

Human Resource Management Practices Its Effect on Employee Satisfaction Level With Reference to in Maharashtra State Electricity Distribution Company Limited

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Abstract: *This research work has been done to measure the satisfaction level of employees about current HR practices with special reference to MSEDCL. Today to sustain in such a competitive market it's very important to retain good employees that contribute towards the attainment of Organizational goal and customer satisfaction as well. The information is analyzed for 3 major HRM Practices namely Performance Management System, Employee Relations & Remuneration and Benefits Administration.*

Keywords: MSEDCL

I. INTRODUCTION

Human Resource Management is defined as “planning, organizing, directing, controlling of procurement, development, compensation, integration, maintenance & separation of human resources to the end that individual, organizational & social objectives are achieved”- Edwin Flippo.

Human Resource is considered to be most valuable asset in any organization. Hence it should be utilized to the maximum possible extent in order to achieve individual & organizational goals.

Staff well-being and their level of satisfaction and engagement have been found to directly impact on organizational performance and ultimately organizational success. It is an obvious statement but high employee satisfaction levels can reduce employee turnover. Dissatisfied employees tend to perform below their capabilities, result in high turnover of staff and leave their jobs relatively quickly, and are not very likely to recommend your company as an employer. Satisfied employees tend to contribute more in terms of Organizational productivity and maintaining a commitment to customer satisfaction. Staff satisfaction surveys give employees a voice and also allow the pinpointing of problematic areas, leading to the raising of staff satisfaction levels, developing and reviewing of staff management, and optimizing corporate communications. “Employee Satisfaction is a positive orientation of an individual towards a work role which he is presently occupying”- Vroom

Performance Appraisal System should be fair so that it creates healthy competition among employees. It includes Promotion; Growth Opportunity.

Employee Relations involves appointment of special Labour Officers/ Industrial Relation Officers/ Public Relation Officers to see that all Employees related laws are followed & proper Welfare Schemes are designed.

Unique Remuneration and Benefits Administration includes Best Salary Structure, Allowances, Advances, and Terminal Benefits & Other Benefits.

II. EMPLOYEE SATISFACTION

“Employee Satisfaction is a positive orientation of an individual towards a work role which he is presently occupying”- Vroom

Employee Satisfaction is the term used to describe whether employees are happy & contented fulfilling their desires and need at work. It contributes major part to Employee motivation, Employee goal achievement & Positive morale in workplace.

Satisfied employees are a precondition for increasing productivity, responsiveness, quality, and customer service. (Kaplan 1996, 130)

2.1 HR Processes

The following are the various **HR processes** contributing in Employee Satisfaction:

- Human resource planning (Recruitment, Selecting, Hiring, Training, Induction, Orientation, Evaluation, Promotion and Layoff).
- Employee remuneration and Benefits Administration
- Performance Management.
- Employee Relations.

Factors Contributing to Employee Satisfaction:-

Following are the Factors which contribute to employee satisfaction.

- Treating employees with respect
- Providing regular employee recognition
- Empowering employees
- Offering above industry-average benefits and compensation
- Providing employee perks
- Positive management within a success framework of goals, measurements, and expectations.

2.2 Theories of Employee Satisfaction

Satisfaction refers to the level of fulfillment on one's needs, desires, and wants. It can be experienced in various levels or degrees. Vital ingredients for any employee's satisfaction are physical, security, social and egoistic needs which satisfy individual's psycho social.

A. Equity Theory

People value fair treatment which causes them to be motivated to keep the fairness maintained within the relationships of their co-workers and the organization. The structure of equity in the workplace is based on the ratio of inputs to outcomes. If this balance is maintained, the employee feel satisfied.

B. Expectancy Theory (Vroom's Theory)

This theory emphasizes the needs for organizations to relate rewards directly to performance and to ensure that the rewards provided are those rewards deserved and wanted by the recipients.

C. Maslow's Hierarchy of Needs

There are five different levels in Maslow's hierarchy of needs.

- Physiological Needs
- Security Needs
- Social Needs
- Esteem Needs
- Self-actualizing Needs

D. Two-Factor Theory

The theory states that there are certain factors in the workplace that cause job satisfaction, while a separate set of factors cause dissatisfaction.

- Motivators (e.g. challenging work, recognition, responsibility) which give positive satisfaction
- Hygiene factors (e.g. status, job security, salary and fringe benefits) which do not give positive satisfaction, although dissatisfaction results from their absence.

