

HR CHALLENGES AND OPPORTUNITIES IN INDIAN RAILWAYS

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Abstract

Service sector in India which consists of a wide variety of services such as electricity and water supply, road, rail and air transport, hospitals, police, postal department, call centers etc. is a real challenge for HRD. Indian Railways is the backbone of service sector and one of the biggest employers in India. The network of IR is very vast, spread all over India. Due to this widespread network, it brings in its fold people from different origins and of different workforce profile working together under a roof. This necessitates the prevalence of different HR practices in order to deal with them effectively so that their full potential may flower. Beginning with the last decade of the 20th century, globalization, liberalization and technological advances have changed the way the business is done across the world bringing together various threats as well as opportunities. In order to meet the basic objectives, HR personnel in Indian Railways have to identify the nature of these challenges and opportunities and define their roles and responsibilities more sharply to counter these challenges and grasp the various opportunities.

Keywords: Service sector, HRD, Indian Railways, Network, Workforce profile, HR Practices, Globalization, Liberalization, Technological advances, Threats, Opportunities, HR personnel

Introduction

India, by rail, a fascinating odyssey through time and space, cultures and history, offers glimpses of unity amidst diversity. No one offers the multi-dimensional magic of the real India more excitingly than Indian Railways- the largest railway network in Asia and the second largest in the World networks comprising 115,000 km of track over a route of 65,000 km and 7500 stations. Railways were first introduced to India in 1853 from Bombay to

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Thane. In 1951 the systems were nationalized as one unit, the Indian Railways, becoming one of the largest networks in the world. Indian Railways is an Indian state owned enterprise owned and operated by the Government of India through the Ministry of Railways. For administrative convenience, IR has been divided into 9 zones: Northern Railways, Eastern Railways, Western Railways, Central Railways, Southern Railways, South-eastern Railways, North-eastern Railways, North-east Frontier Railways and South-central Railways. Even though the Railways have been divided into zones for better management and functionality, the process of booking train tickets is centrally computerized. Operating 14,444 trains daily, the IRCTC (Indian Railway Catering and Tourism Corporation Limited), ensures that train schedules and train timings remain prompt. Moreover, our goods trains transport about 6 lac tons of goods from one place to another daily. Volume of traffic moved and its relatively low cost to common man makes IR the prime mover of the nation. Also journey by train is more comfortable than by any other means of transport.

Human Resource is the set of individuals who make up the workforce of an organization, business sector or an economy and is the most important factor of production. Every business organization depends for its effective functioning on its pool of able and willing human resources. With 1.6 million regular employees the IR as the nation's single largest employer in the organized sector in the country, maintain a highly organized Human Resource Management system. The recruitment, training, development, promotions, incentives, privileges, strict discipline, redressal of grievances, etc. are based on sound personnel management principles and techniques. However, stiff competition offered from road network and transportation requirement is arising out of accelerated growth of the Indian economy have forced IR to gear up for the challenges by the present scenario. For these reasons, IR is reenergizing its efforts towards the adoption of latest technology and various other measures that are resulting in the downsizing of manpower in the Railways.

Research Objectives

1. To study the "people side" of HR in Indian railways.
2. To assess the challenges faced by the HR in the current era in the Railway industry.
3. To assess the opportunities available to HR presently in this industry.
4. To identify the suggestive measures that can be applied by the HR personnel in order to counter these challenges and successfully grab the opportunities.

Research Methodology: Information for this paper is purely secondary data based and is sourced from various articles of different scholars, books, journals and through access of many websites. Through this the study is able to generate a quality analysis and conclusion.

Present Scenario Of Human Resource Functions in Indian Railways

The 21st century has witnessed India undergo sweeping economic changes. Riding on a host of factors, India today stands at the cusp of becoming one of the top four economies in the world. A growth rate of over 8%, prior to the slowdown, was despite the inadequacies of infrastructure. Yet, one organization, which has shouldered the infrastructural burden of the transportation sector in India's growth story is Indian Railways. The transformational turnaround would not have been possible but for IR's employees who are its true assets. IR is the world's ninth largest commercial or utility employer, by number of employees, with over 1.6 million. Following points highlight the HR functions carried on by the Indian Railways:

- a. *IR is a self-sufficient and self-reliant organization:* IR is often referred to as a 'country within a country' as they have their own schools, hospitals, housing and cooperative banks at the disposal of their employees. They also have their own federal 'railway budget' and maintain their own security force known as the Railway Protection Force (RPF).

