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**Aims and Scope**

An EP Journal of Human Resources (EJHR) is a peer-reviewed journal that provides a specialized encouragement and dissemination of research and practice in human resource management research. It is a journal that aims to provide a forum for discussion and debate, and to stress the critical importance of people management to a wide range of economic, political and social concerns. In terms of the discipline focus, all articles broadly focusing on the theory and practice of managing human resources for the benefit of individuals, firms and community at large will be acceptable.



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# Workforce Diversity in Genpact

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## Abstract

The subject matter of this paper is workplace diversity. The study is conducted to explore how companies manage workforce diversity and its consequences to the company's existence as well as examine how companies' deal with challenges that comes with employees from diverse cultural backgrounds. This research is to examine the different ways of dealing with work place diversity as well as to provide management with the necessary guidelines for effective diversity management in small and big International companies. The research therefore answers the question, Has workplace diversity contributed to organizational success. Diversity management benefits associates by creating fair and safe environment where everyone has access to opportunities and challenges. While many studies have been conducted, these studies may show conflicting results, implying further research is needed.

## Introduction

### Meaning of workforce diversity

Workplace diversity refers to the variability of variations between individuals in a company. That sounds easy, however diversity encompasses race, gender, group, age, temperament, psychological feature, tenure, structure, education, background and a lot of. Diversity should do with over race or quality. Numerous workplaces square measure composed of workers with varied characteristics together with, however not restricted to, spiritual and policy making, gender, ethnicity, education, socioeconomic background, sexual orientation and geographic location.

### Importance of workforce diversity

1. Varied opinions and perspectives:

Employees with totally different background and experiences can assemble a range of views, thereby evoking various solutions and approaches once discussing a subject or issue. If managed well, the strengths and best insights of each individual will be controlled to heighten productivity and deliver higher results.

**2. Growth of employees:**

Employees stand to expertise a lot of personal growth in associate degree setting they're exposed to variations in culture, opinions and concepts. "The lot of you recognize, the lot of grasp you recognize you don't know," goes the Aristotelian voice communication. The subsequent will is additionally being said: The lot of you recognize, the higher your capability to check and refine your own views and opinions.

**3. Unity of numerous strengths:**

Diversity additionally presents the chance to unite specific strengths to the advantage of the organisation. As everybody has totally different skills and possesses varied strengths, these will be combined for bigger performance and productivity. Technical strengths in one individual will be united with the management strengths of another, and also the sales strength of yet one more.

**4. Makes Company attractive:**

From the marketplace perspective, an organization that promotes geographic point diversity associate degreeed associate degree inclusive work setting adds to its attractiveness as an leader. a piece place that's hospitable exploring new concepts and designs is particularly appealing for the fearless broad-minded workers of Generation Y.

**5. The schedule advantage:**

There is additionally a sensible advantage in having a various force. As people have their distinctive time commitments, having a varied cluster helps make sure that work tasks will be consummated in the least times of the year.

## **About the Company**

### **A global and diverse workforce**

Diversity and Inclusion (D&I) has been at the cornerstone of Genpact's company culture since their beginning in 1997 and has been dominant to their growth and success. It's absolutely embraced altogether regions wherever they operate – Asia, Pacific, Africa, geographical area, Europe, North America, and geographic area. Their geographically-distributed work force fosters AN atmosphere wherever people of various race, colour, ethnicity, culture, gender, sexual orientation, individuality and expression, religion, status, age, disability, and marital {status} and parental status might succeed professionally and absolutely contribute to the goals of Genpact.

They believe D&I is very important as a result of it's a crucial enabler and accelerator of economic performance and innovation. to boot, it makes Genpact AN leader of alternative. the 2 pillars of their D&I program – growth into a a lot of international organization and exaggerated gender balance leadership – area unit established in each corner of our business, a day and in on every occasion zone. we have a tendency to also are regularly investment benchmarks and metrics to drive transformation and continuous enhancements in these 2 strategic imperatives.

### **Global diversity**

Their operations began in Asian nation as a division of GE Capital, however Genpact has currently enlarged its presence to twenty five countries with senior management equally spread across each rising markets and therefore the developed markets wherever our purchasers area unit primarily based. Our work force represents fifty nationalities and thirty seven languages spoken.

The geographic unfold of Genpact's senior management (SVPs and VPs) contains four hundred and forty yards in US/Latin America; twelve months in India; Bastille Day in Europe; and 6 June 1944 in Asia Pacific. We've got become specialists in a way to effectively work across borders through multi-cultural orientation, training, and technology.

