



Procurement and Training Practices of Selected Dairy Units in Gujarat

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Abstract:

In this paper, a research is done on "PROCUREMENT AND TRAINING PRACTICES IN SELECTED DAIRY UNITS OF GUJARAT". Here ten dairies of Gujarat has been selected randomly for the research work. This paper describes Procurement and training practices of selected dairy units in Gujarat. For present study ten dairy units have been selected and from each unit 4 managers (employers), 5 employees and 1 union leader have been selected using simple random sampling method. Almost all dairy units are going well with procurement and training practices. Majority of the employees were satisfied with this practice of their dairy units. Almost all employers said that they were doing fair practices and their employees were also satisfied with the present practice. It is concluded that Amul dairy had best setup of procurement and training practices followed by other dairy units.

Keywords: Dairy units, Procurement, Training, & Human Resource Management

1. Introduction

Today's dairy farmer no longer manages only cows. Increasingly, today's farmer is managing people as much, or maybe even more, than they are managing cows. This is the result of larger herds and the desire for farm families to have a life off the farm. Most farmers have not been as well trained in school or by their co-ops in personnel management as they have in nutrition or health management. Hence, Human Resource Management comes into the picture.

India is the highest milk producer in the entire globe. India is well known as the 'Oyster' of the global dairy industry, with opportunities galore for the entrepreneurs globally. It might be dream for any nation in the world to capitalize on the largest and fastest growing milk and mil products' market.

India had tremendous milk production in 40 years and has become the world's largest milk-producing nation with a gross output of 84.6 million tons in 2001. The Indian Dairy Industry has achieved this strength of a producer-owned and professionally-managed cooperative system, despite the facts that a majority of dairy farmers are illiterate and run small, marginal operations and for many farmers, selling milk is their sole source of income.

The growth of Indian Dairy Industry during the last three decades has been impressive, at more than 5% per annum; and in the 90's the country has emerged as the largest producer of milk. This is not a small achievement when we consider the fact that dairying in India is largely stringent that farmers in

general keep dairy animals in proportion to their free crop and also are available for family labor with little or no purchased inputs and a minimum of marketed outputs.

2. Procurement and training

Human Resource Management is the process of managing people in organizations in a structured and thorough manner. It includes:

1. Conducting job analyses,
2. Planning personnel needs, and recruitment,
3. Selecting the right people for the job,
4. Orienting and training,
5. Determining and managing wages and salaries,
6. Providing benefits and incentives,
7. Appraising performance,
8. Resolving disputes,
9. Communicating with all employees at all levels. Formerly called personnel management.
10. Maintaining awareness of and compliance with local, state and federal labor laws.
11. These are also called as functions of human resource management for the purpose of effect you utilisation of human resource.

Procurement and training both are the most essential parts of HRM. Because without recruiting a suitable candidate and without giving him/her a proper training, an employee can not work efficiently.

Procure means to get, gain or obtain something. Here, HR Procurement includes getting the employees in the organization using various sources. For getting a new employee, organization can use the sources like employment exchange, reference, different educational institutes, ex-employees records etc. After getting employees, organization should think about maintain that employee through various ways like Financial and non-Financial benefits, promotion, transfer, praise, induction and Training etc. Employee is the essential element for any organization. While procure the employee, organization should take care the main four pillar of procurement as:

- HR Requirements
- HR Environment
- HR Inventory
- HR Estimation

This procurement practices also cover HR Planning including Job Analysis, Job Description, and Job Specification. It also covers Recruitment, Selection and Induction. Training takes place at various points and places in dairy units. Commonly, training is required to support new employees (“induction training”), improve productivity, support higher standards of customer service and production quality, introduction of new technology, systems or other change, & support employee progression and promotion etc.