- b. IR provides an attractive employment proposition:* IR's employees and their dependents avail of free passes and concessional tickets to travel on all routes and it also gives its employees the opportunity to maintain a 'work-life' balance and a definite 'career progression' and provides a sense of job security.
- c. Recruitment and selection is highly formalized:* Indian Railways is administered by Railway Board, which has a Chairman, 5 members and a Financial Commissioner. IR classifies its employees in 4 groups- Group "A" and Group "B" (Higher posts) or non-gazetted staff, Group "C" (Clerical, supervisory staff) and Group "D" (Technical, other maintenance staff). Group "A" and "B" officers are selected through Union Public Service Commission, they are civil servants. In case of jobs in Group A and B, candidates belonging to SC's and ST's will be given preference if equally qualified and meritorious. Selection of Group C employees is also on National basis, through the RRB (Railway Recruitment Board), which is run by existing railway officials. Group D employees are recruited through RSBs (Railway Selection Boards) with assistance of the local employment exchanges. All zonal railways fill 15% and 75% of their vacancies in Group C and Group D categories from the candidates belonging to SCs and STs respectively.
- d. Training and development is available at all levels:* This is of paramount importance to IR as it concerns transportation and hence safety. All new recruits undergo training when they join. Gazetted officers train at seven 'centralized training institutes' (CTIs). The training needs of non-gazetted staff are being taken care of by 200 training centers located across IR. These training institutes and centers specialize in various functional training based on the different functions or departments. Railway personnel also receive periodic training in the form of refresher courses or when new methods or technology are introduced. Gazetted officers additionally, undergo management training courses at premier institutes, both in India and abroad.
- e. There is a complex structure of Pay and conditions:* The structure of emoluments and conditions of service of railway employees are reviewed periodically by Government 'Pay Commissions'.
- f. Indian Railways are also contributing to the Modern Market Economy:* It connects industrial production centers with markets and with sources of raw materials and facilitates industrial development and link agricultural production centers with distant markets. In this process, IR has become a symbol of National integration and a strategic instrument for enhancing our defence preparedness. The IR contributes to India's economic development for about 1% of the GNP and the backbone of the freight needs of the core sector. It accounts for 6% of the total employment in the organized sector directly and an additional 2.5% indirectly through its dependent organizations. It has vested significantly in health, education, housing and sanitation. The IR is also planning to realize the potential of information technology in all areas of railways management and operations to cut costs and improve efficiency and safety.

HR Challenges

The case-study on HR practices in this very large organization brought to light various challenges. The vastness and spread of IR's operations, the intricacies and complexities of its working and operations, its unique culture, etc. are a few. Other main challenges are highlighted as under:

1. Lack of emphasis on adequate HR's: This is by far the biggest obstacle in Railways IT strategy. Despite having a large pool of talented manpower, no committed effort has been made to familiarize them with IT concepts.
2. Technological advancement: Due to the development and strengthening of roadways and its stiff competition to the railways, IR is planning to introduce modern technology in various spheres of its working. The latest technologies relating to civil engineering, mechanical and electrical engineering, telecommunication, and material science must be harnessed to run trains effectively, especially in current competitive scenario. All this will result in the downsizing of manpower which is a major challenge for the human resource.
3. Infrastructural development: The time has come when massive investments are required for expanding the rail infrastructure and give the railways its due share in the country's infrastructure development. Constructive support from the Government and the pro-active and market oriented response to the challenges of an open economy will set the tone for the renaissance of the IR as we march towards the new millennium.
4. Information technology: IR has been a pioneer in the use of IT in India. However a concerted effort to introduce IT in all aspects of railway working has been considerably delayed. This has raised fears that they may become laggards rather than leaders in the use of IT. Harnessing IT for effective collection and dissemination of information is not a luxury but rather a necessity for any rail operator. The effective introduction of IT saves costs rather than increasing expenditure in today's competitive environment.
5. Inter-departmental parochial fighting: Each zonal railway has many departments and it is observed that inter-departmental parochial is eating away whole developmental attitude in Indian Railways. Thus, if one department proposes a project

for overall development involving other departments, surely one or two of those departments will stand on way to protect its own interest ignoring the whole IR's interest.

