Introduction:-

Human resources are one of the most important determinants of success, efficiency and effectiveness of an organization. They are the most important and valuable assets every organization has in the form of its employees. They are the means of producing wealth, who accumulate capital, explore unidentified natural resources and build social, political and economic organization to carry forward national development. An organization’s performance and resulting productivity are directly proportional to the quantity and quality of its human resources. At the same time, majority of the problems in organization are human and social rather than physical, technical or economic. Failure to manage human resources causes immense loss to the nation, enterprise and individual. Therefore an organization should continuously ensure that the dynamism, competency, motivation and effectiveness of its human resources remain at high level. In fact sound human resources management is one of the principal functional area of management. It has been proved as one of the best method for achieving people effectiveness. Akio Morita, the founder of Sony Corporation, once said, “there is no ‘magic’ in the success of Japanese companies in general and Sony in particular. The secret of their success is simply the way the treat their employees.” Under Morita, the whole process of recruitment, selection, training and development, performance appraisal, and rewards at Sony was built on the premise that employees were the most valuable part of the company. Indeed, it is they who are its permanent associates and it is they who serve the organization with their work, talent, creativity, and drive. World’s leading food company Nestle’s CEO, Peter Brabec also pointed out that every single person in the organization should ask himself or herself – is there anything I can do add a little more value to our company? This clearly shows how importantly people are treated in this organization.

The concept of HRM emerged in the mid 1980s against the background of the works of famous writers on management, like Pascale and Athos (1981) and Peters and Waterman (1982), who produced lists of the attributes that they claimed characterized successful companies.

The overall purpose of HRM is to ensure that the organization is able to achieve success through people. HRM has been defined as a strategic and coherent approach to the
management of an organization’s most valued assets – the people working there who individually and collectively contribute to the achievement of its goals.

Through the development of personnel management in UK and USA was largely voluntary, in India it emerged because of the governmental interventions and compulsions. In the beginning of the 20th century, various malpractices in the recruitment of workers and payment of wages were prevalent which caused a colossal loss in production due to industrial disputes. The Royal Commission of Labour in India (1931) under the chairmanship of J.H. Whitley recommended the abolition of the ‘Jobber System’ and the appointment of labour officers in industrial enterprises to perform the recruitment function as well as to look after the welfare of the employees. After independence, a labour welfare officer was identified as personnel manager created by legislation under Section 49 of the Factories Act, 1948. The role of a personnel manager was more of a custodian of personnel policy implementation and compliance to different acts of the Factories Law. Two professional bodies were formed namely, Indian Institute of Personnel Management (IIPM) at Kolkata and the National Institute of Labour Management (NILM) at Mumbai. In 1980s, these two professional bodies merged together and formed the National Institute of Personnel Management (NIPM), headquartered at Kolkata. In the year 1990, another milestone was achieved by renaming of American Society for Personnel Administration (ASPA) as Society for Human Resource Management (SHRM). Over the years, a new approach – the Human Resources Management – has emerged which focuses more on developmental aspects of human resource with a pragmatic and flexible approach.

Thus, among the most critical tasks of a manager are the selection, training and development of human resource, which will best help the organization meet its goals. Without competent people of the managerial level – and indeed at all levels – organization will either pursue inappropriate goals or find it difficult to achieve the desired goals. Human dynamics plays a pivotal role in surmounting obstacles, defusing complex situation and achieving organizational goals. It is because of this reason that some organizations succeed in spite of major obstacles, environmental changes and challenges, while others crumble rather quickly under external pressures. The former types of
organizations are generally dynamic bodies with tremendous learning abilities which enable them to adapt and cope with environmental challenges, while the latter are often caught in their own whirlpool of past glories, heritage and old-habits, styles and practices, thereby finding it extremely difficult to shift their focus, learn new ways from others or introspect. Just like a man is known by the company he keeps, an organization is known by the people it is comprised of.

Human resources management encompasses those activities designed to provide, motivate and coordinate the human resources of an organization. In fact, government report shows that approximately 73 per cent of national income is used to compensate its employees. In addition to wages and salaries, an organization often make sizeable investment in their human resources by way of recruiting, hiring, and training people to fulfill its need for well –trained and experienced staff.

Human resources management is a modern theme for what has traditionally been referred to as personnel administration or personnel management.

In his famous level The Rebel, Albert Camus wrote, “man is the only creature who can rebel against what he is”. The implications are very clear. We may not agree with McGregor’s views that human beings are indolent. We have seen the developments in observing human behaviour in terms of theory ‘X’, theory ‘Y’ or theory ‘Z’. We know that human beings are dynamic and flexible but at the same time, they are also conforming and rigid, sometimes unpredictable. And, in spite of all this, they are an asset, and never a liability. This warrants the necessity of understanding human beings from a variety of perspectives. Due to the social, political and economic changes throughout the world, there have been clear indications of organizations finding it increasingly difficult to maintain economic stability, as a consequence of increasing global competition, fragmentation of mass markets and a general decline in consumer demand. Countries are aware that economic growth will be maintained at present rates only if greater value added activities are generated. This implies successful emergence of a new generation of technologically advanced and desirable products together with a trained, and motivated workforce to produce them. The internationalization of the
productive processes have raised new problems of control, motivation and appraisal across economic and cultural boundaries. The dimensions of quality of work life are also facing a global transition. The developments in Eastern Europe, the emergence of a growing South East Asia and globalization of economies have created new challenges for managers and behavioural scientists.

The changing internal environment in organizations calls for better understanding of human resource management. The culture or climate of an organization is made up of traditions, values, habits, ways of organizing, and interpersonal relationships at work. Cultural is reflected in organizational structure, strategy, systems, power and reward distributions, conformity, development processes, motivational dynamics, organizational clarity, warmth and support received by employees, leadership styles, standards of performance, and shared subordinate values. An effective work cultural is flexible, integrated, decentralized, performance-oriented, quality conscious, cooperative, collaborative, and supportive. The major elements of HRM strategy and functions can be related to organizational culture. Corporate mission /philosophy strategic plan give birth to culture in organizations. Human resource planning defines the balance of demand and supply of human resources in the organization, training and development play an important role in instilling the culture, while goal setting and appraisal make the culture performance oriented and enable it to operate with predictability, reward management reinforces the culture and succession planning helps in maintaining the culture. Earlier, productivity was the focus but now retention of human resource is considered to be equally important. The labour welfare myth is over. The workers’ liberation of 60s and 70s have been replaced by a new profit-oriented, quality-oriented pragmatism which calls for integrating human resource planning with corporate strategy. In other words, contemporary global focus is on integrating human resource functions with industrial relations so as to achieve corporate excellence and develop organizational citizenship.

**Title of the Problem**

Electricity is absolutely indispensable in all area of human life. It is used for multipurpose. P.G.V.C.L. – a semi govt. public service organization, is a major source to fulfill the requirement of the state’s power and demand in various fields. Optimum
utilization of installed capacity and effective functioning of transmission and distribution system requires skilled labour talented workers and intelligent executives. P.G.V.C.L. may have latest technology for power generation, transmission and distribution. But this technology is being used by manpower so sound human resources management is a key area of management of the Board. Hence this research work has been done to study and review the human resources management practices of P.G.V.C.L. and to put forward suggestions with a view to make human resources management practices more effective with special reference to P.G.V.C.L.

Title of the Problem: “Human Resources Management in Paschim Gujarat Vij Co. Ltd.”