### **Gender diversity**

Genpact's commitment to having a gender balanced work force is additionally derived to our roots in Asian nation. We have a tendency to pioneered practices to form a female-friendly work atmosphere that thought of cultural norms. Genpact organized “family days” at our offices to coach folks on the:

- Importance of the contributions their daughters created to the organization
- Professional atmosphere and opportunities for growth
- Emphasis on guaranteeing the protection and security of the work force like providing transportation
- Flexible work practices and edges like onsite service centres

We continue these practices nowadays and have enlarged them considerably round the world. In March 2015, Genpact launched the Genpact Centre for Women's Leadership in partnership with Ashoka University, a first-of-its-kind industry-academia partnership to drive gender-inclusive growth with a vision to form a balanced distribution of financial gain, resources, and decision-making powers across sectors.

Our practices take a holistic approach in furthering gender diversity at each level of the organization – with a selected specialise in leadership levels – and area unit structured around attracting, developing, advancing, and retentive prime talent. As our President and chief operating officer Tiger Tyagarajan states in his web log, gender diversity is crucial to the success of any company and isn't simply another box that an organization checks off of a listing. He has conjointly written extensively concerning world talent development and therefore the want for inclusiveness, particularly by increasing the quantity of girls within the work force.

### **At a Glance**

- 38% girls within the world work force, and rising women's Networking Forums for thousands of staff altogether regions with senior-level sponsors and anchors
- Sponsorship Program to accelerate the expansion of high potential girls through the proper resources

- Work-life continuity that promotes worker well-being through inclusive policies, support systems, services, and worker help programs
- Positive work atmosphere through multiple awareness forums, channels, and coaching
- To ensure that Genpact is investment all offered best practices to assist build an excellent a lot of gender-inclusive work force, we have a tendency to partner with leading organizations like Catalyst, the middle for Talent Innovation (CTI), The Conference Board, and therefore the National Center for girls and knowledge Technology (NCWIT).

### Literature Review

The literature review of this study will emphasis on related studies which have been conducted on the topic “**Managing Workforce Diversity**” in various organizations, fields or countries as a whole. This tool will help us in comparing the relative significance of other studies in the same genre thereby widening our knowledge and would help in giving better results.

•The basis of Workforce Diversity lies in the fact that organizations throughout world are composed of several employees coming from different backgrounds, culture, age, gender, ethnicity, educational qualifications and some other related aspects. Moreover, an organization's policies, structure, rules & regulations, management decisions and some other factors have also a strong bearing in its diverse workforce. So, in order to have a dedicated and willing workforce, an organization need to consider various factors and their impact on the human behavior which can influence their efficiency in professional sphere and thereby will help an organization to sustain its workforce for a longer period and to achieve to its goals. Various scholars have presented their views on this topic and they have been discussed as under –

- **According to Michalle E. MOR Barak (2016)**, He focused on a global perspective to analyze the impact of workforce diversity. The field of diversity management has blossomed from nascent practice area into a burgeoning specialization within business, governmental and non-profit organizations. Most organizations now have people in executive positions in charge of diversity. He

emphasized on that the workforce should have inclusion in terms of the organization goals and also and it should be applied to other circles that are relevant for an organization like, the local community, the wider national space and the global context.

- **According to David Pitts (2009)**, He studied about workforce diversity in United States. *This paper uses a survey of U.S. federal employees to test the relationships between diversity management, job satisfaction, and work group performance. The findings indicate that diversity management is strongly linked to both work group performance and job satisfaction, and that people of color see benefits from diversity management above and beyond those experienced by white employees.*
- **According to Aparna Joshi and Hyuntak Roh (2009)** -they conducted a macro level study on analyzing the impact of contextual (psychological) factors in team diversity research. Using data from 8,757 teams in 39 studies conducted in organizational settings, they examined whether contextual factors at multiple levels, including industry, occupation, and team, influenced the performance outcomes of relations-oriented and task-oriented diversity.
- **According to EE Kossek, SA Lobel, J Brown (2006)**, The human resource management perspective on workforce diversity. They highlighted the development and implementation of organizational initiatives 1) increase the numerical representation of historically excluded groups 2) empower a diverse workforce once it is in place to participate fully in organizational decision-making & 3) ensure the inclusion of diverse workforce in every aspect of organizational life.
- **According to AM Konrad, P Prasad, J Pringle (2005)**, He focused on the issue and challenges relating to Workforce diversity through their book “Handbook of Workforce Diversity”. This handbook focuses exclusively on workplace diversity and all its attendant problems, tensions and achievements.
- **According to SM Aghazadeh (2004)**, He published an international journal for managing workforce diversity as an essential resource for improving organizational performance. The research presented in this paper highlights the need for management who are sensitive to the concerns of multicultural

employees. The effects of cultural diversity on organizational behavior are complex and powerful.

