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INVESTIGATION ON BENCHMARK HR PRACTICES IN PUBLIC SECTOR UNDERTAKINGS OF ENERGY SECTOR

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**Gurunadham Goli¹, D Ramesh Babu² Nageswara Rao Chapala³ and K V Narasimha Rao⁴:
Investigation on benchmark HR practices in Public sector undertakings of Energy Sector--
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**Keywords: Profitability, PSU, Energy sector, Benchmarking HR practices, Successful
public sector companies.**

ABSTRACT:

The present investigation was carried out to understand human resource practices followed by Public sector units under energy sector. It focuses on level of existence of HR parameters that are executed by profitable PSU's. From the data of SCOPE (Standing committee on public enterprises), it was interesting to note that best HR practices gave a bench mark on their profitability. Especially the energy sector PSU's found to follow Friendly HR policies. The data does not comparable to any other PSU in general. However, on a larger perspective of Indian PSU's, this study shows significant benefits from Good HR practices like, Employment, Training and Development, Motivation, superior Compensation, Recreation facilities, separation aid, etc.,. Research Result exposed all public sector companies in energy sector are identical toward personnel utilities deposit into real practice. Moreover Profitability of units indeed have relation with industry best personnel administration factors. The results of this study can be useful to disseminate the success stories of flourishing public sector companies under Government of India. Management practitioners of industry and IIM's can take up this as a case

study of bunch of ten successful (Top ten Government PSUs) stories together for sharing knowledge to the post graduate and industrial personnel.

Introduction:

Indian economy is one of the fastest growing economies, which would be one of the vital nations for Global Energy Markets in near future. Our energy sector has made impressive progress in recent years in increasing citizen's access to power, clean cooking and fuel. Therefore Indian public sector units under energy sector have showed remarkable growth than other industrial units. In top ten profit making CPSE's during 2018-2019 are under energy sector. Among all profit oriented Central Public Sector Enterprises', the overall sixty two percent profitable contribution has been made by top ten Central Energy Sector Unit's.(SCOPE -2018-2019)[1].

In this association we wanted to observe the link between profitability of organizations under energy sector with comparative to those finest HR practices. The prosperity of the company certainly depends on the human resources. If the institute has manpower with necessary skill sets in addition to better attitude, the business will yield valuable HR outcomes. Those results would be obligatory for the rise of the business.

The key tasks on the shoulders of the human resource managers are framing HR policies, effective Implementation of manpower functions and obtain meaningful outcomes. But maximum numbers of managers are successful in the first task, and failing to implement the second one. It leads to malfunction of entire people's actions to defer probable result of the organization.

In this direction our research concentrates to find out the best Personnel practices to be followed and implemented by our choose units and examine is there any general approach followed by profitable Energy Sector Units.

SCOPE OF THE STUDY:

The assessment has been conferred to top ten gainful public sector enterprises under energy sector. For this concept the researcher has taken seven parameters in HR Management. The Personnel aspects are Employment, Development, Compensation, Working Conditions Motivation, Record keeping and separation. The observation focuses to view the association between efficient implementation of HR practices with profitable CPS units.

REVIEW OF LITERATURE:

Nankervis et al. (2016) made a briefly explores on Human Resource practices and institutional effectiveness to give an overall implications for Academics, Researchers, HR professionals and Managers in the Asia pacific region of different sectors. However they obtained that employees associated tasks and HR professional capabilities both can enhance the organizational accomplishment in terms of qualitative and quantitative [2].

Saridakis et al. (2017) reported how to demonstrate the strong association between HR Practices and Firm's proceeding with the support of Meta-Analysis technique. The evidence explained that there is a positive connection between high performance work practices (HPWPs) and firm's performance [3].

Aladwan et al. (2015) unfolded that number of units in the middle eastern countries could not showing due attention towards HRM main functions like recruitment process to select right candidates for right position with required talent and in another side desertion to develop the existed employees accordance to challenges of expected state of affairs [4].

Maheswari et al. (2015) in this article the authors assessed people related issues whose were treated as important in the transition stage of the organization and also analyzed HRM department act as change agent for organizational new direction. The end result emphasized six parameters are vital for successful firms, viz., change, culture, leadership, cross functional integration, training communication and Technology [5].

Mishra et al. (2014) investigated the importance of Green Human Resource Management (GHRM) for PSU's in the present circumstances to give an idea about their better competitive advantage over others. The initiatives were taken by P S Enterprises' to put into reality of GHRM events for sustainable development. The results showed that Indian establishments have not been concerned towards GHRM and not in the way to realize the importance of Green HRM. Indian companies are in budding stage for this approach [6].

Chaudhuri et al. (2013) to reveal Human Resource actions can influence the businesses to decide present and future of those fortunes. They highlighted the important HR procedures for organizational sustainability like manpower planning, performance appraisal, firms' structure and quality work environment. Men's Functions should be supported by data analytics [7].

Ko J & Smith-Walter(2013) studied link between HRM proceedings and organizational performance. But organizational takings directly or indirectly affected by work attitudes. The congenial work environment needs to be strengthened to get proper output from staff [8].