**C. MSEDCL**

MSEDCL is a public sector undertaking (PSU) controlled by the Government of Maharashtra. It is the second largest electricity distribution utility in the world after State Grid Corporation of China (SGCC). MahaDiscom distributes electricity to the entire Maharashtra state except some part of Mumbai city where BEST Undertaking, Tata Power and Reliance Energy are distributors.

The erstwhile Maharashtra State Electricity Board was looking after Generation, Transmission & Distribution of Electricity in the State of Maharashtra barring Mumbai. But after the enactment of Electricity Act 2003, MSEB was restructured into 4 Companies viz. MSEB Holding Co. Ltd., Maharashtra State Electricity Distribution Co. Ltd. (Mahavitaran), Maharashtra State Power Generation Co. Ltd. (Mahagenco) and Maharashtra State Electricity Transmission Co. Ltd. (Mahatransco) on 6th June 2005. Mahavitaran distributes electricity to consumers across the State except Mumbai.

Mahavitaran supplies electricity to a staggering 2.20 Crore consumers across the categories in Maharashtra. There are about 1, 62, 61,420 Residential, 36, 67,883 Agricultural, 15, 69,043 Commercial 4, 38,366 Industrial and 1,29,661 other consumers in Mahavitaran.

Mahavitaran has 14 Zones, 42 Circles, 133 Divisions and 621 Sub-divisions across the state. Presently, it has 75,370 employees. To make the maximum utilization of these employees for giving better consumer services, Mahavitaran keeps regular training sessions for them. Apart from this, Security Awareness Campaigns are organized for the technicians regularly. Every year, more than thirty thousand employees are trained by Mahavitaran.

Following are the HRM Practices which differentiate MSEDCL from other organizations & increase competency of Employees by making them more satisfied.

Performance Management System

Performance Appraisal System should be fair so that it creates healthy competition among employees.

Promotion- Channel of promotion is available for vertical growth of every individual employee depending on his performance and available of post. Promotions are carried out in impartial manner strictly as per Recruitment Regulations & Service Regulations. Departmental Promotion Plan displayed before 01 Sept.

Growth Opportunity - Opportunity to compete in Direct Recruitment for higher post: Quota for Direct Recruitment for each post. Recruitment is done by I.B.P.S. a renowned Central Govt. approved agency in absolute transparent manner, Higher Grade Benefit (De-stagnation Measure) Grant of Higher Grade Benefit under the provisions of G.O 74/111 on three occasions :

- 1st Occasion - 6 Years from date of joining
- 2nd Occasion - 9 Years from date of 1st Occasion.
- 3rd Occasion - 28 Years from date of joining.

Employee Relations

In MSEDCL, special Labour Officers/ Industrial Relation Officers/ Public Relation Officers are appointed to see that all Employees related laws are followed.

Welfare Scheme

- Medical Benefits
- Medical Camp
- Employee Welfare Trust Fund(Employee Welfare Scheme)
- Providing Alternate Employment
- Monthly Monetary Benefit
- Employment of the son/daughter of the deceased employee (C.S.28 cases)
- Group Accident Insurance Scheme
- Scholarship Scheme for children
- Canteen Facility
- Library
- Sports Club

**2.3. Remuneration and Benefits Administration:****Salary Structure**

- (Basic) Salary: The Basic Salary is the minimum salary of an employee
- Dearness Allowance: At par with State Government
- Company Accommodation : Company accommodation is available on concession rates
- House rent Allowance: @30% of the Basic for Urban area; @ 20% of Basic for semirural area & @ 10% of Basic for rural area if Company accommodation is not occupied.
- Conveyance Allowance
- Electricity Charge/ Supervisory Allowance: As per entitlement of the employee.
- Intra City Allowance. : As per entitlement of the employee.
- Contributory Provident Fund: 12% of the employee's basic salary plus DA is deducted and paid along with the matching contribution by MSEDCL.
- Employee Provident Fund Scheme

Allowances

- Heavy Duty Allowance
- Special Compensatory Allowance
- Transport Assistance Allowance
- Entertainment Allowance
- Technical Journal Allowance and Book Allowance
- Risk Allowance
- E.D.P. Allowance

Advances

The employee can avail the following Advances:

- Advance of TA on tour / transfer.
- Advance of LTC.
- Advance of Medical Treatment.
- Personal Computer/Laptop.
- Festival Advance.
- House Building Advance.
- Motor Car/Motor Cycle/Scooter Advance.