- **According to D Van Knippenberg, CKW De Dreu (2004)**, Work Group Diversity and Group Performance are interrelated concept which they tried to study through an elaboration model (CEM). Research on the relationship between work group diversity and performance has yielded inconsistent results.
- **According to Subhash C.Kundu (2003)**. He conducted a research on “Workforce Diversity status: A study of employees' reactions”. Primary data based on 1,083 observations were analyzed to examine the reactions and perceptions of male and female employees across categories about workforce diversity status in Indian organizations. Results indicated the prevalence of gender and category (racial) discrimination in Indian organizations.
- **According to Susan E.Jackson, Aparna Joshi, NiclasL.Erhardt (2003)**,they conducted a research on team and organizational diversity. Sixty-three studies published in the years 1997–2002 are reviewed to assess the effects of workplace diversity on teams and organizations.
- **According to T Kochan, K Bezrukova, R Ely (2003)**,they conducted a study on effects of diversity on business performance. They established relationships between race and gender diversity and business performance carried out in four large firms by a research consortium known as the Diversity Research Network. These researchers were asked by the BOLD Initiative to conduct this research to test arguments regarding the “business case” for diversity. Few positive or negative direct effects of diversity on performance were observed. Instead a number of different aspects of the organizational context and some group processes moderated diversity-performance relationships.
- **According to NM Ashkanasy, CEJ Hartel (2002), Diversity and Emotion – The New frontiers in Organizational Behavior Research**, This article provides a review of recent developments in two topical areas of research in contemporary organizational behavior: diversity and emotions. In the section called “Diversity,” we trace the history of diversity research; explore the definitions and paradigms used in treatments of diversity, and signal new areas of interest.

- **According to T Cox Jr (2001)**, CrAn organization should be multicultural in its operations to capture the power at a global level and to attain its goals. According to him, the government and organizations should begin creating effective strategies for a more positive approach to managing diversity at workplace. They should present strategies through leadership, research and education.
- **According to Orlando C. Richard (2000)**, Racial Diversity, business strategy and firm performance are linked together to achieve growth in the long run. Invoking a resource-based framework, in this study the author examined the relationships among cultural (racial) diversity, business strategy, and firm performance in the banking industry.
- **According to JM Ivancevich, JA Gilbert (2000)**, this article briefly reviews the history of diversity management and calls for a new agenda that encourages more collaboration between scholars and administrators, increased researcher on-site observation of workplace reactions to diversity management initiatives, more informative and rigorous case studies, and more third-party evaluations of diversity management initiatives.
- **According to P Dass, B Parker (1999)**, –We argue that there is no single best way, but that the organization's approach depends on the degree of pressure for diversity, the type of diversity in question, and managerial attitudes. Strategic responses for managing diversity are presented in a framework of proactive, accommodative, defensive, and reactive modes.
- **According to Sherry K. Schneider, Gregory B. Northcraft (1999)** - Every organization faces three social dilemmas of workforce diversity. This paper explores the relationship among three social dilemmas faced by organizations wishing to attain and maintain workforce diversity: the dilemmas of organizational participation, managerial participation, and individual participation.

### **Objective of the Study**

- This research is to find out the different ways of dealing with work place diversity



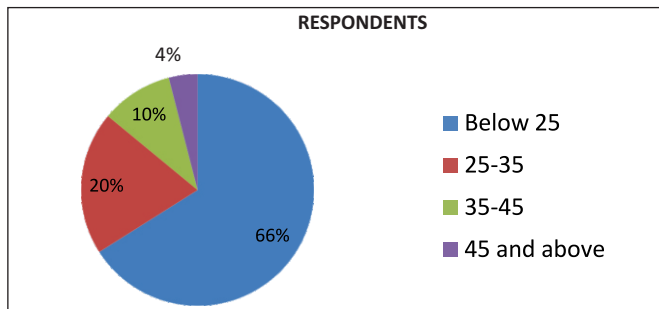
- Also to study the necessary guidelines for effective diversity management in small and big International companies.
- Also to find out how to build effective workplace diversity by applying different diversity management tools.