Guest D & Conway N (2011) identified that effectiveness of HR measures have strong impact on outcomes. But consequence showed there was a little correlation between HR effectiveness and company results. Conclusion said effective execution of HR procedure is needed for proper anticipated consequences.[9]

Tsai et al (2010) reported on the association between enterprise performance, employee attitude and human resources characteristics. The labour attitude surely have strong impact on employees behavior and attitude .Both these

parameters together have strong influencing power to improve industry performance.[10]

Katou A A & Budhwar P S (2010) looked into HRM function influence on business performance in Greek manufacturing units. Research exposed department policies merely not supported to augment company performance. It is possible through employee skills and their attitude towards their assigned everyday jobs. Employee positive attitude would be superior when HR policies are framed for the benefit of employees and business units[11].

M. Rajya Lakshmi et al. (2016) performance management leads to increase employee engagement in today's organizations. Self development opportunities for employees create a culture of continuous learning and performance improvement[12].

Rajya Laxmi et al. (2018) reported that women spend vast amount of time in household tasks that has negative effect on wages. This article specified a proper plan is needed to make a balance between work life and personal life[13].

Gurunadham.Goli, chapala. Nageswara Rao. (2020) Study undergone to bring out the importance of A.I for corporate environment management in to HRM. Artificial Intelligence applied to Human resource policies, procedures and prospective surely provide a way for green business [14].

Ramesh Babu et al. (2019) reported that engineering teachers' awareness level on agriculture and food processing is high. It is good to train the manpower in engineering colleges to pave startup establishments on food related units[15].

Ramesh Babu et al. (2019) identified opportunities in food sector to start new industries in Telangana and Andhra Pradesh. Better areas in horticulture for entrepreneurship are banana, circuit fruits, orange and mangoes [16].

During the literature review, it was found that some of the PSU's are not doing well due to competition from private sector. However, successful PSU's are focusing on HR policies and best practices, which are similar to KAIZEN of Japanese companies. The objectives of the present research are

1. To study the HR practices and their level of existence in the Indian Heavy industries of select units under Energy Sector.
2. To examine the commonalities of HR aspects followed by select units under Energy Sector.
3. To analyze the relationship between profitability of select units with those best HR practices.

Methodology:

Progressive PSU's of Government of India are identified through the website of SCOPE and analyzed for correlation with Benchmark HR systems. The data

of top ten successfully run public enterprises were obtained in terms of turnover and profitability. Data was authenticated by cross checking with the individual web portals of the companies.

The companies are

- a. Oil and Natural Gas Limited.
- b. Indian Oil Corporation Limited.
- c. NTPC Limited.
- d. Coal India Limited.
- e. Power Grid Corporation of India limited.
- f. Bharat Petroleum Corporation Limited.
- g. Power Finance Corporation Limited.
- h. Mahanadi Coalfields Limited.
- i. Hindustan Petroleum Corporation Limited.
- j. GAIL (India) Limited.

The data was analysed using Microsoft excel. The categorized HR domains under individual headings as employment, Training and development, compensation, working environment, motivational, record keeping and separation.

Results and discussion:

The graphical representation of data can be seen from figure 1 to figure 12. Each figure has been attached with the table showing the numerical values

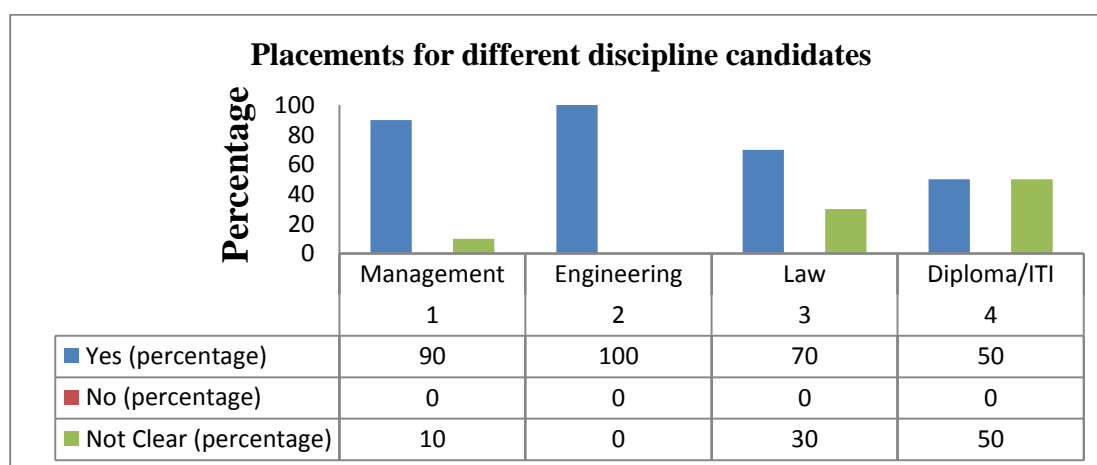


Figure1: Placements for different discipline candidates.

The above portray data discloses that all choose units provide opportunities for all the candidates whose are from different educational backgrounds. Most sought candidates by PSU's are with the background of Management, Engineering, Law and Diploma/ITI.

