

Industry: Movement from Feudalistic Organizations to Mature Thrifty Organizations

Vividh Bansal

Manager, Central Bank of India

ABSTRACT

'Money' is the sole objective of a profession and it is not necessary it comes through employment only. So the supporting structure of a state should be like that it supports citizen when off the duty through credit in form of various allowances payable to them under certain norms. 'Recruitment' and 'Development' should be made in line such that the twin objectives should be met for which the concept of 'Revolving Recruitment' as well as 'Support Systems' should be implemented as discussed. We will hopefully say a goodbye to feudalistic structure soon and the coming age would be of mature thrifty organizations. It is high time that we realize we need the talent to work for the development of country and for it we do not need full-employment but quality employment through the help of research and education which brings in institutions as well as technology.

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Today we are noticing a sharp change in the way people used to work and earn their earnings. Time before, They used to study whatever they can, according to their limitations sighted both on personal caliber and family level, and used to end up in the job-work of menial tasks or state held posts. Former were business men and the latter were the kings. Both of them had some kind of relationship with each other as each was based on the ancestral legacy which has been passed on to the further generations. Day by day as time has passed generation after generations we have witnessed 'Industrial Revolution' which with it brought machines, hierarchy, quality, supply and more importantly it has led to two distinct class of workers – blue collared and white collared – the workers and the executives.

In this paper we will investigate the two class of workers and will try to bring about the best practices for the industry. We will not go into specific parts of labor laws but will analyze it in general. We will also try to ascertain best recruitment and retention policies available with the organizations and to be specific will try to see the importance of the lateral

placements, lateral transfers, lay-offs, retrenchment and its relation with the profitability and the existence of the organizations. "Recruitment" is a very complex area of discussion and as we delve deeper into it the quality of the candidate takes utmost important place. Several other factors too come into the consideration like institution, quality of education, location, cost of hire, nature of work, job profile, personality, working hours, involvement of workers union, wages, benefits and allowances, leaves and other insurance coverages like health benefits, insurance cover, compensatory appointment.

In short it is the streamlining of the recruitment and selection process that can change the whole economic scenario of the country. In our country most of the economy is agrarian and concentrated in rural with quantum of people engaged there around about 70% or more. But still major revenue is from the urban areas especially from the multi-national companies which not only provides skill development available as per the best industry standards but also helps in creating meaningful resource as well as self-sustained knowledgeable boost up. Recruitment as in other

foreign developed countries is very different then the recruitment and selection process in our country. In developed nations it is not the work or job that a person looks for but he goes for the seek of knowledge and tries to develop himself and with the facilities available into a professional to the utmost of his capabilities. This is possible because of the state support available in terms of health insurance, unemployment allowance, easy credit facilities from the financial institutions, political support, time to time support both in monetary and cultural basis.

“Recruitment and selection” are the two buzz words which if brought together in proper manner can lead to all the objectives especially related to employment, growth, stability, happiness, and technology related goals to be completed of major economies especially considering the regular recession, cold-wars, destruction and crony capitalism and cartelization. All things move together. We see in industry taking new joiner’s from institutions directly of known repute and well established alumni network already working in the multi-nationals who serves as point of contact. It is difficult for the talent to achieve what he should as per his caliber if he doesn’t have the support from the administrators, teachers and to a larger scale the political body as well as institutions. Right profession as well as right education allows to achieve proper role and responsibility in the industry to a budding talent which not only allows the growth of the person but on a larger scale it also allows institution, nation as well as capacity to look beyond means to live.

Recruitment generally happens in the following ways, it is possible to locate talent and then groom it up which is the best practice in the industry now-a-days to allow to fill the vacancy in the institution. The grooming is based on the requirements as per the job profile. Recruitment in the institution happens in the following ways:-

1. Through Campus
2. Through Referral
3. Through Advertisements
4. Through Hiring Institutions
5. Through Third party
6. Through Recommendations
7. Through Interviews
8. Through written tests
9. Through multiple interviews
10. Through Promotions

If we see, in a nutshell, in-campus and written channel are the primary mode of taking in the candidates in the institutions especially government organizations. When we come to the multi-nationals we see the prominence of lateral recruitment as well

as with the campus selection process for the filling of the vacancies inside the organization. At higher level we see the movement of whole businesses as a whole with the movement of experienced professional and generally we see the movement of entire business to the other organizations with the movement of them and at times it is a movement of whole team from group of working professionals with their leader.

