
- Tray/Thali, Cash (ranging from Rs.200 to Rs.10, 000) and Certificate: If the suggestion is successfully implemented.
- Gold Medal: Employee who gives the maximum number of successful ideas during a year. This is presented every year on 15<sup>th</sup> August during Independence Day Celebration.
- Silver Medal: for five second best Suggestions.

## 4.3.2.Departmental Awards

Apart from individual awards, the departments (two Nos.) are awarded "Srujani Rolling Trophy" for generating and implementing the maximum number of ideas in a year. The best two Departments are adjudged on the basis of the following parameters for a financial year:-

- No. of suggestions generated.
- No. of suggestions generated per employee.
- No. of Departmental meetings held.
- No. of award function held.
- No. of suggestions implemented per employee in a year.
- No. of SRUJANI Melas organized.

# 4.4.Nominations Of National/SAIL Awards

The employees are also nominated for National and Corporate Level Awards depending upon the participation in the Srujani scheme.

### 4.5. Awards For Promoting The Srujani Activities

Besides awarding the individuals and departments for generating implementable suggestions, the employees are also awarded for creating awareness for suggestions:-

- All such motivators who carry out awareness programme and send more than 40 suggestions per quarter (other than suggestion generated during Srujani Mela) will be awarded a token gift (a Stainless Steel Thali).
- Any other persons(s) actively involved in promotional activities and acting as coordinators, helping conveners in handling of suggestions, organizing Srujani functions are awarded a token gift once in a year.
- Three Departmental Committee (other than the Best and the Second Best Departments) depending upon the number of suggestions processed during the year are also awarded with a token gift.

The creativity awards scheme- Srujani, has been serving as an additional forum for mutual co-operation and goodwill between employees and management in furthering production and productivity over the years. Srujani has been contributing significantly in terms of both tangible and intangible benefits. In the last 5 years about 5518 suggestions have been implemented leading to a onetime saving of Rs.16.44 crores and a recurring saving of Rs.20.23 crores. The effectiveness of Srujani in giving creative idea, involving employees and over all motivating them can be further proved from two of the employees what they speak of Srujani. One of the employees of OBBP department, which received the Srujani Rolling Trophy, speaks, "An intensive awareness campaign was launched in the department with the support of IED department for generating greater involvement in Srujani. This motivated the employees to contribute their suggestions. Now that we have bagged this coveted trophy. We will not let it go. We want to keep it forever." Another employee says, "Implementation of suggestion also acts as a motivator since the suggestor can see the result of his creativity right in front of his eyes".

# **5.Quality Circle Scheme**

# 5.1. Preamble Of Rourkela Steel Plant On Promoting Quality Circle

- Realizing the immense yet untapped potential in our most vital asset, the workforce.
- Approaching the need to unleash this untapped energy through a suitable informal forum.
- Creation of an environment for active involvement and voluntary participation of employees in every area of human endeavour, by bringing into play their total commitment, dedication and innovative spirit by appreciating, understanding and following the philosophy of performance, thereby increasing satisfaction, happiness and improving the quality of work life.

## 5.2.Objectives

- Provides an opportunity for creative thinking and participation of employees in bringing about improvements in their day-today working through the application of their experience and knowledge.
- Recognize positive contribution made by employees to bring about such improvements as improved quality, increased productivity etc.
- Serve as a forum for mutual cooperation and respect among the employees as well as between Employees and Management to:-
  - Recognize the hidden potential of our members for presentation and generate self-confidence among them to lead and participate in teams.
  - Provide an opportunity for self and mutual development as well.
  - Foster the capabilities of individuals in writing papers for National/International seminars.
  - Acquaint people with the techniques of visual aid presentation.
  - Provide a change to interact with others (both inside and outside plants) in Seminar/Conference.
  - Augment efforts for companywide continuous improvement through Quality Circle.