### Limitations of the Study:

1. The study is based on both primary as well as secondary data and has the limitations pertaining to the usage of both kinds of data.
2. Respondents may be biased while filling the questionnaire.

### Data Analysis and Interpretation:

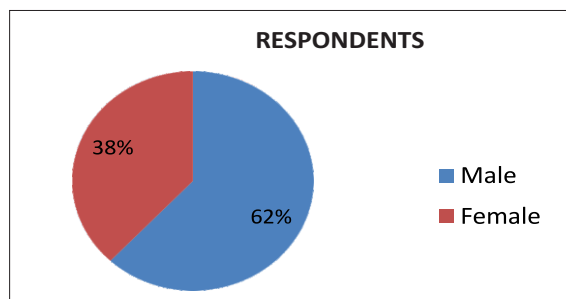
#### 1.Age:



### Interpretation:

Most of the respondents were the age group of below 25 and least were the age group of 45 and above. So it is obvious that Genpact has a young human resource with age group of below 25 years.

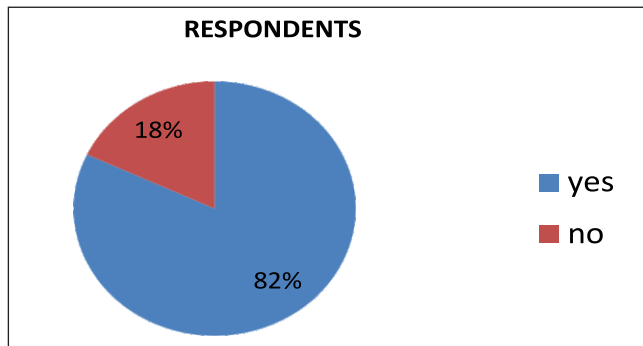
#### 2. Sex



**Interpretation:**

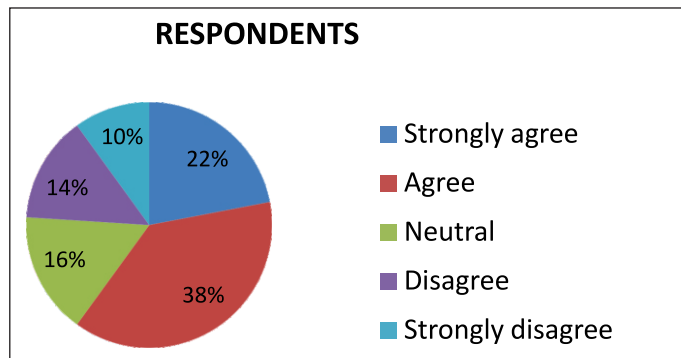
Most of the respondents were males i.e. 31 males and rest were females i.e. 19 females. So this implies that Genpact has more male employees working than female employees.

3.Workplace employ a diverse range of people:

**Interpretation:**

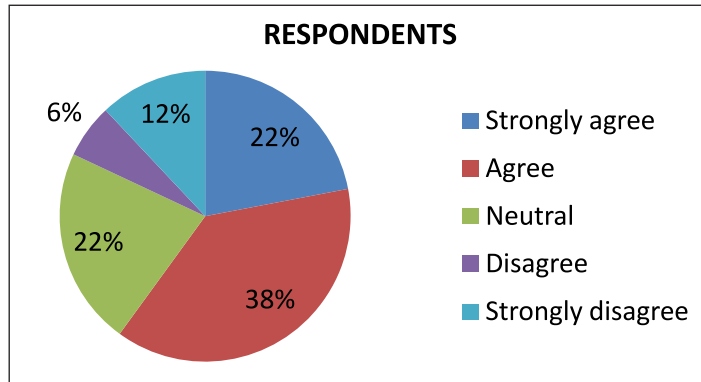
Most of the respondents i.e. 41 out of 50 said that their workplace employs a diverse range of people. So this implies that this company consists of each and every religion of of people living in India.

4.workplace allow all employees to celebrate holidays appropriately:

**Interpretation**

Most of the respondents i.e. 19 out of 50 agreed on that their workplace allow all employees to celebrate holidays appropriately. So this implies that this company is friendly to their employees and give sufficient holidays to them.