6. Presence of existing multi-cadres system: The biggest hindrance for any sustainable development of IR is the presence of multi-cadres system. This system became worse due to heterogeneous essential entry qualifications of directly recruited gazette and supervisory cadres through UPSC and Railway Recruitment Board (RRB) respectively. These non-uniform essential entry qualifications do not help to create an attitude and also aptitude for well perception of day-to-day working problems, including strategic planning, its implementation speedily and cordially amongst the different departments with sense of integrity. Ultimately the customers suffer.

HR Opportunities

The opportunities that can be availed of by the HR of Indian Railways industry are as follows:

1. Importance of human factor in IR Industry: Men are required for all activities and they should be available at the right place at the right time. Crew availability and booking is the best example of this cycle. Further the advanced technology adopted by the industry cannot yield the required results without the necessary efforts of the manpower employed in this very industry. The HR becomes even more important in the service industry whose value is delivered through information, personal interaction or group work.
2. The vision aspect of resources: The resources- hardware, software, networking and HR, required to make the vision a reality have to be identified and made available. As IT becomes more pervasive in the educational curriculum, increasing greater number of railway men are able to serve as resource persons for IT projects
3. Budgeting and expenditure: All departments require money for their work, but its expenditure must be monitored and controlled. Large amount of information must flow between the Executive and the Finance Department (managed by HR) for this purpose.
4. Growing role of HR in Information technology for the management of Railway industry: HR in the form IT Architects and Contract managers, In-House Software Developers, Content Developers, System Administrators, Database Managers and Network Managers in Indian Railways are required to effectively handle the latest IT's introduced in the IR.

Suggestive Measures

1. *Managing the "Virtual Cadre"*: In order to grab the opportunities available, there is the need of persons who understand the broad technologies available today, their capabilities and limitations, so that they can conceptualize the use of the technologies in their work areas. Carefully designed training programs for the members of the virtual cadre will ensure that the railways retain a pool of knowledge within itself, in tune with the technology trends. The database would be centrally updated to reflect the changing composition of the resource pool, including updating the skill-sets of each person periodically.
2. *Collaboration with the Academic Institutions*: Collaboration with the academic institutions of good standing is needed to ensure that the IT effort of the Railways remains on track with innovative and appropriate projects being taken up to address its IT needs. Such collaborations, entailing the setting up of specialized centers catering to Railways' specific needs in the participating institutions, will lead to two-way movement of expertise.
3. *Conducting training and development programmes*: Appropriate training programmes need to be conducted for those employed in the industry:
4. *Flexible structure*: Existing facilities of instant communication from the top level to the lowest field level have made the middle management redundant. It can be dismantled and the structure made more flexible and flat as China did in 2005 by streamlining its 4-tiered railway system into a three tiered railway system.
5. *More authority to grass root level employees*: There is a need to give more authority to the employees at the grass root level to quote competitive freight rates so as to generate more business. Moreover it will also help to resolve the inter-departmental fighting.

6. *A more critical look at manpower costs and a sharper technological thrust are required:* for this, there is need to:

- ▶▶ Redeploy, rebalance, retrain and reeducate workers.
- ▶▶ Introduce multidisciplinary, multi-skills approach.
- ▶▶ Analyze the recruitment policy more systematically.
- ▶▶ Train workers in customer care.
- ▶▶ Start quality circles.
- ▶▶ Emphasize greater worker participation.

7. *There is need to give up populism in political outlook:* This will help in good governance. The worker cannot work or the manager, manage if the government does not govern.

Conclusion

At the end it can be said that the Indian Railways has emerged today as the main vehical for the socio- economic development of the country. Railway is a sunrise industry, not only in India but in many parts of the world. The vision for information technology in the Indian Railways for the next 25 years is to reach a stage where all the information needs of the organization can be met by a comprehensive information highway, available to all internal and external stakeholders. The vision is to improve personal productivity at all levels by the effective use of this technology. An attempt has been made to develop a road-map for the future growth of IT in Indian Railways. Conditions today are ripe for them to obtain the benefits of IT, since general awareness of the technology is high, and its benefits have been proven. A commitment to utilize the Human Resource and IT appropriately in the organization already exists. Funding has been increasing this year, and should not be a major constraint in the future. Therefore the organizational thrust should be to ensure that the resources human as well as technology are allocated wisely, in a planned manner, the vision concretized, and followed through.

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