# 5.3. Structure Of Quality Circles

The basic elements of QCs structure are

- Top Management.
- Area Promoters.
- Facilitator.
- Leader.
- Members.
- Non-members.
- Coordinating Agency/Department.

## 5.4. Functioning Of Quality Circles

Quality Circle is small group of employees (5 to 6) working in the same work area or doing similar type of work. They voluntarily meet on regular basis for about an hour every week to identify and discuss work-related problems in their own work area, analyze causes, recommend solutions and present the case before HoD and others. On acceptance of solutions, implement it themselves and follow up. QCs preferably work as "fixed Groups" wherever possible by nature of working system. However, in some areas temporary QCs also functions as long as problem persist.

# 5.4.1.Size And Composition Of Circle

- For fixed groups (circles) number of members shall be maximum seven and for temporary groups maximum five. Members of the circle should be from same work area, doing similar type of work, so that problems will be familiar.
- Circle Members can be from same discipline or different discipline e.g. Operation, Mechanical maintenance, Electrical Maintenance etc. from the same shifts provided they are in same work area.

# 5.4.2. Types Of Problems Qcs Could Undertake

- Recurring defects for eliminating or reducing its frequency.
- Reduction of waste/spillage/leakage.
- Reduction of direct/indirect cost.
- Substitution of indigenous material through in-plant efforts.
- Import substitution of equipment/spare parts.
- Pollution control and environment betterment.

## 5.5.Recognition System

Individual, department, Area promoters, Facilitators and Members are given following awards:-

# 5.5.1.Best Performance Award For The Departments

Three prizes are instituted for best departments from three zones based on the pre defined criteria which is presented to the departments annually once during Annual Performance award function. Criteria for selection of best three departments zone wise are:-

- No. of implemented cases per employee in the Depts. (30% of weightage)
- Direct saving per employees in the Depts. (30% of weightage)
- % of employees of the Depts. involved in QCs (40% weightage)

#### 5.5.2. Individual Group Award

All group members who have successfully completed and implemented cases are to be presented with the award after it is duly accepted. All these cases are evaluated financial year wise. The award carries gifts like: –

- Male employees (Member / Facilitator) having associated themselves in one project would get a Terry cotton half sleeve shirt.
- Female employees (Member / Facilitator) shall get a sari for the first project.
- Employees (Member / Facilitator) having associated themselves in two projects would get a stainless steel thali for the 2nd project.
- Employees (Member / Facilitator) having associated themselves in three or more projects would get a cheque of Rs.100/-only for the 3rd or more project during the same financial year.
- Area promoters get a shirt for the same financial year.

# 5.5.3.Best Presentation Award For The Groups

Three prizes are instituted for the best groups of the whole plant after a thorough stage-wise selection of group from three zones based on the departmental QCs register. Criteria for selection are:-

- Total no. of meetings held by the group.
- Average attendance of group members.
- Total no. of problems identified by the group.
- Total no. of problems solved by the group.
- Total no. of solutions implemented by the group.
- No. of QC tools used.
- Benefits to the organization.
- Style of presentation (Groups or individual).
- Time management during presentation.
- Confidence in presentation and answering questions.
- Logical flow of presentation.
- Quality of transparencies.
- Sense of team spirit.

However, apart from the above mentioned financial recognition, efforts of group members are also appreciated through RSTV network / in-house magazines or interviews and sponsoring of cases for outside presentations.

# 5.5.4.Three Best Area Promoters From Zones

Best area promoters are awarded and criteria for selection of best area promoter zone wise are:-

- No. of fixed groups formed.
- No. of temporary groups formed.
- No. of cases implemented.
- No. of persons trained.
- No. of groups having regular meeting.

Beside the above recognition, the QCs teams are also nominated for Zonal Level and National Level Award, which go a long way in motivating the employees involved in QCs.

The Management of RSP does constant effort in promoting more and more QCs throughout the plant. There is a nodal agency called Quality Circle Section to work in this direction. The role of this agency is:-

- Awareness creation.
- Training on shop floor/department/HRD centre.
- Co-ordination.
- Educating on how to identify the problem and how to go about resolving.
- Advising the departments to create problem banks etc.
- Organizing for Award and recognition.