Now where we can change this ‘*recruitment process*’ so as to allow the introduction of seamlessly easy driven process in order to allow easy mobility, growth, switch across organizations, fresh candidates, quality experience, uniform job description, third party support, seasonal contractual employment, referrals, spotting talent, recommendations, and continuous skill updating.

If we try to bi-furcate the work in the industry, it arrives in terms of fixed or variable budget projects which has been properly planned with strategies, resources, time-line and is having segregated differentiated assigned role-powers mapped to the man-power. Now, where we can introduce resources and how can we leverage potential through timely hire of skilled talent.

For such a scenario we have to change a lot in our employment and labor structure. We are having labor laws which are governing our employment-employee relationship strongly for a just and even delivery. It doesn’t allow many things and keeps a check on employer’s activities through just, able and cumbersome processes which makes both recruitment as well as retrenchment and lay-off’s very difficult. It is a defining feature of Indian economy which has a focus on full life-time rather than on every part or gap of life. So in India you live a life only once which is equally distributed in your education, service, transfers, promotions and retirement. There, in name of admission and recruitment are written tests mostly supplemented with interviews if required and to the most surprising fact you have to crack them only once in your career or in life-time. The introduction of institution, union and state-labor-welfare policies come here and with it come salary-structure, insurance, leaves, benefits, House-Rent-Allowance, probation, nature-of-job, permanent/contractual/ Daily-wages, transfer-policy, compensation under provident fund and gratuity, pension, and other time-to-time introduced staff benefit measures like bonus, gifts, prizes, awards and others.

Where we need to change?

Revolving-Recruitment:

We should create a pool of professionals from where the institutions can hire and deploy employees for

part-time or full-time. This pool of professionals should have high visibility as well as high reach and all the professionals registered in it should be certified high performing individuals with proven track record. It should include professionals from all the fields and should be picked up from institutions of higher studies like medicine, engineering and other professions. In line of profession like engineering, arts, commerce, banking, administration it would serve as a centralized body to provide resources. The idea is to create a centralized body who could guide in placement, movement, growth, up-skilling, leaves and will help in managing effective resource pool with state-support or state-recognition. It should have persons listed as profiles with their current position and job profile and

Make-In-Country:

Citizens of the country should be allowed, if found suitable with a business idea or product, with the help of *Revolving-Recruitment* they should be equipped with professionals suited for the synthesis of the product or idea. This will not only enhance employment opportunities but will also strengthen the country both strategically as well as financially. Resources already engaged in other companies will find a newer role as a monetary supplant as well as an up skilling newer work. It will help in networking, connections, development, and moreover it will help in stopping the evil-menace of brain-drain. Country should register all the candidates admitted into the renowned institutions of the country like IIT and IIM's and other students through common entrance test re-take able any number of times which will help in putting in parallel all the people on a common platform. Salaries can be on the lower side but benefits like un-employment allowance should be made applicable for the persons registered and are not actively working some-where.

Support System:

The support system should be there which allow movements through the institutions and the organizations. All the entrance examinations especially for professionals and for higher studies should be done through the registered bodies and each passing fella should be recognized and aptly put on the work as and when required. The support system should work like insurance firm which operates on a premium. It should support not only the professional but also his family in case of any emergency. The support should be both monetary as well as social. The idea is to help individuals find work across organizations and pan country basis at-least through proper channel resources. The support system is equivalent to the LinkedIn which, although not a

popular way in India, will function in our country and access to the sectors like finance, aviation, defense, software, banking – in particular two different types which are public-sector-units and others which are private, communication and RBI (The governing centralized body) should be available equally to each of the registered members. It is just like the citizenship of the country. With the citizenship comes the various facilities and political power like casting vote and other rights. Similarly this will help in securing resources and channelizing talent pool for effective mobilization of the resources.

Where we stand?

