

Human Capital as an Important Asset for All Organizations

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Abstract— Human capital can be described as the inseparable part of all organization, economic and non-economic, manufacturing and service providing units. Human capital can be considered backbone for labour intensive industries: many companies enjoying greater results by maintaining sound human capital. The professional and MNC's launch many programmes and schemes for the welfare of workers. An effort has been made to address the issues and components of human capital essential for increasing current and future performance not only of the industries in India but also of the whole economy.

Keywords—Stress; Stress Types; Depression; Distress.

1. Introduction

The study has been conducted to identify various vital issue related to human capital in Aligarh lock industry. It is a labour intensive and described as the hub of lock manufacturing in India. There are many export oriented units at Aligarh and contribute around more than thousand crore rupees to the national exchequer. Thus the researches has always been interested to improve human capital conditions of the workers rendering their services in Aligarh lock manufacturing units. A similar or same assessment can be made for the workers in other industries.

2. Problem identification

Researcher has long association with Aligarh, as a management student, employee in industry and then as a reputed management leader in one of the leading educational organization of Aligarh. Researcher have had a close proximity with Aligarh lock industry for around last 35 years.

No one can deny the fact that Aligarh has its world famous history for lock manufacturing. The momentum which Aligarh acquired in this industry seems to have lost its acceleration. Infact, we find acute retardation in it during last few decades in terms of quality and market share. Traditionally, Aligarh lock industry is dominated by poor Muslims in terms of the workers in lock industry. Muslim community still remains among one of the most backward community in the country. The Muslim workers in the lock industry of Aligarh have been in extremely pathetic conditions and most of them even suffer from diseases like TB. Despite the hard work put forthby these

workers, they are still subjected to very poor living standards. The irony is that neither the Aligarh lock industry could keep pace with time nor the socioeconomic conditions of workers in lock industry could be improved.

Researcher realized this problem and selected this as the problem of investigation as part of his Ph.D. thesis. If Aligarh wants to get back its lost glory in the field of lock production, the issue of human capital has to be investigated properly so as to ensure due care and status of human capital in small scale industry in general and Aligarh lock industry in particular. Moreover, lock industry being a labour intensive industry, the emphasis on human capital aspects and its vitality becomes self-explanatory.

3. Need and Significance of the Study

- Lock industry is a labour intensive industry and gives employment to a number of workers. It has immense employment generation capacity and there is an obvious need to explore and further analyse this valuable industry particularly from the angle of human capital.
- Workers in lock industry are in pathetic condition. So there is an urgent need to examine this aspect of lock industry with employees more than one lakh workers.
- Recent reports in national dailies regarding incidences of acute TB and other created diseases among lock workers further explains the need and importance of present type of research.
- Socio-economic conditions of lock workers needs a thorough revamping and for this purpose present types of research are of utmost importance.
- To establish Aligarh on industrial map of India, revival of lock industry is of vital concern which explains the need and purpose of this study.
- Aligarh has a long history of communal riots. If the living standard of lock workers improves, it will definitely have healthy impact in overcoming and socially communal riots problems.
- Moreover, improvement in socio-economic status of lock worker will help in tackling the menace of child labour because once their economic condition improves, they will not hesitate to send their wards to schools.
- Lock manufacturing requires fine mechanical design and its proper modernization will definitely bring a positive impact on other types of manufacturing industries as well which will bring overall healthy

impact on industrial climate of Aligarh.

4. Objective of the Study

The objectives of the present study are as follows :

- To analyse the aspect of human capital in lock industry in relation to the various corporates of human capital.
- To enquire into the status of workers work /in lock industry in the content of human capital issue.
- To explore the possibilities of augmenting the overall efficiency of lock industry by properly addressing the issue of human capital and thus positive improving worker’s morale.

5. Hypothesis

The corresponding hypotheses are as follows:

- On almost all vital human capital consists of Aligarh lock industry is not very well planned.
- Generally workers at Aligarh lock industry are demotivated and they have negative opinion in this regard. Poor motivational level hints towards poor state of human capital and worker’s morale in Aligarh lock industry.
- Overall efficiency of Aligarh lock industry can be vastly improved by properly addressing the issue of human capital as this limitation is the foremost among many, resulting in lower employee morale and thus a overall downfall of Aligarh lock industry.

6. Research Methodology

- The area of study selected for this Ph.D. work is human capital aspects among workers of lock industry.
- The geographical area selected for this study is Aligarh, U.P., India.
- The sample of firms selected for this study includes :
 - Link locks
 - Bajaj Locks
 - Vinayakalocks
- The study will make use of both primary and secondary data through the use of primary data will be in predominance.
- The tools employed will be survey through questionnaire and interviews of employees.
- Respondents will include :
 - Owners of lock firms
 - Managers at different levels
 - Shop floor workers
- A pilot survey will be conducted before the final administration of the questionnaire to make it more scientific.
- The responses collected will then be thoroughly analysed making use of appropriate statistical tools and

hypothesis will be tasted.