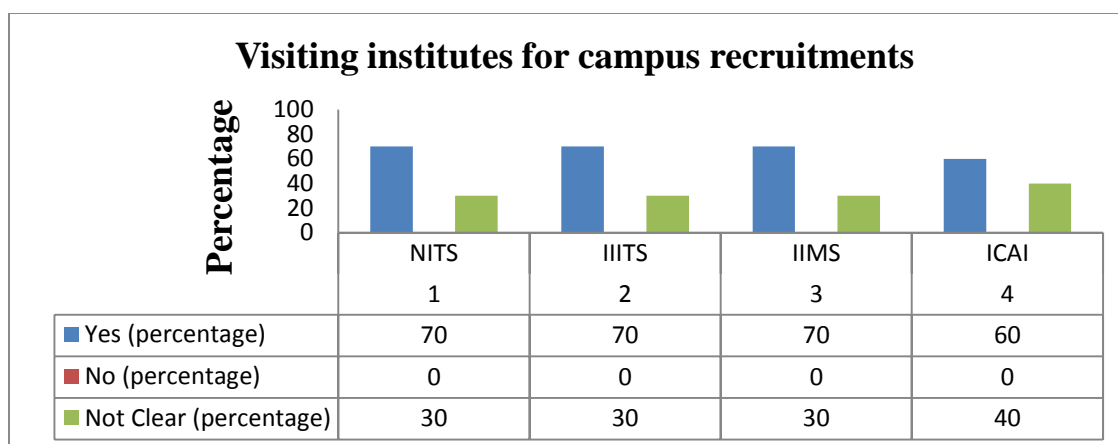


Figure2: Visiting institute for campus Recruitment.

Business units go after open and campus recruitments across India. For open recruitment advertisements are given in prominent national dailies and publish on their own portals. For campus recruitments all PSUs visit NITs, IIITs, IIMs and ICAI and other prestigious technical institutes to hunt for young talent.

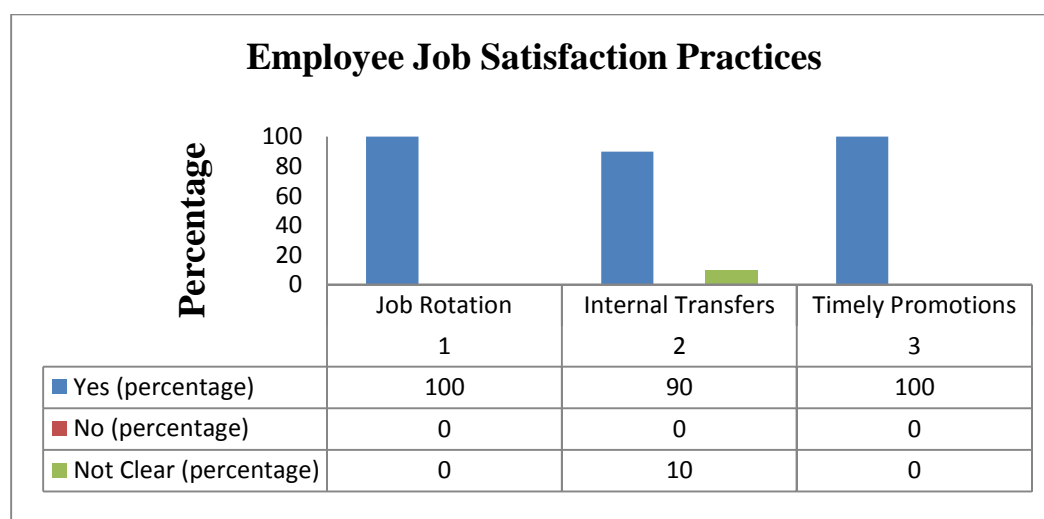


Figure3: Employee job satisfaction schemes.

To enrich employee's knowledge and boost their morale job rotation, internal transfers and timely promotions are very important measures under Developmental function of H.R.M. The above uttered data state that 100 percent of PSUs' assume job rotation and timely promotions to their employees as their policy affair and 90 percent of Units' are successfully executing internal transfer's accordance to policies of those entities.

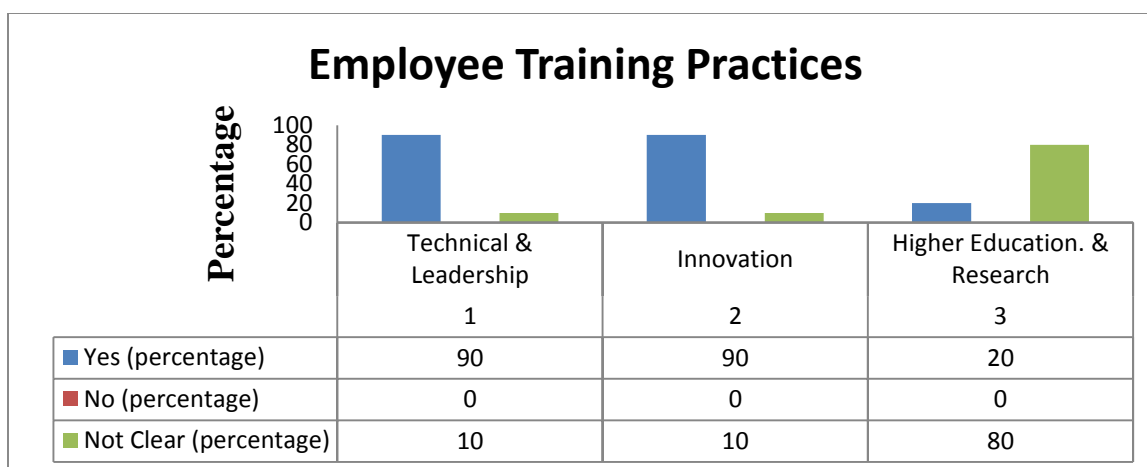


Figure4: Employee training practices.