Year	No. Of the QCs	No. of Employees involved
2008 – 09	1387	5840
2009 – 10	1412	6200
2010 – 11	1492	7800

Table 7: Qcs Activities In Rourkela Steel Plant

#### 5.6.Quality Circle

"Do not underestimate your role and make sure that you do make a contribution in your work area" says Chief executive of Rourkela Steel Plant while acknowledging the importance of quality circle. As already told, more than 1000 quality circles always are in operation every year in Rourkela Steel Plant. Besides every year the quality circles of Rourkela Steel Plant do take part in Zonal and National level competition and bag prizes. During 2010-11 at National level competition, the quality circle team of Rourkela Steel Plant had bagged all best 3 prizes. The top management always puts thrust on the quality circle and takes the progress every month. There also exists one section called Quality Circle Section, exclusively to ensure the progress and effectiveness of QCs. The effectiveness is further substantiated, if we look the savings made through Quality Circles. The savings achieved through Quality Circles for last three years is as indicated below:

Year	Saving (in Rs. Lakhs)
2008 - 09	66
2009 - 10	62
2010 - 11	60

Table 8: QCS of last three years

# **6.Grievance Handling**

The Grievance Handling Mechanism in RSP has gone many changes with the progress of the plant keeping in view the various IR dynamism. The Grievance Redressal Mechanism primarily has two faces:-

Formal Grievance Procedure (Both for Executives and Non-Executives).

Informal Procedure

Rourkela Steel Plant has well knit Grievance Procedure as a preventive measure for Dispute Resolution. There exist a two tier Grievance Procedure for redressal of employee grievances. They are called

- Grievance Redressal Committee for Employees (GRCE).
- Grievance Redressal Apex Committee for Employees (GRACE).

#### 6.1.Grievance Board

The Grievance Board consists of the following members:-

Executive Director (works) : Chairman
 General Manager (PandA) : Member
 Dy General Manager (MS) : Member
 Dy General Manager (PandA) : Member

• Addl C P M (OD) : Member Secretary

• Concerned H O D : Member

The concerned Head of Department should preferably be present when the grievance of an executive is on board and discussed. The grievance Board would normally meet once a month on every second Saturday. In case it is a holiday, the Board will meet on the next Saturday. The committee can meet more often in case the number of grievances is more. Presence of three Members shall constitute the quorum in the Grievance Board.

Debarring. On the same subject, no other representation will be entertained from an executive who sends grievance for redressal through this Grievance Procedure.

#### 6.2. Employee Assistance Register (EAR)

The EAR is a very important instrument in settling the grievance of employees in Rourkela Steel Plant. In every unit a formal register called Employee Assistance Register (EAR) is available/ maintained for redressal of employees' grievances. As name suggests, it assists the employee in settling their problems/grievances. The employees approach the concerned personnel officer for any help/settlement of their grievance. The grievance is recorded in the register with all details. The concerned personnel officer takes appropriate action for providing assistance or settlement of the grievance of the concerned employee. From the record it is seen more than 95% of grievances are being settled through EAR. The maxim behind EAR is "Why the employees should have grievances when there is EAR to hear".

# 6.3. Grievance Redressal Through Employee Communication

Communication is the lifeline of any organization. It can help to establish a performance oriented culture in an organization. Communication helps not only in disseminating information to the employees but also in enhancing employees morale, inculcating a sense of participation / belongingness, fostering team-spirit and motivation to perform better. In RSP there is a strong culture of communication for ensuring organizational efficiency in all fronts. The RSP Management knows an aggrieved employee is a demotivated employee, so RSP Management also takes the communication route in settling the employee grievances. There exists many structured communication forum where, employees are free to tell their problems and feasible solutions are taken to settle them, In

case it is not possible as per rules of the company, the employees are communicated accordingly. To facilitate involvement of employees in all spheres of activities Personnel department facilitates various structured communication programmes viz:-

- MD's Mass Contact Exercise.
- General Manager's Communication Meeting.
- HoD's Communication Meeting.
- Section In-charge's Communication Meeting.
- Issue Based Workshops.