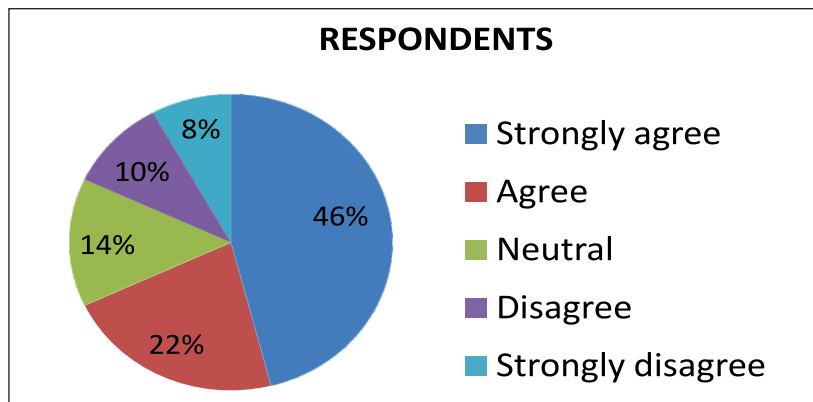
5.Workplace has a diversity and/or equal opportunities policy in place:



**Interpretation:**

Most of the respondents i.e. 19 out of 50 agreed that their workplace has a diversity and/or equal opportunities policy in place. So this implies that Genpact is giving their employees sufficient opportunities to grow.

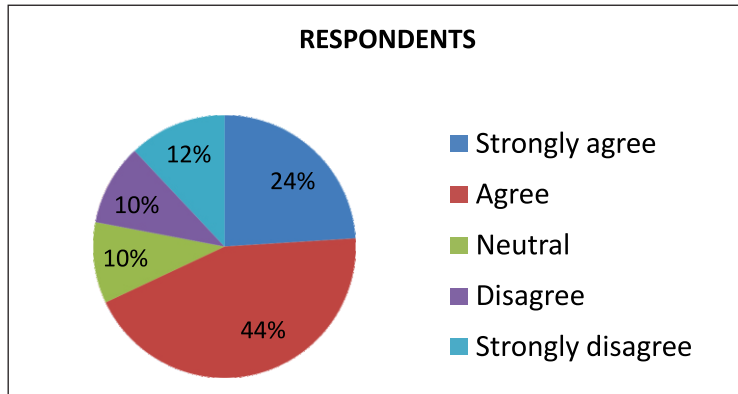
6.Workplace provide equipment to make all areas accessible to people of all abilities:



**Interpretation:**

Most of the respondents i.e. 23 out of 50 strongly agreed that their workplace provide equipment to make all areas accessible to people of all abilities. This implies that the company provide their employees sufficient equipment to make areas accessible easily.

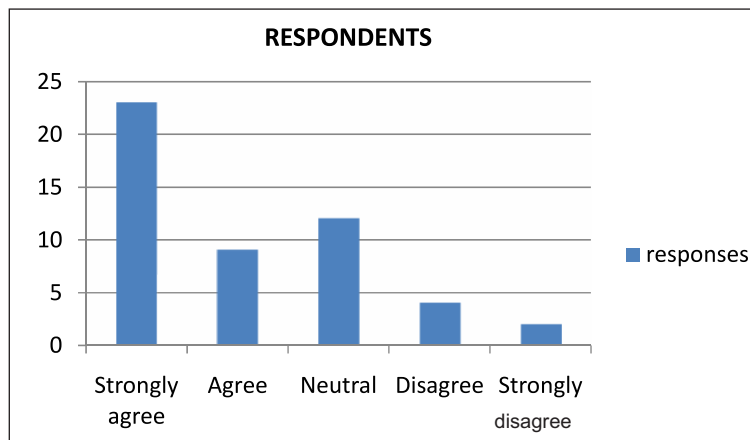
7.Workplace make employees aware of equal opportunity policies and provisions:



**Interpretation:**

Most of the respondents i.e. 22 out of 50 agreed that their workplace make employees aware of equal opportunity policies and provisions. This implies that Genpact is giving their employees equal opportunities and provisions to grow.