Anticipating of the future Human Resource skills requirements of institute in advance, every organization has to encourage those employees to be equipped with future ready skills by attending Technical, Leadership development programmes. Stressing on employees innovation as well as support for those higher education's accordingly to develop their research capabilities. From data it is understood that 90 percent of Central units encouraging those employees to be present at technical and leadership developmental courses next to with promoting innovation. In another aspect 20 percent support those men for their higher education and 80 percent of public sector businesses stand is not clear on this aspect.

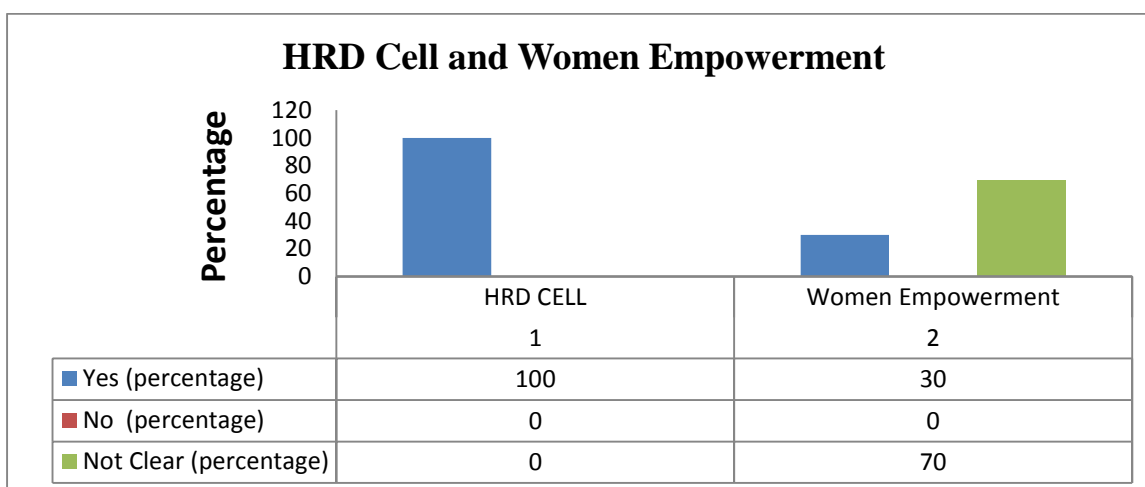


Figure5: Details of percentage of companies focusing on HRD Cell and Women Empowerment.

From the above table it is implicit that 100 percent of select units are having their own HRD cells to inculcate the spirit of thinking in the minds of workers

towards their individual expansion. Coming to women empowerment 30 percent of Energy Sector Unit's expressed their clear agenda for women empowerment and the remaining 70 percent position towards women empowerment is not clear.

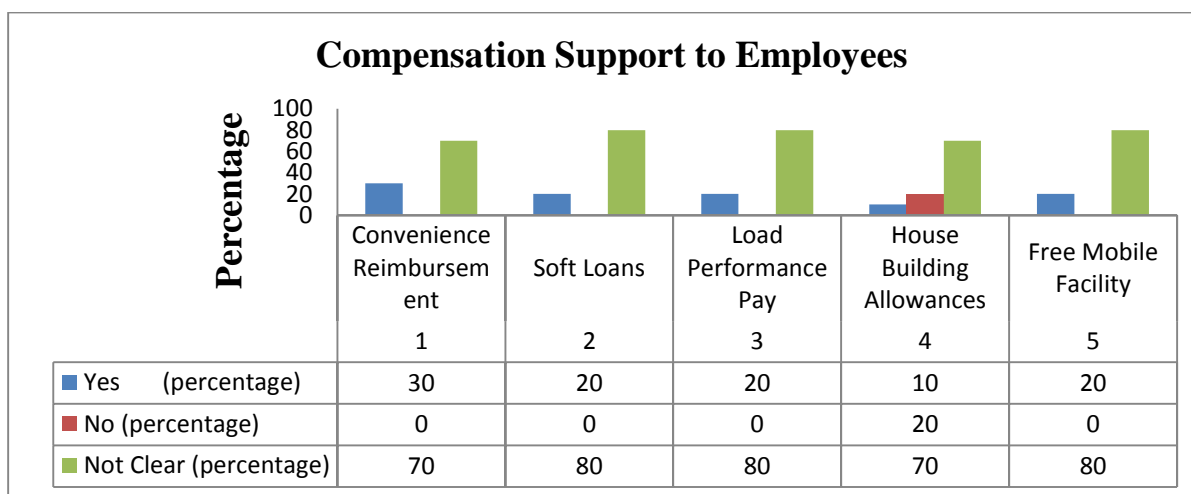


Figure6: Compensation support to employees.

From the above chart it is obvious that 20 percent of Public sector Units' are in keen interest to provide better compensation benefits beside with industrial competitive salary packages for those people. 70 percent of PSUs' for convenience reimbursement and house building allowances are not clearly specified. And 80 percent towards soft loans, load performance pay and free mobile facility are not clearly particular about their action plan.