## • MD's Mass Contact Exercise

With an aim to synergise employees towards organizational goals, a unique and unprecedented programme started on 19Apr2002. It is held once in a year, where around 500 employees participate and contribute their constructive idea/suggestions for growth of the organization and interact with the Managing Director. A presentation highlighting the areas of concern and good performance is also made to aware the important issues affecting the plant and the employees.

- General Manager's Communication Meeting
  Every General Manager holds a monthly meeting of groups of employees of his area of control and major departmental issues, action plans, performance highlights, etc. are discussed.
- HoD's Communication Meeting
  Head of departments hold weekly/ fortnightly meetings with employees where departmental issues, safety aspects, improvement plans etc. are discussed.
- Section In-charge's Communication Meeting Section In-charges' of major units hold weekly meetings of employees to discuss day-to-day shop-floor issues.
- Issue Based Workshops

It is held whenever required and all agencies concerned with the issue are encouraged to evolve improvement plans.

The Mass Contact Exercise is a novel effort in this direction. It offers a forum for the employees, where they can directly interact with the top management including Chief executive on any issue regarding the plant be it his duties or responsibilities, hopes or dreams, fears or apprehensions, aspiration or inspiration. The top management too holds threadbare discussions on various issues, problem faced by the plant and share the information and invites suggestions to bring improvement in their area of work. The General Manager Communication Meeting (GMCM), Performance Improvement Workshop modelled on the line of Mass Contact Exercise, the executives and non-executives of the concerned departments sit together, discuss areas of concern and ultimately these have become potent forum for motivating the employees and tapping their creativity.

The Grievance Statistics for last two years is as under:

	1 <sup>st</sup> Oct, 2009 to 31 <sup>st</sup> March, 2010			2010-11		
Details	Total through	Through	Through	Total through	Through	Through
	(EAR)	GRCE	GRACE	(EAR)	GRCE	GRACE
Opening Balance	71	02	00	87	00	00
Received	179	00	01	292	03	01
Settled	166	02	00	295	03	00
Pending	84	00	01	84	00	01
Interim Feedback	72			72		
No feedback	12			12		

Table 9: (Year 2010 - 11)

	1 <sup>st</sup> April, 2008 to 30 <sup>th</sup> Sept, 2009			1 <sup>st</sup> Oct, 2009 to 31 <sup>st</sup> March, 2010		
Details	Total through (EAR)	Through GRCE	Through GRACE	Total through (EAR)	Through GRCE	Through GRACE
Opening Balance	140	01	01	97	00	00
Received	306	07	01	144	00	00
Settled	349	08	02	154	00	00
Pending	97	00	00	87	00	00

Table 10: (Year 2009 - 10)

It was felt that in almost all cases put up in the structured Committees prior to 2003, the time taken to dispose of the grievances was more than 1 year, even some grievances remained pending. However, after introduction of the GRCE and GRACE, the lead time has been reduced to great extent. The performance of grievance redressal through EAR is quite effective. Most of the grievances of the employee are settled through EAR. In fact, employees prefer EAR to structured grievance redressal machinery for settlement of their grievance. The volume of grievance received and settled through EAR as depicted in the table above prove this. Further, if we see the

industrial dispute raised before State Conciliation Authority, it can be seen that very few disputes have been raised and those disputed also have been settled within reasonable time. The following table indicates the details of industrial dispute before conciliating authority:

Year	No.	Failed	Settled	Pending
2007	27	20	2	5
2008	8	Nil	Nil	8
2009	6	4	2	Nil
2010	4	1	1	2
2011	3	2	1	Nil

Table 11: Details Of ID Cases

The total disputes pending before the conciliating authority as on today is 15 and in a big labour intensive industry like Rourkela Steel Plant, it is never alarming.

