

A Study of Social Security Measures in Raichur Thermal Power Station (RTPS) Shaktinagar Raichur (Karnataka)

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Abstract

Man is a valuable resource, his economic utilization is a prime responsibility of management and the obligation of the human resource management; so far attention is focused on the acquisition of manpower and development of an effective workforce. Human resource play crucial role in the development process of modern economics. The power-generating sector is playing vital part in the industrial revolution. Since it is a basic input for the industries, uninterrupted power supply is inevitable. Hence, contended workforce is indispensable ingredient of the organization to dispose their efficient and hard work. Therefore, it is on the part of management of the corporation to provide adequate welfare and social security measures to the entire workforce and to see that the workers are highly satisfied and render their service to achieve the organizational goals. Karnataka Power Corporation Limited (KPCL) / Raichur Thermal Power station is a production based mega organization, which embarks on skilled and efficient workforce. The researchers in this paper have made an attempt to study the various welfare measures provided by the organization. Based on the observations and conclusions drawn from the study, they have suggested some useful suggestions to the organization for integrating them in to the policy framework.

Keywords: Karnataka Power Corporation Limited (KPCL), Mega Organisation, Nagjhari Power house (NPH), Raichur Thermal Power station (RTPS), Social Security Measures

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1. Government Owned Power Companies

India's Ministry of Power administers central government owned companies involved in the generation of electricity in India. These include National Thermal Power Corporation, Damodar Valley Corporation, National Hydroelectric Power Corporation and Nuclear Power Corporation of India. The Power Grid Corporation of India is also administered by the Ministry; it is responsible for the inter-state transmission of electricity and the development of national grid.

The Ministry works with various state governments in matters related to state government owned corporations in India's electricity sector. Examples of state corporations include Karnataka power corporation limited, Andhra Pradesh Power Generation Corporation Limited, Tamil Nadu Electricity Board, Maharashtra State Electricity Board, Kerala State Electricity Board, and Gujarat Urja Vikas Nigam Limited.

Karnataka Power Corporation Limited (KPCL) is a production based mega organization, which embarks on skilled and efficient workforce. Endeavored to meet the engrowing needs of power and fill the gap of demand, it is constantly striving hard. In this organization welfare measures are considered to be important tool to improve and motivate the workforce for better efficiency, there by improvement in the productivity. Therefore, contentment of the workforce is an essential parameter which leads the organization for success.

The power-generating sector is playing vital part in the industrial revolution. Since it is a basic input for the industries, uninterrupted power supply is inevitable. Hence, contended workforce is indispensable ingredient of the organization to dispose their efficient and hard work. Therefore, it is on the part of management of the corporation to provide adequate welfare and social security measures to the entire workforce and to see that the workers are highly satisfied and render their service to achieve the organizational goals.

2. Statement of Problem

After studying and going through extensive survey of literature the researcher has observed that lots of research works have been done on Human Resource Management and Development but there is no significant work done on Human Resource Management in thermal power plant in power sector. Power sector has become the important infrastructural sector encompassing huge workforce rendering service to produce an important input to the socio-economic development.

Energy is an essential input for both domestic as well as industrial purpose. It is key element for economic development and improving quality of life. In view of their energy development and security has been placed next to the food security. It has been given high priority in our development plans. A number of multipurpose projects came into being. The installation of Thermal, Hydro and Nuclear power stations have been increasing significantly.

Power generating sector is labour-oriented industry. India's economic growth is related with the infrastructural development in association with workforce. Globalization and Information Technology along with changed priorities and attributed value additions of business houses and individual employees brought significant changes in the Human Resources policies and Practices. In addition several changes have been taken place in the practices of Human Resources Management in Indian Organizations due to the recent economic recession across the globe.

To enhance the productivity of the employees, for the success of this important Human Resources practices it requires (careful and meaningful) effective and efficient utilization of Human Resources by social security's for the employees and their dependents and being such important area only few research studies have been under taken on Human Resources Management in Thermal Power Project in power sector. Thus there exists a large research gap. To fill this gap the present study entitled "A study of Social Security measures in Raichur Thermal Power Station (RTPS) Shaktinagar" Raichur (Karnataka) has been chosen for the research.