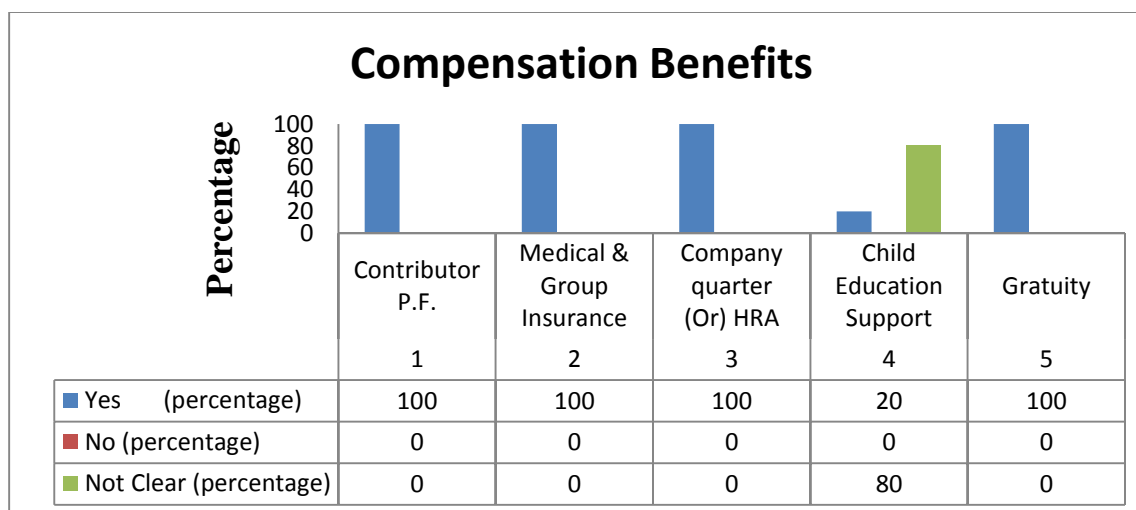


Figure7: Compensation benefits.

All chose Unit's for the research are given Contributor P.F, Medical and group insurance and company quarter or HRA to those labour. 20 percent of Energy Sector Unit's spoken clearly towards children education support. The remaining 80 percent not specify their position evidently towards the above said compensation factor.

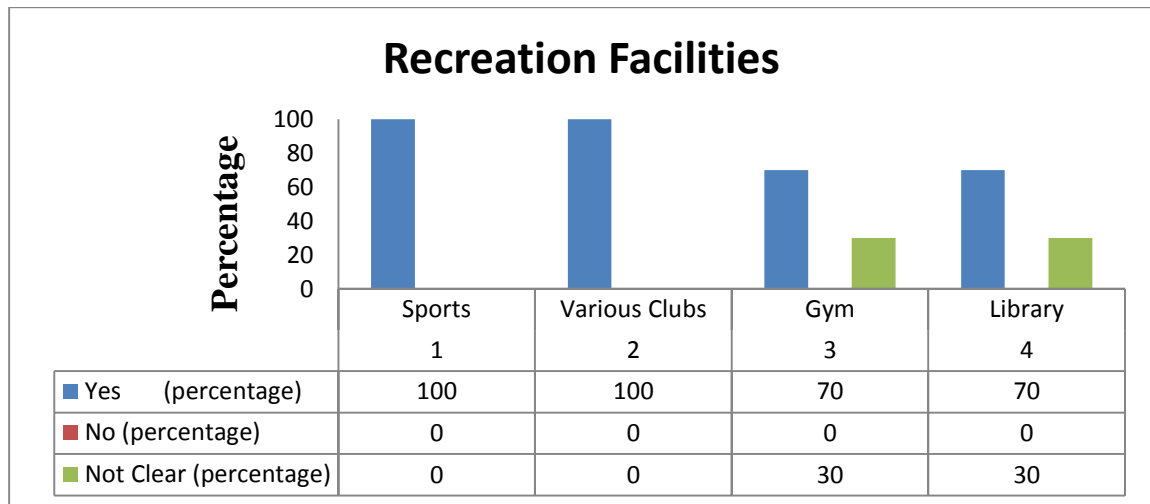


Figure8: Recreation facilities.

To alleviate boredom from their regular work recreation facilities are essential for staff. From All companies are providing recreational facilities to those workers in the form of sports, different clubs membership, Gym and Library facilities.

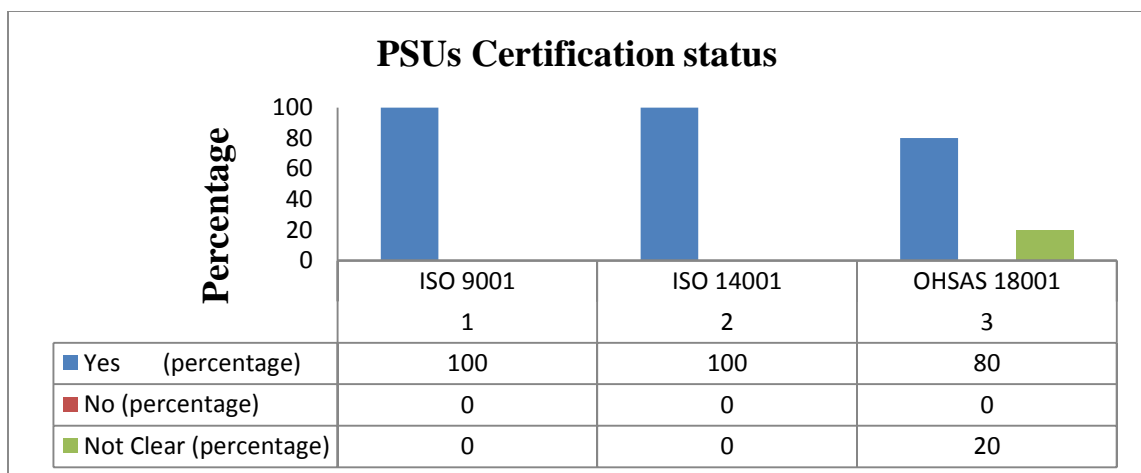


Figure9: Certification status of the PSU's under this study.