Effective training has the potential to provide a range of benefits for a dairy unit like higher quality, better productivity, improved motivation - through greater empowerment, more flexibility through better skills, less supervision required (cost saving in supervision), better recruitment and employee retention, & easier to implement change in the business. Effective training starts with a “training strategy”. The three stages of a training strategy are:

- Identify the skills and abilities needed by employees.
- Draw up an action plan to show how investment in training and development will help meet business goals and objectives.
- Implement the plan, monitoring progress and training effectiveness.

Thus, in any dairy units, it is necessary to carry out procurement and training practices in a systematic manner to gain competitive advantage, as, human resources ensures competitive and realistic wage-setting based on studying the labor market, employment trends and salary analysis based on job functions. As some small businesses have budget constraints, this human resources function is especially helpful.

3. Reviews of Literature

Workforce planning grew during the 1960s and early 1970s in a period of relative economic stability when unemployment was low and organizations were faced with supply shortages and the need to improve labor utilization (*see Reilly, 1996*). It remained a significant practice in most large HR department's right up until the economic downturn of the 1980s when the failure to prove the economic value of workforce plans resulted in many efforts being eliminated (*Sullivan, 2002b*).

A number of factors contributed to the rejection of workforce planning over this period. The traditional approach had been highly mechanistic and concerned with head count' rather than head content', which prevented it from being flexible enough to meet the changing conditions (*Castley, 1996*).

Furthermore, the fluctuating economy led some to regard planning as a futile activity (*Reilly, 1996*). In the latter part of the 1990s workforce planning started to creep back onto the HR agenda. Also, today it represents a high priority for an increasing number of organizations as they realize that the need for planning is greater than ever (*Sullivan, 2002b*). Nowadays organizations need to plan for their own survival as they grapple to deal with: intensified competition from home and abroad; labor market factors, recruitment and retention; the speed of information acquisition and dissemination; the globalization of economic activities; consumerism and the drive for quality at an acceptable price (*Reilly, 1996*).

In today's business world, there is no time for catch up if an organization makes mistakes – others will be straight in there to grab the market share (*Sullivan, 2002b*).

Terry L. Leap and Michael D. Crino "HRP includes estimation of how many qualified people are necessary to carry out the assigned activities, how many people will be available, and what, if anything must be done to ensure that personnel supply equals personnel demand at the appropriate time in the future".

HR planning is a critical component of organizational planning that ensures that the right resources are available at the right time to achieve organizational goals, vision, and strategy. HR plans affect many elements of HR, including recruitment, selection, training, development, organizational structure, and compensation. Happy employees are more productive rather than productive employees are happier.

4. Research Methodology

It is an observational descriptive study. Total 100 respondents were selected from ten selected dairies using simple random sampling. The aim of the study is assessing prevailing *Procurement and Training Practices* in selected Dairy units. Primary data was collected from the employees and management persons of selected dairy units through interaction and interviews with executives and leaders of dairy units. Other primary data was also collected from employees with the help of structured questionnaire by personal visit and conversation. Secondary data was collected from Books, magazines, Journals, News Papers, Websites, Dairy publications, etc. It was useful source to design scientific instrument (questionnaire) for primary data collection.

5. Observations and Results

There were two statistical tests applied for checking the significance of the particular null hypothesis.

- (1) *T-Test for Equality of Means*: it was applied to check the association between two attributes and
- (2) *ANOVA (Analysis of Variance)*: it applied to compare different views / satisfaction levels of respondents, from selected dairy units, for analyzing prevailing Procurement and Training Practices. At the end of each statistical test, p-values were obtained to get conclusion regarding probable acceptance or rejection of the null hypothesis.

Out of 100 respondents, 79% were having 25-35 yrs of age; 18% with 35-40 yrs; whereas only 3% were having more than 40 yrs. of age. From the total respondents, 92% were male while only 8% were female respondents. Among selected respondents 37% were having primary & secondary level of education, 60% were having Graduate & Post Graduate degrees, while only 3% had attained other education along with Graduate & Post Graduate degrees.