3. Objectives of the Study

The present study is under taken with a view to achieve the following objectives.

- To through light on development of RTPS/NPH of KPCL in Karnataka.
- To observe the awareness and satisfaction among the employees of RTPS and NPH of KPCL in respect of compliance of social security measures.

- To suggest the management of RTPS/NPH of KPCL in improving the productivity of the workers through development of suitable HRM practices covered in the study.
- To present the recommendations based on the findings of the study for effective HRM practices.

4. Hypothesis

The Study aims to test the following Hypothesis.

- The RTPS (KPCL) employees are aware and satisfied with the social security measures and there is no difference in the opinion of corporate and non-corporate employees as far as compliance is concerned.

5. Scope of Study

Though Management of RTPS (KPCL) covers wide range of activities the study focused its attention mainly on the Human Resources Management (HRM). Among the variables of HRM more attention is devoted towards social security measures provided for employees of RTPS/NPH of KPCL. It was not intended to go into the details about socio-economic aspects even though some reference has been made at relevant places. Appropriate recommendation was also made to improve productivity, profitability's and quality of services through proper compliance to relevant social security legislations.

6. Area of the Study

The employees of RTPS/NPH of KPCL are central point of the study.

7. Methodology

To meet the specific objectives of the study has been collected through primary and secondary sources.

8. Sample Designs

There are 2030 employees working in different cadres working around the clock. Since Raichur Thermal Power Station is Power generating unit. The researcher has collected response from 304 employees which includes corporate and non-corporate (technical and non-technical) working in different shifts.

While collecting the primary data through structured interview schedule has been administrated on the respondents who were selected on the basis of stratified sampling method.

9. Limitations of the Study

The Present Study is limited to RTPS and NPH unit of Karnataka Power Corporation Limited. A Govt of Karnataka enterprise, although, there are many more units managed by the KPCL, they are far away from the study centre, due to cost and time constraint the researcher was unable to collect data of other units managed by the KPCL. Hence, Comparative study of HRM of different units was not possible, which would have thrown more light on the problem. There could be different response from different units since the working conditions, geographical environment and the process of production of electricity is different from Thermal Power generation to Hydro Power generation/ other form of generation though the HRM of KPCL as a whole is same. Still the researcher shall almost give a clear picture of HRM since almost 35% of the total employees of the Organization (KPCL) work at RTPS and in NPH -10% of the total employees of KPCL. Therefore, the researcher is making a comparative study of Human Resource management of RTPS and NPH of KPCL.

The RTPS is a mega unit with 2030 and In-NPH 512 employees working in different capacities with more technical job and working in different timing around the clock. Hence there is no scope for conducting personal interviews of all the employees in the organization effectively; hence the same has not been undertaken. The respondents were encouraged to give their fair opinion and also in the questionnaire mentioning of their name was made optional, so that the respondents could give their fair opinion without any fear. Still some of the respondents could not have revealed their fair opinion. Still there may be around five percent of the respondents could have not given fair opinions because of the fear factors, however the researcher has tried his best to get the suitable data from the experienced staff to avoid the research work to suffer from lack of data resources.

10. Concept of Social Security

The concept of social security has been mentioned in the early Vedic hymn which wishes everyone to be happy, free from ill-health, enjoy a bright future and suffer no sorrow. Social Security is defined as "The Security that society furnishes, through appropriate organization, against certain risks to which its members are exposed."

Social security is also broadly defined as "The Endeavour of community, as a whole to afford itself to the utmost extent possible to any individual during periods of physical distress inevitable on illness or injury and form the economic distress consequent on reduction or loss of earnings due to illness, disablement, maternity, unemployment, old-age or death of the working member".