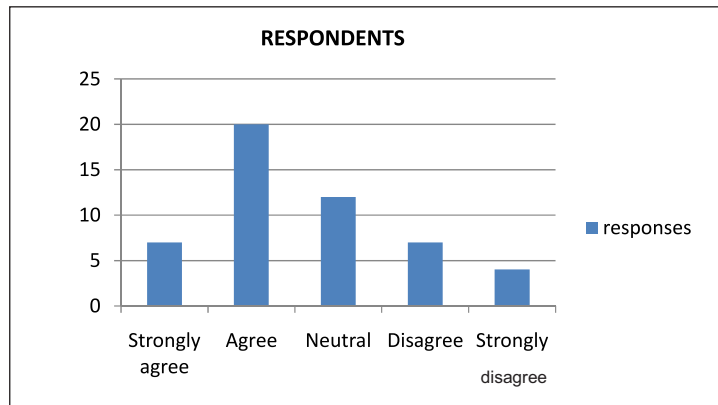
8.Workplace has procedures in place for reporting discrimination:



**Interpretation:**

Most of the respondents i.e. 23 out of 50 strongly agreed that their workplace has procedures in place for reporting discrimination. This implies that the company is more concerned about its employees and has strict procedures against discrimination.

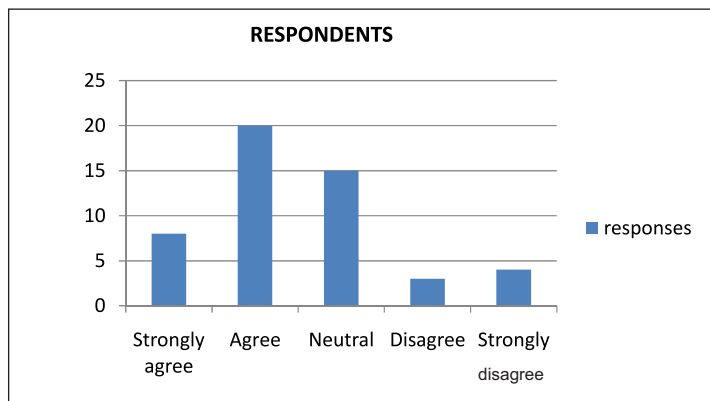
9.Workplace has recruitment procedures that encourage diversity:



**Interpretation:**

Most of the respondents i.e. 20 out of 50 strongly agreed that their workplace has recruitment procedures that encourage diversity. This implies that Genpact has a fair recruitment procedure to give equal opportunities to the people who want to join.

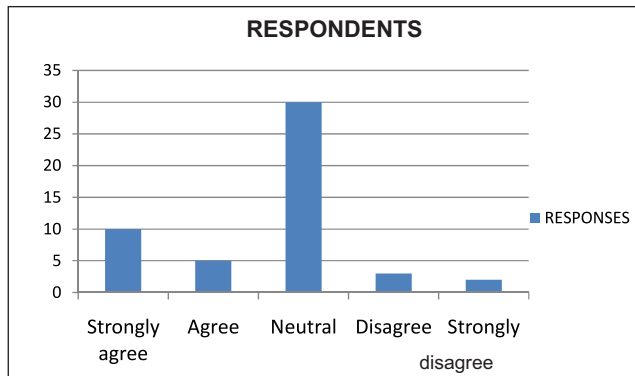
10.Workplace encourage all employees to attend events about diversity awareness:



**Interpretation:**

Most of the respondents i.e. 20 out of 50 agreed that their workplace encourage all employees to attend events about diversity awareness. This implies that the company organises various events to promote diversity and aware employees in favour of it.

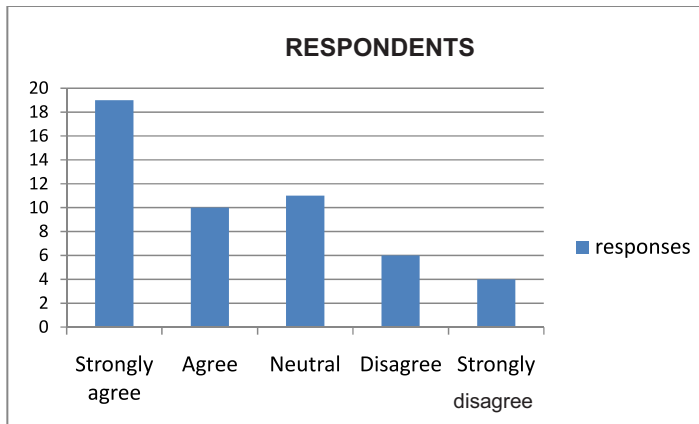
11.Workplace has a Diversity Officer or another employee with special knowledge of diversity:



**Interpretation:**

Most of the respondents i.e. 30 out of 50 were neutral that their workplace has a Diversity Officer or another employee with special knowledge of diversity. This implies that the employees are not so sure about any employee who has special knowledge of diversity.