The worker he/she can work without any hurdles and hazards under safe and congenial working environment. Business entities obligation is to arrange such an environment for the safety of the workers. In the route there is an

incremental chance to get better utmost efforts from them. To prove their credibility on safe and healthy working environment all the Energy top ten PSU's are successfully certified under ISO 9001, ISO 14001 and OHSAS 18001.

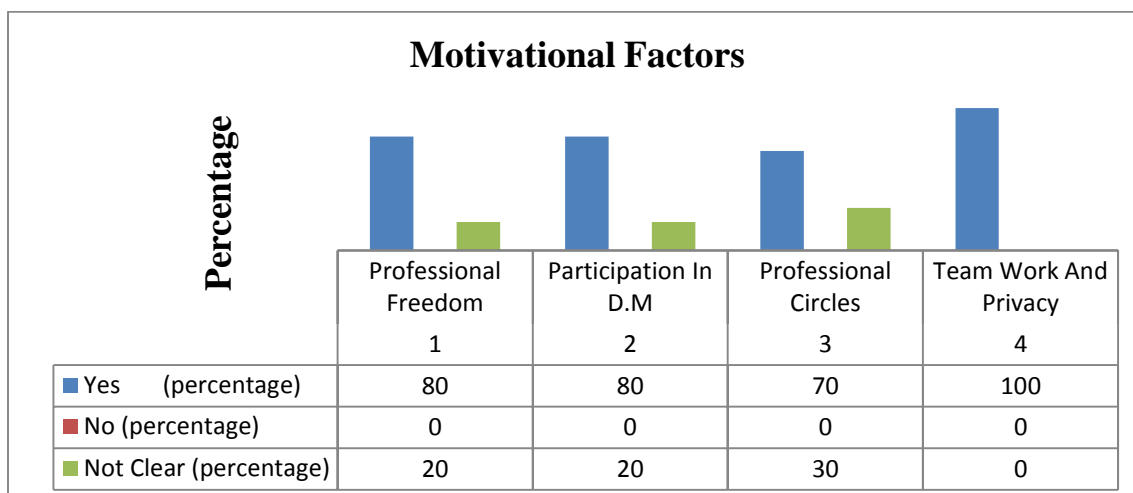


Figure10: Motivational factors.

Along with offering better compensation packages and developmental activities for the member of staff. Motivation also treated as a key function in HR Management. Collected data tells 80 percent of PSU's favor to professional freedom and participation in decision making on the other hand 20 percent of institutes are not clear about their progress on these parameters. Furthermore 70 percent of PSU give confidence to form professional circles to share their knowledge one to one and 30 percent of Public SU's are not understandable on these issues.

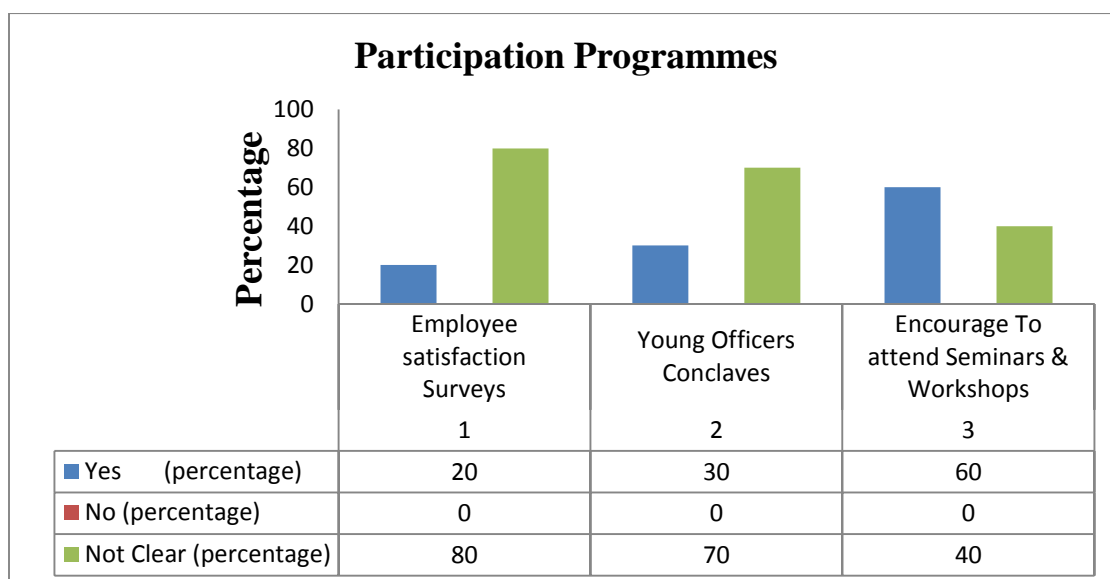


Figure11: Participation events.

60 percent of Energy SU's are favor to persuade the members of the unit to attend work oriented seminars and workshops. 80 percent not evidently expressed their action plan towards employee satisfaction surveys. And also 70 percent of PSU's are not particular their stand towards young officer's conclave.