From the economic point of view, social security measures help a man to face the contingencies referred to above. When

such contingencies arise, it is difficult for him either to work or get work and support himself and his family. Social security thus provides a self-balancing social insurance scheme, or assistances from public funds, or a proper combination of both. Due o the physical incapacity to work during any contingency, any effective scheme of social protection needs to take care of worker's income and medical care.

11. Social Security Measures in India

In India, in the past, social security in a crude form of social protection was made available to the needy and the unfortunate in the joint family and caste system. Additional help was provided by community panchayats, orphanages and widows' homes and by individual offering alms and charity.

Social security is a major aspect of public today and the extent of its prevalence is a measure of the progress made by a country towards the ideal of a Welfare State," so observed the National Commission of Labour in its report submitted in 1966. The following legislative measures have been adopted industrial workers. A summarized the position of the existing legislation in respect of administration, coverage, sources of funds, benefits and other relevant aspects of the major enactments providing social security to industrial workers in the country is represented as follows;

11.1 Workmen's Compensation Act, 1923

The workmen's Compensation Act was passed in March 1923, and was put into effect on 1st July 19224. This Act followed the British model, but was adapted to suit Indian conditions. It has been amended several times. It was extended and enforced by the Indian Independence Order of 1948 and by the Adaptation of Laws Order in 1958. Wartime injuries were also covered by the Act.

The 1962 amendment raised the wage limit covered under the act to Rs. 500 per month. It also amended the clauses bearing on industrial diseased and revised the rates of compensation. With effect from 1st October 1975 the wage limit coverage of this Act has been raised from Rs. 500 to Rs. 1,000 per month.

11.2 Employees' State Insurance Act, 1948

The ESI Scheme offers both direct and indirect medical care. The direct method is called the "scheme system" by which the ESI Corporation provided medical care, either through its own Employee's State Insurance Hospital or through reservation of beds in State Government hospitals. The indirect method is known as the 'Panel System', under which medical care is provided

through private doctors selected by the State Government with the approval of the ESI Corporation.

The benefits provided under the Act are:

- a) Sickness benefit:
- b) Maternity benefit:
- c) Disablement benefit:
- d) Dependants benefit:
- e) Funeral benefit:
- f) Medical benefit:

All workers, earning less than Rs. 1,000 per month and employed in power-run factories employing 20 or more workers are covered by this scheme. However, this scheme does not cover worker employed by seasonal factories. An insured person under the ESI Scheme is not eligible for similar benefits under the Workmen's Compensation Act and State Acts relating to maternity benefits.

11.3 Coal Mines Provident Fund and Bonus Schemes Act, 1948

The Government and some private undertakings attempted to solve the problems created by the contingencies of old-age and death by introducing provident fund, gratuity and pension schemes for industrial workers. The report of the Royal Commission on Labour 1931, and that of the Labour Investigation Committee 1946, advocated the necessity of making some provision against old-age. Employers gradually realized the importance of the provident fund scheme as social security measure. But it was only in 1948 the concept took a practical shape and the Coal Mines Provident Fund and Bonus Schemes Act was enacted. The Act is applicable to all the coal mines in the public and private sectors all over the country. With effect from 1st September 1971, the State of Jammu and Kashmir has been also brought under the purview of the Act.

11.4 Employees' Provident Fund Act, 1952

After the successful working of the 1948 Coal Mines Provident Fund and Bonus Scheme, other industries demanded that the Central Government should extend similar benefits to the workers in their undertakings as well. This resulted in enactment of the Employer's Provident fund Act, 1952, which applies to all factories, mines other than coal mines and commercial establishment employing more than 20 workers. All workers earning less than Rs. 1,600 are covered under this Act. All accumulations of the Provident fund are invested in Central and State Government securities and other Government approved securities. Interest on these securities will be accrued to the worker's account. The Provident fund Act of 1952 was amended and the

Employee's Family Pension Scheme has been enforced from March 1, 1971, with a view to protecting the family of the worker after his death.