12.Workplace has a reputation for promoting diversity and tackling discrimination:



**Interpretation:**

Most of the respondents i.e. 19 out of 50 strongly agreed that their workplace has a reputation for promoting diversity and tackling discrimination. This implies that the company has a good reputation for promoting diversity and tackling discrimination.

## Findings

1. According to the research, 66 percent of the respondents are of below 25 years of age group.
2. According to the research, 62 percent of the respondents are males and rest are females.
3. According to the research, 82 percent of the respondents agreed that their workplace employ a diverse range of people.
4. According to the research, only 38 percent of the respondents **strongly agreed** that their workplace allow all employees to celebrate holidays appropriately.
5. According to the research, 38 percent of the respondents **strongly agreed** that their workplace have a diversity and/or equal opportunities policy in place.
6. According to the research, 46 percent of the respondents strongly agreed that their workplace provide equipment to make all areas accessible to people of all abilities.
7. According to the research, 44 percent of the respondents **strongly agreed** that their workplace make employees aware of equal opportunity policies and provisions.
8. According to the research, 23 out of 50 respondents **strongly agreed** that their workplace have procedures in place for reporting discrimination.
9. According to the research, 20 out of 50 respondents **agreed** that their workplace have recruitment procedures that encourage diversity.
10. According to the research, 20 out of 50 respondents **agreed** that their workplace encourage all employees to attend events about diversity awareness.
11. According to the research, 30 out of 50 respondents were **neutral** that their workplace has a Diversity Officer or another employee with special knowledge of diversity.
12. According to the research, 19 out of 50 respondents **strongly agreed** that their Workplace have a reputation for promoting diversity and tackling discrimination.

## **Conclusion**

It is clear that diversity has a profound effect in the workplace. While many studies have been conducted, these studies may show conflicting results, implying further research is needed. As the workforce continues to grow more diverse at a staggering rate, it is necessary for organisations to embrace diversity. Although many organisations have increased their acceptance of diversity, it has yet to fully garner a majority of support. Also, a diverse force is a reflection of changing world and marketplace. Diverse work team bring high value to organisations. Respecting individual differences will benefit the workplace by creating a competitive edge and increasing work productivity. Diversity management benefits associates by creating fair and safe environment where everyone has access to opportunities and challenges.

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# Prosecution of Civil Servants in India with Regards to Sanction and Immunity Under Constitution & Legislation- A Juridical Analysis.

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## **Abstract**

*The present discussion is an attempt to draw out the practical implication of the judicial decisions explaining the extent and scope of judicial control in Government's relation to civil service matters. Any system of judicial control of administrative action is ultimately based on the wider concept of the rule of law. Since the judiciary has to uphold the law of the country the action of an authority contrary to law could be challenged in a Court of law. But the above statement does not mean that every person whose interest is adversely affected by an administrative order can approach the Court for redress. The masterpiece work has been to deal with various legal, constitutional and fundamental rights of a civil servant. But the picture would be incomplete without a statement of the remedies available where such rights have been infringed. The problem of this branch of law requires besides an examination of the rights and obligations of the Government and the civil servant a study of the remedies available to each party if the other violates the obligations imposed on him. The enforcement of the formal rules of law on the civil servant is comparatively easy because the Government being the pay-master and the holder of the power of all grades of termination of employment upto dismissal can, generally speaking, act on its own.*

**Keywords-** Civil Servant, Accountability, Prosecution, Good Governance, Sanction, Immunity Etc..

## **Introduction**

A civil service law describes and establishes the core principles, values, and characteristics which create the distinctive culture and ethos of the civil service. Drafted properly, it can provide a clear and unified framework within which the civil servant can carry out his distinctive roles and responsibilities. It also provides a legal basis for the legislature to express the important values and culture it wants in the civil service. It becomes an unambiguous statement to those within the civil service and to the people of India of what is expected of the civil servants. In addition, the legal framework makes civil service law not just one initiative of the government in power, but a lasting initiative towards better performance and accountability.

## **Objectives of Study**

- To study on practical implication of the judicial decisions explaining the extent and scope of judicial control in Government's relation to civil service matters.
- To study on the role of administrative system for promoting transparency and people's participation.
- To study on the decision making, implementation and evaluation of projects programmes and public policies for good governance.
- To identify the strategy that could be formulated for maintaining balance between the interest of the civil servants and that of the fundamental interest of the society that conflict with each other.