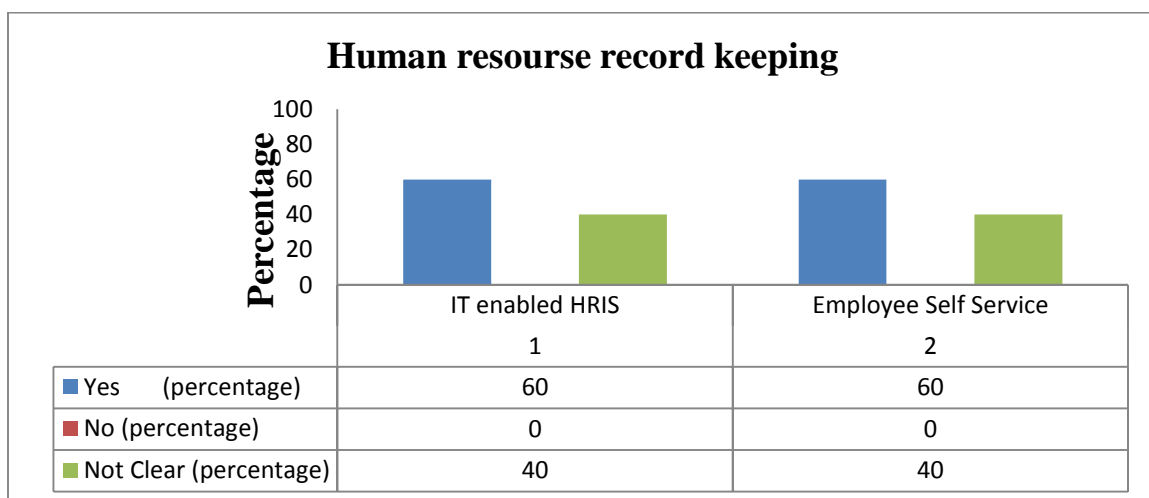


Figure12: Record maintenance.

From the above data it is specified that 60 percent of PSU's are good enough to record their HR related information with the support of IT enabled HRIS's and labour self service support on HR related issues.

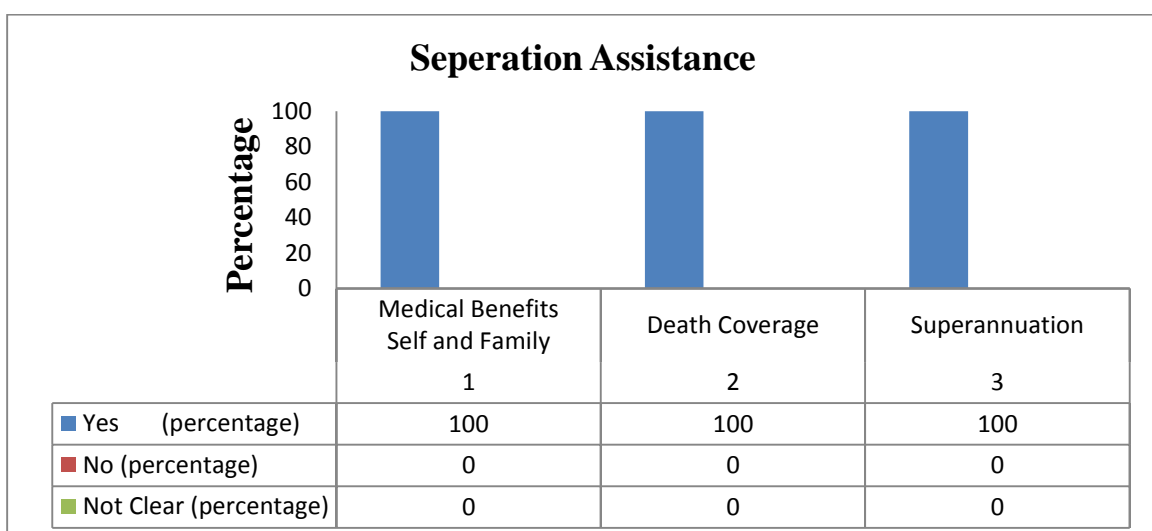


Figure13: Separation assistance.

The above data it is understood that all chose Energy PSU's are providing separation benefits to who are separated from institute for different reasons. Re-compense is in the form of medical benefits for employee and his/her family members, Death coverage and Superannuation benefits

Conclusion:

The department of public enterprises of Government of India, which controls the functioning of all PSU's found to be effectively organizing the energy sector PSU's. From the present study it is revealed that the energy sector has been continuously doing well with increase in profitability year by year with best motivation of their employees. This has been reported in this paper. Out of all motivational factors, employee engagement for successful outcome are found to be "professional freedom, involvement in decision making, professional circles, collaboration, employees satisfaction surveys, young officers gathering and work related workshops". Training on Technical and leadership capabilities, Focus on innovation and research are prime concern of energy sector of CPSU's. Industry competitive compensation packages are also offered to employees by select public sector units.

The results indicated that HR practices need continuous assessment and can be the best way for continuous improvement like Japanese practice of "KAIZEN". Benchmarking is not achieved by many industrial units of Government of India. Hence, this paper can be taken up as a case study to the management practitioners, for dissemination of benchmarking practices of energy sector companies.