Table: 1. Mean score of Procurement Practices given by respondents for internal and external sources used by selected dairy units

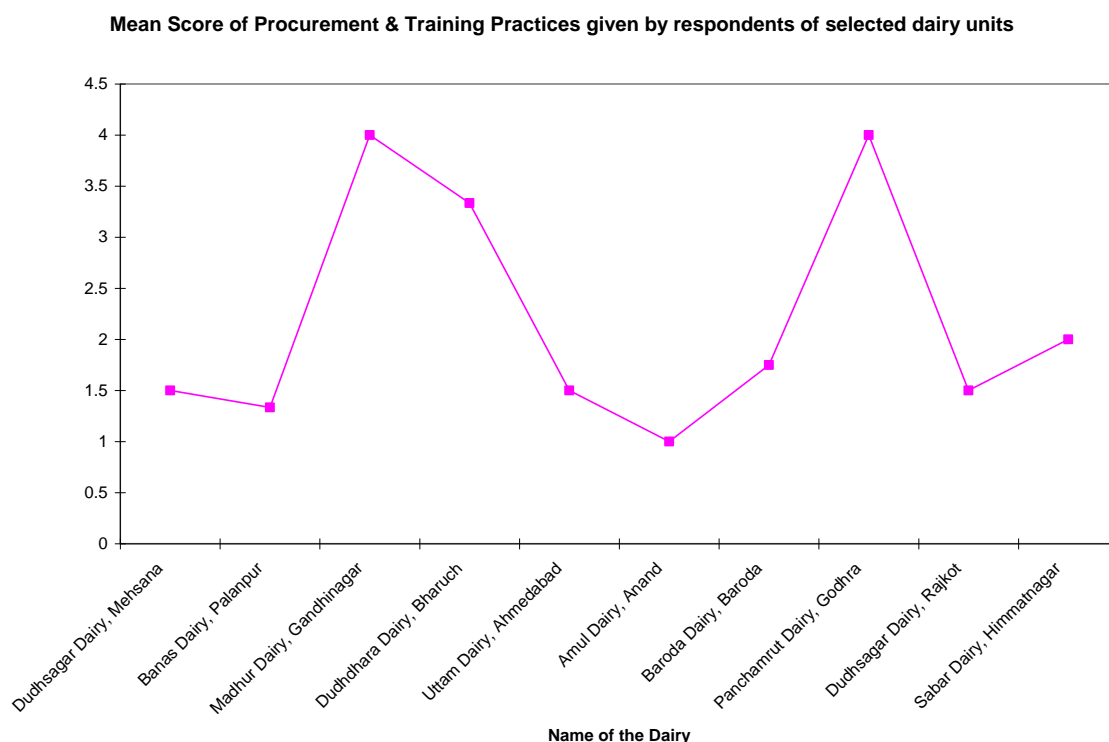
| Name of the Dairy | N | Mean | S.D. | S.E. | 95% C. I. for Mean | | Min. | Max. |
|---------------------------|-----------|---------------|---------------|---------------|--------------------|---------------|----------|----------|
| | | | | | Lower Bound | Upper Bound | | |
| Dudhsagar Dairy, Mehsana | 4 | 1.5 | 0.5774 | 0.2887 | 0.5813 | 2.4187 | 1 | 2 |
| Banas Dairy, Palanpur | 3 | 1.3333 | 0.5774 | 0.3333 | -0.1009 | 2.7676 | 1 | 2 |
| Madhur Dairy, Gandhinagar | 4 | 4 | 0 | 0 | 4 | 4 | 4 | 4 |
| Dudhdhara Dairy, Bharuch | 3 | 3.3333 | 1.1547 | 0.6667 | 0.4649 | 6.2018 | 2 | 4 |
| Uttam Dairy, Ahmedabad | 4 | 1.5 | 0.5774 | 0.2887 | 0.5813 | 2.4187 | 1 | 2 |
| Amul Dairy, Anand | 4 | 1 | 0 | 0 | 1 | 1 | 1 | 1 |
| Baroda Dairy, Baroda | 4 | 1.75 | 0.5 | 0.25 | 0.9544 | 2.5456 | 1 | 2 |
| Panchamrut Dairy, Godhra | 4 | 4 | 0 | 0 | 4 | 4 | 4 | 4 |
| Dudhsagar Dairy, Rajkot | 4 | 1.5 | 0.5774 | 0.2887 | 0.5813 | 2.4187 | 1 | 2 |
| Sabar Dairy, Himmatnagar | 4 | 2 | 0 | 0 | 2 | 2 | 2 | 2 |
| Total | 38 | 2.1842 | 1.1822 | 0.1918 | 1.7956 | 2.5728 | 1 | 4 |