Terminal Benefits

- Encashment of Leave
- Gratuity

Other Benefits

- Leave Travel Concession
- Leave Encashment
- Family Planning Allowance
- Ex-Gratia
- Uniform / Washing Allowances
- Mobile Facility
- Lien For A Period Of Three Years
- Earned leave (EL)
- Casual Leave [CL]
- Leave on Half-Average Pay [HAP]:

Other Leave:

- Commuted Leave on medical certificate [limit of 180 days]
- Study Leave: Providing for higher study. [12 months at any one time, during his entire service, 24 months in all]

- Special Disability Leave [who meet with accident, arising out and in the course of employment, shall be eligible.]
- Maternity Leave [180 days]
- Special Leave (90days) [for female employees of the Company who adopt orphan child.]

III. LITERATURE REVIEW

According to **Bradley and Brian** (2003), employee's job satisfaction is pleasure that an employee derives from his/her Job. It is an attitudinal variable that describe how people feel about their job. (Agho, Mueller, and price, 1993).

Similarly **Sousa-Poza** suggest job satisfaction is determined by the balance between inputs and out puts. According the concept, human has basic and universal needs and that, individual needs are fulfilled in their current situation, and then that individual will be happy. Job satisfaction depends on balance between work role inputs (pain)- like education, working time, effort, and work out puts(pleasures) like wages, fringe benefits, status, task importance, working conditions, and intrinsic aspects of the job. If work outputs (pleasures) are relative to work role inputs (pains).

Frederick Herzberg Theory: Herzberg an American Behavioural scientist suggest that people show their dissatisfaction with salary, job security or organization policy. However, improvement regarding these dissatisfying factors do not necessary mean to have satisfying employees. He identifies hygiene factors like recognition, achievement and growth. According to him these might be helpful to raise job satisfaction level .The independent effect of hygiene factor is inconclusive and have been revisited time and again.

Machewad Niranjana Uttamrao (2014)

In her study on "A study of job satisfaction among the employees in selected private banks in Nanded city". The Researcher study the level of job satisfaction of bank employee the study examined that only small number of employees working in the selected banks were satisfied with their job and large number of employees is not happy with facilities provided to them by the banks and thus it can be concluded that there is need to banks provide the employees the level of job satisfaction that they want.

Aarit Chahal, Seema Chahal, Bhawna Chowdhary, Jyoti Chahal (2013)4

This research paper is investigates the level of job satisfaction of Canara Bank employees in Delhi and which factors influencing satisfaction of employees and to study the relationship between personal factors of employees. The paper attempts to gain insights into the satisfaction level from the perspective of the bank employees factors including salary of employees, performance appraisal system, promotional strategies, employees relationship with management, work load, working hours are to be important for improving job satisfaction of bank employees in Canara Bank.

Dr. Manju Chutia, Nalbori, Assam (India) (2012)11

In this research paper job satisfaction among the working women in greater Guwahati, the term job satisfaction refer to favorable or unfavorable feeling and emotion of the employees towards their own work. It refers to the satisfaction of the employee in his own profession. Job satisfaction is the result of various attitudes possessed by an employee towards his job. These attitudes may be related to job factors such as wage, job security, job environment, nature of work, opportunity for promotion, prompt removal of grievance, opportunity for participation in decision making and other fringe benefits. A person joins an organization with certain hopes, expectation, drives and need which affects his performance. Sometimes it seems to be difficult to ascertain. This varies from person to person. However it is highly useful to understand as to how the need create tension, which stimulates the effort to perform and how effectively performance brings satisfaction. The present study is an attempt to trace out the level of job satisfaction of the working women engaged in different professions in greater Guwahati, an attempt was also made to compare the job satisfaction level of the working women in greater Guwahati working in different job environment.

IV. CONCLUSION

Various studies point out that Remuneration & Benefit Strategy has strong association with Employee Satisfaction. Also employees feel safe in working environment & with employee relationship policies of MSEDCL. PMS must motivate employees of MSEDCL to some extent as current PMS has scope of improvement. Retirement & Welfare activities of MSEDCL are good so it must satisfy most of the employees.

The paper concludes that the current HRM Practices of MSEDCL are good for employees. Remuneration & Benefit



strategy of MSEDCL is better than other companies. Positive point is Employees must feel safe about them & their families in MSEDCL Environment. MSEDCL is still using traditional method for promotion. So company should use Modern techniques.

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