- Finally conclusion, suggestions and recommendation will be given.

Table 1: The responses based on current facilities and parameters

S.No.	Parameter/ statement	Actual value of responses	Maximum value	%age
1	Canteen	512	2000	25.60
2	Recreation	576	2000	28.80
3	Conveyance facilities	576	2000	28.80
4	Leave provisions	640	2000	32.00
5	Worker’s participation	736	2000	36.80
6	Family benefits	752	2000	37.60
7.	Incentives	768	2000	38.40
8.	Quality of Training Programme	810	2000	40.50
9.	T & D	848	2000	42.40
10.	Medical facilities	864	2000	43.20
11	Reward for good work	912	2000	45.60
12	Level of motivation	944	2000	47.20
13	Transparency in promotion	976	2000	48.80
14	Grievance handling mechanism	992	2000	49.60
15.	Safety	1008	2000	50.40
16	Scope for personal development	1072	2000	53.60
17	Working environment	1136	2000	56.80
18	Status of employees morale	1136	2000	56.80
19	Ventilation	1136	2000	56.80
20	Cleanliness	1168	2000	58.40
21	Satisfaction	1200	2000	60.00
22	Supervisor’s relations with workers	1264	2000	63.20
		20026	44000	

Source : Survey by the researcher

The trend of facilities are available to the workers which contribute a little to the conditions of human capital in lock manufacturing units of Aligarh.

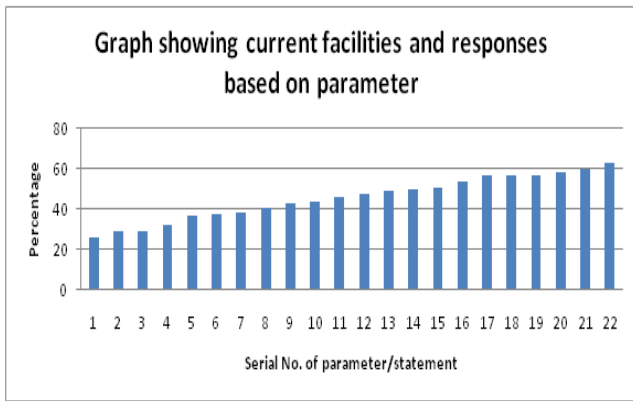


Fig.1: Current Facilities and Responses

Table 2: The value of responses of the workers based on the expected facilities and parameters

S.No.	Parameter/ statements	Actual value of responses	Maximum responses	%age
1	You need to do other extra work to earn adequate income to support family	580	2000	29.00
2	Poor human capital is responsible for declining of Aligarh lock industry	800	2000	40.00
3	Aligarh lock industry witnessed severe down ward trend during last two decades	860	2000	43.00
4	If given opportunity you will further enhance your educational qualification	928	2000	46.40
5	Employees union can help to solve grievances	928	2000	48.90
6	Workers are generally demotivated	978	2000	50.30
7.	You face health problem	1006	2000	52.00
8.	Modern managerial skill are required to	1040	2000	52.00

	boost up Aligarh lock industry			
9.	You feel yourself to stay in this organization	1040	2000	56.00
10.	Human Resource Accounting to follow	1296	2000	64.80
11	Outlook of your company is modern in approach	1342	2000	67.10
12	Workers participation will improve management efficiency in lock industry	1424	2000	71.20
13	Training will improve worker's productivity	1472	2000	73.60
14	Unorganised character of Aligarh lock industry is responsible for poor state of human capital	1448	2000	74.40
15.	Contribution to healthy human capital	1630	2000	81.50
16	Incentives level will improve motivation of workers	1670	2000	83.50
		18442	32000	

Source : Survey by the researcher

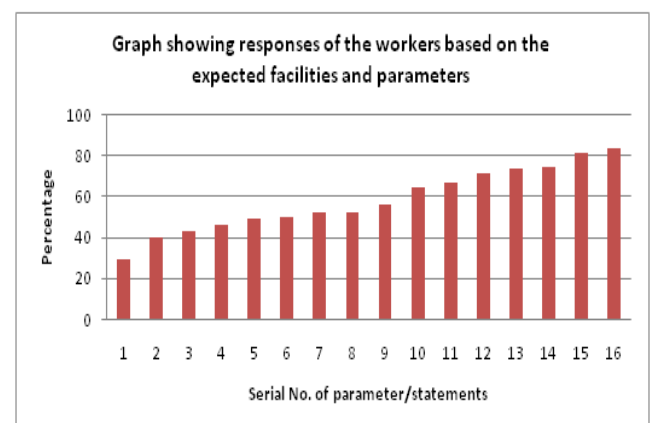


Fig.2: Responses of the Workers

The value of responses the workers expects from the organization showing the trend of minimum and maximum contribution to the human capital.