11.5 Maternity Benefit Act, 1961

After the Report of the Royal Commission on Labour 1931, Maternity Benefit Acts have been enacted in some states. Subsequently, several other States enacted a similar law. The mines Maternity Benefit Act 1941, the Employee's State Insurance Act 1948, are provided to women workers. Following the enactment of the Maternity Benefit Act in 1961, which provided better and more far-reaching benefits, the State Acts lost their importance, and the States began to adopt the Central Act on gradual basis.

11.6 Industrial Disputes Act, 1947

Every tea, coffee, rubber and cinchona plantations, measuring 10,117 hectares or more and employing at least 30 workers, is covered by this Act, which has since been extended to the cardamom plantation in Tamil Nadu and Kerala. The Act lays great emphasis on medical care of workers and their families. According to the rule prescribed by state governments, workers covered under this Act are eligible for cash benefits in sickness and maternity.

11.7 Industrial Disputes Act, 1947

The industrial Disputes Act, 1947, is the only Act, which provides protection for workers in the case of unemployment due to lay-off. This relief is given by means of compensation to the affected workers at certain specified rates. The compensation in retrenchment cases amounts to 15 days average earnings for every completed year of service or part thereof. In the case of closure of undertakings, the retrenched workers receive compensation at the above rate. However, it is limited to a maximum of 3 months average earnings if the closure is due to circumstances beyond the control of the employer.

11.8 Employer's Family Pension Scheme, 1971

The Government of India under the Employees Provident Fund and Family Pension Act notified this scheme. Here, family pension means a regular monthly amount payable to a person belonging to the family of a member of the Family Pension Fund in the event of his death during the period of reckonable service. The definition of the word 'family' covers wife of husband, minor sons and unmarried daughters of a member of the Family Pension Fund.

11.9 Payment of Gratuity Act, 1972

According to the Act, gratuity shall be payable to an employee

- On the termination of his employment after he has rendered continuous service for not less than five years.
- On his superannuation
- His retirement or resignation or
- On his death or disablement due to accident or disease. The amount of gratuity payable to an employee, at the rate of 15 days wages based on the rate of wages last drawn by the employee concerned, shall not exceed twenty months' wages.

The following are the common social security measures in KPCL/RTPS/NPH

11.10 Workmen's Compensation Act, 1923

Workers need protection against industrial accidents, which occur in every country with necessary use of machinery and mechanical power in organized industry. Accident leads to death or permanent or temporary disablement, and therefore, affects economic resources and human energy, subsequent suffering of the workers and their dependents.

Payment of compensation can be supported on both humanitarian and economic grounds. On the other hand, it is also the

recognition of the value of human life and provides the worker a sense of security, which increases efficiency and values.

12. Awareness of Social Security Measures in KPCL/RTPS/NPH

From the Table-1 it is observed that is no significant difference in the awareness of different social security measures between corporate and non-corporate employees (89%, 85% respectively) (P=0.44 N.S). The awareness of all the employees in KPCL is 87%.

The satisfaction regarding compliance of the social security measures in corporate and non-corporate employees of KPCL are 91% and 95% (P=0.27 N.S) which is not significant.

The overall awareness and satisfaction among KPCL/RTPS/NPH respondents comes to be 93% and only 7% respondents are not satisfied. The satisfaction level being as high as 93% which reveals that hypothesis comes to be proved.

Having analyzed the opinions of the respondents, regarding the social security measures at RTPS/NPH of KPCL, the researcher is able to sum up the findings and conclusions emerg-

Table 1. Respondents' consolidation opinion regarding awareness of social security measures in KPCL/RTPS/NPH

Cadre/ Social Security Measures	Corporate		Non-corporate	
	Aware (%)	Not Aware (%)	Aware (%)	Not Aware (%)
Workmen's Compensation Act, 1923	93	7	98	2
Employees' PF Act, 1952	97	3	96	4
Loan against PF and repayment	93	7	96	4
Payment of Gratuity Act, 1972	92	8	96	4
Payment of Bonus Act, 1972	71	29	39	61
Total	89	11	85	15