We stand at a place where we see resources being wasted terribly by lesser opportunities, low salary, lesser quality work, low in-take in organization and institutions, absence of centralized support systems to an individual than any institution, waiver of tuition fees to students on the basis of their merit, reservation on economic status etc. We are now 130 million with old regime moving away and we are moving into a modern digital technology where the concept of 'Anywhere and Anytime' makes the concept of revolving recruitment as well as support system as well as make in country can reach to the pinnacle of success.

Best Practices: Available

1. Presence of strong Unions
2. Centralized testing pattern both for professional as well as for higher studies
3. Classification of jobs majorly by classifying the workers into blue-collared as well as white-collared employees
4. Proper Designations with the nature of jobs that is job description
5. Division of services available categorically into various posts with initial posting through Civil-Services and engineering-services with lateral entries into the centralized services by UPSC and examination body like PCS to held for state sponsored services.
6. DoPT – Department of training and placement – This administrative body looks after the training and placement of the qualified students who come out through the civil services and provincial services and is responsible for these selected students to be placed at higher positions in the administrative bodies

Not Available:

1. Unions generally are bi-furcated and now-a-days are split into various small groups where the

strength to over-throw management dies and is thus vanishing fast

2. Testing pattern is filled with flaws with people with lesser caliber qualifying for the examination then the worthy ones. It is partly because of the presence of reservation and large number of the coaching institutes which are rising at an alarming rate leading to false pick up of talent.
3. Job-classification and description are absent in the jobs leading to chaos and improper functioning of the bodies
4. Concentration of power is too much with a chair and it leads to several times awkward decisions as well as inefficiency.
5. No proper support systems exist and neither there is a proper way to train, up skill a talent. Also movement to other departments for better work as well as to create better opportunities are absent in the country
6. Training is not categorized at grass root levels. Brain drain is happening as due to very high power distance there exist communication gaps and ego issues to allow proper allocation
7. Despite commensurate education with recognized institution's degree, it is still not considered equivalent to others for filling in gaps in the various government bodies. On this parameter the validity and reliability of the institution questioned.

This **Revolving recruitment with Support Systems** should be put into practice and it should first be tried up for the start-ups. As we see the start-ups would be able to leverage their best through proper guidance from mentors and employees who will be available to him part-time or full-time as suggested. This will allow the start-ups to exploit best of the talents and the worker to harness best of their opportunities to monetary as well as social benefit. It should also be tried for the teaching and learning as then there will be more learning as the best teachers will guide students. Even a mediocre student will rise above others. A base where all the professionals are registered will do the work but we should be careful that LinkedIn and other sites do exist doing same for the organizations and so we have to crate our own unique feature.

Overseas, mostly in the American and European countries, the concept is already very much active and we already have international websites and the participating global level institutions as well as various companies who are collaborating with each other at various horizontal in verticals to allow various types of movement of resources and introduction of talent at various positions.

In India, we are almost fifty years behind the overseas and are rejuvenating in these sectors with the emergence of technology. We are at present seeing mass-layoffs at the international level due to covid and reduction of work-force in the companies due to various innovative solutions as work-from-home initiative.

Comparison at present of Companies in India and Overseas:

Measurement Parameters	Indian	Overseas
Ability	Very High	Low/Moderate
Citizenship Benefits	Very Low	Very High
Networking	Extremely Low	Extremely High
In-Campus Recruitment	Prominent	Prominent
Off-Campus Recruitment	Negligible/Absent	Prominent
Institute Support	Low	Very High
Culture	Closed	Open
Power Distance	Very High	Low/Negligible
Compensation	Low	Very High
Volatility	Low	Moderate
Work-Profile	Lower Recognition	Very High Recognition
Experience Weightage	Less	Very High
Growth	Very Low	Very High
Innovativeness	Low	Extremely High
Movement (Cross-Organizational)	Very Low/End	Extremely High
Quality of Work	Negligible	Extremely High
Leadership Effectiveness	Negligible	Extremely High
Bonding/Motivation	Moderate	Moderate
Ease of work	Low	Very High