Descriptive statistics (e.g. mean, SD, etc.) of Procurement Practices' score (given by respondents) is given in above table. As it can be depicted from above table, Amul and Banas dairy had lowest score as compared to others. To check the significant difference in mean score between dairy units, ANOVA test was applied. As given in below table, F-value for this test was 19.601 and p-value was 0. As p-value was less than 0.05, null hypothesis was rejected and concluded that there is significant difference in mean score of Procurement Practices between selected ten dairy units.

**TABEL 2
ANOVA**

| Calculations | Sum of Squares | Df | Mean Square | F | p-value |
|----------------|----------------|----|-------------|--------|---------|
| Between Groups | 44.627 | 9 | 4.959 | 19.601 | 0 |
| Within Groups | 7.083 | 28 | 0.253 | | |
| Total | 51.711 | 37 | | | |

From above discussion it is clear that there is significant difference in mean scores of procurement practices between selected dairy units. After this ANOVA test, below is a graph of mean score of procurement practices of selected dairy units.



6. Findings

Major findings of “Procurement and Training Practices in selected Dairy units of Gujarat” are as below:

- Share of dairy units has been increased in economic development because this industry provides basic necessity to the society. As society developed, this results in development of economic.
- The dairy industry generates large scale employment to the local as well migrated people which can raise the standard of living. And so this industry helps to reduce unemployment of society.
- As this dairy industry ranked with the agriculture and we know India is basically agricultural country so it helps to nation for expanding the agricultural business too.
- Recruitment of new employees is an essential part for any industrial unit because employee is a sole mean by whom we can get work done. So, better recruitment sources results into better work. Here, majority of dairy units follow external sources of recruitment for new employees.
- Training can improve the quality of work and can raise the work efficiency, if given at proper time and by proper way. In dairy industry majority of employees feel that training can help them to raise their efficiency of work and as it is dairy industry, every employee needs training to improve themselves.
- If Human Resource Planning is good, employees can get maximum long run benefits. In the dairy units nearer to half of the respondents were fully satisfied that they got maximum long run benefits due to proper HRP.
- Maximum respondents are quiet satisfied with their organization due to the environment of their company and proper HR planning.
- Here, HR manager is a sole responsible person for any kind of responsibility performing in the company.

- As we know monetary aspects are important for human being. Here, majority of respondents feel happy with monetary aspects for doing good job.
- Job Analysis is a crucial part of HR planning but unfortunately some dairy units do not follow proper Job Analysis System.
- India's government has implemented many policies to promote dairy units and also made huge investment for the expansion of dairy units means government co-operate this sector a lot.
- In this sector, Human Resource Planning is going good because employer knows the value of employee and they consider employees as their valuable assets. So, that employer use better techniques for the procurement of human resource and conduct training programmer for needed employees.

7. Conclusion

On the basis of above stated findings of the research work, the researcher concluded that there is significant difference in procurement and training practices among selected dairy units. As far as procurement and training practice is concern, Amul dairy had best setup of this followed by rest of the selected dairy units. Overall Amul and Banas dairy had good Procurement and training practices as compared to other selected dairy units.

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