Z test for proportions, P=0.44 NS

Table 2. Respondents' consolidated opinion regarding satisfaction of compliance of social security measures in KPCL/RTPS/NPH

Cadre/ Social Security Measures	Corporate		Non-corporate	
	Satisfied (%)	Not Satisfied (%)	Satisfied (%)	Not Satisfied (%)
Workmen's Compensation Act, 1923	100	-	100	-
Employees' PF Act, 1952	100	-	100	-
Loan against PF and repayment	91	9	87	13
Payment of Gratuity Act, 1972	100	-	100	-
Payment of Bonus Act, 1972	65	35	86	14
Total	91	9	95	5

Z test for proportions, P= 0.27 NS

ing out of the study and also the relevant suggestions springing out of the findings.

13. Findings

The study was conducted with the specific objectives and intended to validate empirically pre-set hypothesis. Following are the important findings of the study

1. Power sector has become key infrastructural sector which plays pivotal role in the industrial development and KPCL is the state owned mega organization involved in power organization.
2. KPCL is known for its corporate governance.
3. Demographic profile of the respondents shows that 90% and 80% are male employees in RTPS and NPH respectively. Gradually there is an increasing trend in the number of female employees. Among the respondent chosen majority are in the age group of 45 years and above in both RTPS and NPH, which shows a strong base of experienced human resource.
4. KPCL has got well experienced, both corporate and non-corporate, work force averaging their length of service about 20 years.
5. Out of the total employees i.e. 2030 working in RTPS most of the employees 1296 are non-corporate i.e. 63.84% and also there are 232 female i.e., 11.42% employees working in different cadres including technical and non-technical cadres. Linear regression Analysis showed that there is a Linear Increase in the recruitment of male employees when compared to female employees.
6. There are totally 1305 employees who have technical education like Graduation/Post Graduation in Engineering Diploma in Engineering and ITI. It shows that majority 64.28% of the employees in both corporate and non-corporate employees have technical education and it shows that the organization is purely a technical organization from the data collected.
7. All the employers of KPCL are aware of most of the amenities provided and social security measures extended. Almost all the employees are satisfied with the amenities like financial assistance for major disease; Medical re-imburement etc.
8. In both the units of KPCL, Employee State Insurance Act of 1948 provision is not met, as RTPS and NPH are running

their own established hospitals and dispensaries. However, few respondents expressed to have specialty hospital in the township by upgrading existing hospital.

9. All the respondents are aware of Provident Fund (PF) contribution and loan against PF, Workmen's Compensation Act, Bonus Act and Gratuity Act etc.
10. To know the level of satisfaction among different cadre of employees study was conducted and it reveals that there is no much variation in two cadres i.e., corporate and non-corporate cadre. Corporate cadre employees are almost satisfied with the social security and welfare amenities. However, among non-corporate cadre majority are dissatisfied with spittoon provision, facilities for sitting and canteen etc.

From the above findings it can be inferred that hypothesis have been proved.

14. Suggestions

Bonus may be provided as per payment of bonus Act. In spite of all the provisions compiled by the organization there shall be continuous monitoring of the various social security measures. Individual audit based system for the implementation of the schemes shall be adopted to avoid the take it granted attitude. Time to time awareness regarding various schemes shall be created among the workforce by conducting awareness programs.

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ANNEXURES

The tools and formulae used to test hypothesis

1. Chi- square Test

$$X^2 = \sum \left[\frac{O-E}{E} \right]^2$$

O- Observed value

E-Expected value

df= (r-1) (c-1) (df- Degree of freedom)

2. Z-test for testing the difference of proportions.

$$Z = \frac{\text{Difference of Proportions}}{\text{Standard error of difference of proportions}}$$

3. Regression equation

$$y - \bar{y} = b_{yx} (x - \bar{x})$$

$$x - \bar{x} = b_{xy} (y - \bar{y})$$

$$r^2 = b_{yx} \cdot b_{xy}$$