In precise, Management of Rourkela Steel Plant has concern towards the employees' grievances and is taking action in that direction. The only thing, it needs to be done is to gear up the structured grievance machinery to dispose of the grievances quickly. The management of Rourkela Steel Plant also needs to revive the grievance cell for grievances pertaining to quarter's maintenance and allotment.

## 7. Safety And Health

RSP is committed to safety of its employees and the people associated with it including those living in the neighbourhood. It is continuously pursuing the safety efforts in a sustained and consistent way by establishing safety goals.

Year	No. of Accidents reported at OHSC	Reportable	Fatal out of Reportable	IOW
2007	1145	26	-	597
2008	1378	28	06	472
2009	1160	29	03	425
2010	915	31	05	395
2011	732	12	03	346

Table 12: Accident Statistics In RSP

#### 7.1.Labour Welfare Policies

It was a well recognized fact that while maximizing the organizational efficiency by raising the levels of productivity in an industry, the expectation of the employees in term of their need-fulfilment are to be commensurately met with. RSP has well understood this concept and provide extensive welfare facilities (both Intra Mural and Extra Mural) to its employees.

# 7.2. Expenditure On Welfare Facilities

The following table shows the year wise expenditure of RSP towards welfare facilities.

Year	Expenditure		
2004 - 05	1.29		
2005 – 06	1.31		
2006 – 07	1.48		
2007 – 08	1.45		
2008 – 09	1.65		
2009 – 10	2.12		
2010 – 11	2.65		

Table 13: Intra Mural (Rs. In Crore)

Year/Areas	2000-01	2001-02	2002-03	2003-04	2004-05
Township	55.22	74.38	79.52	77.75	82.45
Education	9.75	13.30	11.96	9.73	8.88
Medical	25.73	32.11	33.91	31.17	43.24
Social and Cultural	0.63	0.83	0.87	0.79	1.01
Transport	2.21	2.82	2.22	1.67	1.0

Table 14: Extra Mural (Rs. In Crore)

#### 7.3.Social Security

The following social security measures are provided to the employees:-

- Provident Fund.
- Gratuity.
- Amount of Gratuity.
- Life Cover Scheme.
- Workmen's Compensation.
- Maternity Benefits.
- Employee Family Benefit Voluntary Scheme.
- SAIL Employees Superannuation Benefit Fund (SESBF).
- Employee Family Pension Scheme (EFPS).
- SAIL Medi-claim Insurance Scheme.
- Assistance for Funeral Expenses.
- Compassionate Employment.