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AUTHOR'S PROFILE:

Dr Gurunadham Goli received his Ph.D. in the area of Labour welfare and social security measures from Acharya Nagarjuna University, Guntur, in July 2019. He obtained his masters degree in the discipline of Management in 2007 from A.N.U. He also earned masters degrees in English and Human Resource Management from Acharya Nagarjuna University. He got qualified in lectureship UGC NET in Sep. 2012. He has gained 13 years of experience in teaching and rendered his services in various reputed Engineering and management colleges. Presently he is working as an Asst. Prof. in School of Business, S R University, Warangal, India.

He Has Published 11 papers in various international journals and conferences. His areas of interest are HRM and Strategic Management.



D. Ramesh Babu has got over 24 years of professional experience in manufacturing, research, maintenance, consultancy and project management of Refrigeration, Cold Storage and Controlled Atmosphere storage technologies.

He was graduated in Mechanical Engineering from JNTU College of Engineering, Hyderabad in the year 2000 and obtained MBA in production and operations management from MDU, Rohtak. He also obtained his MTech in Advanced Manufacturing from JNTU, Hyderabad. He has got expertise in refrigeration, fruit preservation and food processing. He is presently working as Assistant Professor in Mechanical Engineering at S R Engineering College, Warangal since year 2014. He has four years of experience in refrigeration equipment manufacturing at Voltas Limited, seven years of experience in fruit preservation at Defence food research laboratory, DRDO-Mysore and worked for eight years at cold chain project of CONCOR before joining teaching.

He is a recipient of DRDO cash award in the year 2003. He was nominated by CONCOR for eight days visit to ISRAEL as part of cold chain project for preservation of apples in the year 2011. He has published 4 research papers in SCI indexed journal, 17 papers in SCOPUS indexed journals and 6 in ICI indexed journals. He also presented numerous papers at various International and national conferences. His paper got best paper award by the TJPRC for the

paper on “The Design of Refrigeration, Thermal Insulation and an Equipment for Healthy Ripening of Mango and Banana without Using Harmful Chemicals.” published in IJMPERD.



Ch. Nageswara Rao received his M.Phil in the area of A Study on Investors Preferences and Satisfaction With Life Insurance Product (With special reference to Guntur District) 2010 from Sri Venkateswara University, Tirupathi, in July 2010. He completed his master's degree in the discipline of Management in 2008 from JNTUK. He also obtained his master degree in Human Resource Management from Acharya Nagarjuna University. 2012. He has 12 years of experience in teaching and worked at various reputed Engineering and management colleges. Presently he is working as an Asst. Prof. in Tirumala Engineering College, Narasaraopet, India. His areas of interest are HRM and Management Science.



Dr K V Narasimha Rao is a senior Professor with 27+ years experience in Academic, Consultancy and Industry and has been working with KLEF (Deemed to be University) Vaddeswaram since 2 September 2016. Dr Narasimha Rao was graduated in Mechanical Engineering from Regional Engineering College, Warangal in 1986 and went on to obtain Master's and Doctoral degrees from the Indian Institute of Science, Bangalore during 1990 and 1995 respectively in the field of Thermal Engineering. He worked for seven years (1995-2002) as Research Associate and Fellow, Industrial Energy Group at Tata Energy Research Institute (teri), Southern Regional Centre, Bangalore before moving into Academics in 2002. Prior to joining KLEF, he worked at few Engineering Colleges as Principal/Director/Dean. Dr Rao has published 40 scientific papers (three in SCI Listed Journals, 30 Scopus indexed Journals and Chapter 10 in Recent Advances in Material Sciences, Lecture Notes on Multidisciplinary Industrial Engineering) and numerous technical reports for various National/International Agencies. HE has filed 14 patents (three published).

Membership of Professional Bodies:

Dr Rao is a member of ASHRAE, ISCA, ISHMT, ISHRAE, ISTE & SESI and Fellow of Institution of Engineers (India).

Scholarships & Awards:

- Recipient of 'National Merit Scholarship' during 1980-85 (6 Years).
- Recipient of 'Special Rank' in Mathematics Olympiad conducted by Andhra Pradesh Association of Mathematics Teachers (APAMT), Hyderabad, A. P. at Senior Level during 1980-81.

Areas of Specialization:

- Energy Auditing, Energy Conservation & Management, Heat Transfer, Refrigeration & Air-conditioning and Renewable Energy Sources.

Research Guidance:

Supervised 14 M. Tech. Students and presently guiding Six PhD Scholars and four M. Tech. Students.

Important Projects handled:

- Dr Rao was the Team Leader for the Consultancy Assignment on Energy Efficiency Services-Phase-III (3 May–30 November 1998), for the Ministry of Industry, His Majesty's Govt. of Nepal, Industrial Energy Management Component of the Power Sector Efficiency Project (PSEP) – IDA Credit No. 2347-NEP, World Bank. The activities included Demand Side Management (DSM), Furnace & Kiln and Boiler Efficiency studies, Co-generation Feasibility studies covering 65 major industries in Nepal. Trained 11 Nepalese Engineers as Certified Energy Auditors as part of the Consultancy Assignment.
- Dr Rao was involved in the field-testing of a number of Energy Saving Devices / Retrofits under the Energy Saving Demonstration Project, funded by GTZ, Germany.
- Dr Rao has developed and Demonstrated “Performance Contract for Industrial Energy Management” for Indian Scenario, sponsored by Canadian International Development Agency.