Comparison of Start-Up and Established Companies again Bi-furcated into Traditional/Hierarchical and Multi-nationals and other Government bodies

Parameters	Companies				
	Start-Up	Established Companies		Government	Others
		Traditional	Multinationals		
Ease	Very High	Low	High	Very Low	Moderate
Resource Pool	Extremely Low	High	Very High	Moderate	Moderate
Revenue	Very Low / Negligible	Moderate	High	Low	Moderate
Number	Extremely High	Moderate	Moderate	Very Low	Moderate
Innovativeness	Extremely High	Low	High	Negligible	Moderate
Number of Employees	Low	High	High	Limited	Moderate
Recruitment Process	Easy	Stringy	Stringy	Extremely Exhausting and difficult	Moderate
Lay-off's	Very frequent	Lesser	Lesser	No Layoff	Lower
Job Security	Negligible	Moderate	Moderate	Very High	Lower
Opportunities	Very High	Moderate	High	Low	Lower
Ability	Very High	Moderate	High	Low	Lower
Location	Metro's	Metro/City	Metro	Selected Places	Selected
Quality of Work	Very High	High	High	Low	Moderate
Time for On-Board	Very Low	Moderate	Moderate	Very High	Moderate

Recommendations Considering Current Scenario as well as World Economic Situation regarding Managing Institutions, Recruitment, Talent-Retention as well as the growth of country

- Creation of Talent pool by formation of a body of individuals in each discipline through a common examination and interview to allow Revolving Recruitment possible
- Presence of Support-System for the gestation period as well as for the period of unemployment due to regular study, lay-off's, retrenchment to cover financial insecurity
- Technological support to young businesses in form of government or state support in cut in the tax rates and other suitable facilities from time-to-time
- Allowances and benefits to employee registered in the talent pool and time to time allocation of the recognized resources to the start-up and other businesses in order to facilitate growth of Indian economy
- Limited hours of work and if working for more hour's payment of allowances and perks in order to facilitate healthy environment with financial security
- Facility of leaves and promotions with choice of posting to the resources
- Work-distress to be covered with the suitable insurance cover and compassionate appointment
- Reservation in State run institutions as well as in academic institutions already exist. With it further protection be offered to the lesser-privileged population through merit-scholarships
- Labor laws concerning the identified talent pool as well as for the Start-Ups should be introduced afresh and for time-being
- Process of refusal as well as for posting restrictions be judged at the institutional level as well as state level and for the recognized talent pool be waived off with time to time.

A look at the Indian Labor Laws:

- Labor laws in states has been after the formation of ILO in 1919 a continuous process where time and again laws were introduced and implemented at higher levels of executive and Judiciary.
- Labor laws are a necessity to let the justness prevail after the laissez faire as well as hire and fire approach of employers and also lay-off's and retrenchment of workers or stopping the salary of workers without any substantial cause.
- Indian labor laws allow the laborers free-time, easy hours, leaves, insurance, benefits including gratuity, pf, and pension related wages and compensation

Necessity of Pension:

Pension comes under the social security measure and is supplemented to the wages that are earned after the service is over. If we see in our country it is of utmost

importance that pension should be dissipated to the retirees – new or old, stopping it on any pretext is simply a way to disturb the sensitive social structure that is prevailing over the years. Pension is a way a retiree in India which is a developing economy keeps himself self-dependent and self-reliant. It keeps the retiree's social status alive and also serves as a token of gratitude to the highly competitive employment field in the country where to crack for the vacancy is like spending at-least more than fifteen years in education and preparation for it which almost denudes once social status, life, health and economic condition and even after joining the job returns are not substantial both economically as well as socially.

Pension is the necessity and to fulfill the necessary social objective in the dire economic situation right now it is also a feature which will help everyone in a way to fight out the evils of poverty, inequality, literacy and facilities gap in their life. Everyone after a certain age should get their part of pension so that they are able to meet their social and economic needs. 'Pension' is a necessity and it should be kept in the older structure. We cannot leave it in the form of contributory pension which is based on the market speculation. When people grow old we see the

importance of pension as it remains the only thing which helps in making family of the person care for him and importance of his life is highlighted by the pension amount he receives till his life.

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