7. Conclusion and Recommendations

In this chapter an effort is being afoot by the researcher to throw light on the conclusion of the research and draw some suggestions and recommendations out of it. This research is conducted by the researcher on human capital aspects in relation to its relevance with employee morale conducted at Aligarh lock industry.

The first objective of the study is – “To analyze the aspect of human capital in lock industry in relation to the employee morale.” The corresponding hypothesis states that “Poor state of human capital in Aligarh lock industry is greatly responsible for poor employee morale particularly those working at lower levels.” An attempt is being made here to draw inputs leading to acceptance or rejection of this hypothesis. These inputs are mostly based on the extensive statistical analysis presented in the chapter- . Hardly 18.25% of the respondents believe that their company provides them facilitative environment to get technical training. This is a very poor percentage considering the fact that lock industry over the year has become more and more technology driven. Similar is the case with the facilitative environment with regard to higher education as hardly 38.25 % respondents are of the view that their company provided facilitative environment to get higher education. An extremely vital component of human capital is considered as the monthly income. It is not a very good sign of a healthy human capital when the survey reveals that 38 % of the workers have the monthly income in the range of 2000 to 4000. Only 7.5 % workers surveyed have the income in the range of 10,000 to 12,000 per month. It is in fact the highest monthly income slab considered by the researcher for the purpose of conducting this research. In a way it can be safely assessed that generally the workers in Aligarh lock industry are having their income below 12000 per month. It is a poor monthly income considering the expenses of modern times. The picture is not very rosy and does not improve much when instead of the salary of an individual worker the salary of the entire family is taken into consideration. Survey reveals that 35.75% of the workers have the family income in the range of 5000 to 8000 whereas 20% has it in the range of 8000 to 11000. Only 3.75% have it as 17000 or above. It is really a pity picture of human capital considering the fact that around 56% respondents reported their family monthly income as either in the range 5000 to 8000 or 8000 to 11000. These outcomes clearly go in support of the first hypothesis of this research. Let us now consider another important factor of human capital in work conditions and it is safety. On this count also Aligarh lock industry fails to portray a healthy picture as more than half of the respondents considered it as either very poor or poor. The

similar poor outcome is drawn out of another aspect of grave concern and it is the provision of medical facilities. Around 61% respondents are of the opinion that such provisions in their companies are either very poor (16.67%) or poor (44.44%). This is a very serious issue because we cannot expect healthy human capital in the absence of provision of proper medical facilities. No worker rated such facilities as very good in his company. All the ongoing outcomes of the survey are in support of accepting the first hypothesis of the study. Surprisingly enough 62.5% respondents strongly disagree that any canteen facilities are available at their work place. Another 18.75 % surveyed are disagreed on this issue. This is again not a good sign for human capital engaged as workers in Aligarh lock industry. Recreation facilities are yet another important area of concern for work force engaged in production. Here again the survey reveals that 52.78% workers strongly disagree that proper recreation facilities are there in their company. Another 16.66% are disagreed to the presence of proper recreation facility. Improper or non existence of medical, canteen and recreation facility is not at a sign of health workforce at Aligarh lock industry leaving the state of human capital their as questionable.

Training and development is considered as a reasonable means of improving the work culture at the manufacturing and other business organizations. It is because of the fact that a well trained worker is supposed to perform better than his untrained counterpart. Proper training and development also raises a hope of improvement in one of the most wanted aspect of human capital. However on this count not very healthy picture emerges as far as the outcome of the survey undertaken by the researcher is concerned. Around 60% of the workers surveyed either consider the provision of training and development as either very poor (11.32%) or poor (49.05%). Only 22.64% consider it as good, 16.99% are neutral on the issue where as none considered it as very good in their company. This observation clearly goes in favor of accepting the first hypothesis of the study. Leave provisions must be healthy in a healthy human capital environment however on this count too things look quite disturbed in Aligarh lock industry.

Around 75% of the respondents either consider such provisions as very poor (35%) or poor (40%). Soon this count also human capital of Aligarh lock industry workers fails to register a satisfactory display. Same poor state is reflected in case of provision of family benefits. Around 72% respondents either consider it as very poor (17.2%) or poor (55.32%). *-5% consider it as good and none considered it as very good. However amidst all these poor information of status of human capital in the Aligarh lock industry there is a response which can be said at the best as mixed one if not very poor altogether? On the count of supervisor's relations with workers hardly 2.53% respondents put it either in very poor (0%) or poor (2.53%) category. However, a big percentage of 72.15% is neutral

on this issue. Around one fourth considered it as good and no one considered it as very good.

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