#### 8. Conclusion

- At RSP the involvement of people in organizational matters and their empowerment is ensured through their participation in the key business processes. Rourkela steel Plant has a system of participative management which has taken deep roots and solving problems jointly in an atmosphere of mutual faith and trust is imbibed in the work culture of our plant.
- The process of employee involvement begins right at the beginning of the year when business plans and strategies are share with the cross-section of the employees and departmental micro plan is formulated drawing richly from the ideas and feedback of employees. Further, employees' involvement takes places regularly trough various structured forums of communication processes.
- During the above communication programmes, suggestions of employees are solicited on issues related to improvement in various facets of the organization. These forums regularly provide inputs on improvement. These suggestions have resulted in significant improvement in the plant and contributed strongly to a sense of employee participation and involvement. Surjinithe creativity award scheme: suggestion scheme which is in place since long to involve people and harness their potential for improvement of the plant as well as benefit of the employee through monetary or non-monetary awards. In this simple Employee friendly suggestion scheme, employees are encouraged to give their innovative process improvement ideas preferably pertaining to their own area of work in a prescribed form.
- A departmental committee chaired by the HoD assesses the idea and on acceptance of the idea, the employee is encouraged and given support for implementation of the idea for the benefit of the organization. On implementation of the ideas, the employees are recognized in a function specially organized for the purpose and awarded with a certificate of merit, cash award or in kind. The cash award is decided depending on the merit of the suggestions. To give further boost to these scheme, every year "Surjini Mela" is also organized in different departments. In this, all employees of the concerned department are encouraged to submit their innovative/creative ideas.
- Organizing events to facilitate employees' involvement in various programmes/ initiatives such as Celebration of SAIL Environment Day and Environmental month in which essay, elocution competition etc. are organized. Observing "Vigilance Awareness" programmes, Observing Quality month celebrations through activities like essay, debate competition etc.
- Empowerment teams are constituted comprising employees from various disciplines and empowered to take decisions to meet organizational objectives. These work-teams are provided with necessary resources and support to succeed. Employees at senior levels are empowered through leadership roles in the shifts. As in-charge of the shift they are assigned with key responsibilities of their areas which include managing personnel and lateral co-ordination.
- Quality Circle (QCS) groups are empowered to take up special improvement measures/ problem-solving in the department. The employees in small groups are encouraged to take up projects in their areas for bringing about improvements. The problem of their work area which they solve and implement themselves, have helped them exhibit their innovative and creative skills both as an individual as well as a group besides resulting in significant cost savings for the organization too. During the year 2010-11, a total of 6126 employees participated in 5104 Quality Circles cases benefiting the organization in the form of improved safety, housekeeping, productivity, equipment health and reduced cost.

- Another way of RSP in capturing employees experience and sharing their knowledge is a provision of Special Award in which small groups within a department are empowered to take up small problems at their own initiative, give suggestions for improvement, and implement the same using their own resources and expertise. The employees are then recognized and are rewarded for their unique jobs. This unique scheme further fosters the safety, productivity, efficiencies and employees engagement.
- In RSP, communication with the people takes place at all level ensures that the channel of communication is open. Communication is conducted continually with the employees on various issues ranging from plant/department performance, to ways and means for improving productivity, profitability, and customer satisfaction. Grievance machinery is another structured and well-understood communication process between the employees and the organization. Through this an employee can communicate his complaints relating to
- Various issues like working conditions, compensation or other benefits, welfare measures, etc., these issues are discussed and settled within a time frame.
- To appreciate, recognize and reward employees for their valuable contribution is an integral aspect of RSP's work culture. And to take care the personal, social and cultural requirements of employees, many infrastructural facilities have been provided. This has bestowed the township with all civic comforts, facilities for education, games, sports, recreation, health-care, safety and environmental measures.
- Employees' participation will foster the conditions where the individual shall experience greater degree of freedom, responsibility and involvement. Moreover, participative management is one of the processes of empowerment to pass on adequate authority to the executives and employees along with proper information, knowledge, power and reward, to work autonomously and independently. In the highly competitive environment, employee empowerment is quite essential to be more competitive, productive and gaining competitive advantage for the all-round development of the organization. The empowerment practices in most organization reflects, it is not practiced in true spirit and real sense as because of absence of positive organizational climate and cultures that believes in trust, confidence, transparency and self development. Participative approach is a survival need of business and industries and they have to practice it on the basis of their own way of thinking, innovation and requirement. In order to achieve business objectives, the organization should create an open environment where they must leave their traditional habits, narrow thinking to develop broader outlook, prioritizing the interest of the industry and both employer and employees for organizational excellence.
- Employee empowerment provides a sense of high self-esteem, high degree of involvement, and a great sense of achievement. It has been observed that employee empowerment is the only influential factor for significant business growth. Hence success or failure of participative management will depend on clarity, caution and sensitivity with which employees are dealt. Adequate preparations are required by way of developing mutual understanding on issues before the schemes are launched. Employee empowerment is an important process in the organization to foster better decision-making, high job satisfaction, higher productivity, low absenteeism and labour turnover, better problem solving through initiation of learning environment and opportunities for personal growth and development which in turn result into greater organizational effectiveness.

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