## **Research Problem**

The pertinent issues of focus as enumerated below, set the parameters of the study in the context of research problem.

- By and large the civil service in India has lost its neutral and anonymous character and even though there are still some upright civil servants they are getting marginalized in the process of governance.
- Increasingly, corrupt practices have become prevalent in the higher civil

service and public perception of higher civil servants as a class is not edifying

- Some civil servants develop an unhealthy nexus with power brokers and do not hesitate to resort to questionable means to get good postings in India or abroad.
- The Vigilance Organization in States and the Central Bureau of Investigation in Government of India have created such a fear psychosis that civil servants are afraid of taking bold decisions in the public interest i.e. decisions involving expenditure of big amounts of money and important commercial decisions. There is a need to enforce the 'Single Directive to protect honest officers who take bold decisions in the public interest even though they might be guilty of technical violations of procedure in taking such decisions.
- After 15 years of service a rigorous review should be made of performance of higher civil servants to weed out the corrupt and the inefficient.
- Article 311 of Constitution is meant to protect honest and efficient civil servants and not to shield the corrupt and the inefficient Article 311 of the Constitution should be amended to remove corrupt officials from service and give them an opportunity to defend themselves in a post decisional hearing only after their removal from service. If the civil servant is exonerated in the post-decisional hearing he may be restored his entire service benefits including arrears of pay and allowances.
- Civil servants should be politically neutral to inspire.
- There must be trust and mutual respect between the Minister and the Civil Servant as without them unity of action in the higher echelons of government will be difficult to achieve.
- Making the Civil Service e-governance friendly. To provide a clean, honest and transparent government. Antiquated rules and procedures in government must be discarded and new simplified ones be put in place. Such an exercise is absolutely essential for introduction of e-governance.

## **Review of the Literature**

A brief review of the literature relating to the present study been detailed as follows.

Harold . Laski's valuable treaties entitled "Parliamentary Govt. in England" & "The Growth of Administrative Discretion" gives a wonderful account of the Home Civil Service of England . Similarly Herman Finer's "The British Civil Service" is also a classic source of "The Role of the Civil Service in the Modern World". We also find good research in Herman Finer's classic treatise on "The Theory and Practice of Modern Government", where he has attempted in depth analysis with comprehension, original research & first hand observation highlighting the crucial problems of the Civil Service mainly aimed to get, keep, manage, and inspire in the service of the state enough of the best minds and characters of the living generation. Constitutional and Administrative Law by John Alder and Constitutional Law by E.C.S. Wade & Godfrey Philips has tremendous impact on Civil Service & Civil Servant. Other books on Indian Constitutional Law like Durgadas Basu's shorter Constitution of India and the Introduction to Constitution of India have a chapter each on the services under the Union and the State, Dr. Basu gives importance to Civil Service and interpretation, recruitment and conditions of Service to be regulated by legislation subject to the provisions of the Constitution. The most respectable book on Constitutional Law of India by H.M. Seervai has given a wonderful account of what the role of Civil Services citing quotations from Sir Warren Fisher, Permanent Head of the British Treasury, Sardar Vallabhbhai Patel and from Shah Commission's Report. Seervai's treatise gives an excellent account of Article - 309 to 311, 313 and other articles in Part – XIV of the Constitution. Another important book that is found to be very close to the subject of the research study is "The Civil Servant under the Law and the Constitution" by Dr. N. Narayan Nair, The roles governing the conduct of the Civil Servant and legislations that control Civil service, aimed at enhancing disciplined efficiency and fair service conditions. It also examines the position of the Civil Servant and the significant features of the problem pertaining to the Civil Servants under the Law and the Constitution. Other books close to my

topical area of research study is Prof. Narendra Kumar's "Law Relating to Government Servants and Management of Disciplinary Proceedings". Prof. Kumar has in a very simple language highlighted Service law pertaining to certain controls like 'the *pleasure doctrine* under Article 310 system of Confidential Reports, disciplinary proceedings such as suspension, removal and dismissal from service and reduction in ranks etc. In order that these control mechanisms are not arbitrary constitutional and other provisions are enacted for the protection of the Civil Servants which they can enforce through the Courts. Report of the Law Commission of India on various topical legal issues concerning my research has also been studied and their significant findings have been integrated into my research. Research findings of Indian Bar Review have also been studied to integrate important research concerns. Internet Depository on my research area is a significant source of legal research and various inputs would necessarily be used in my topical research area. Justice Rama M. Jois in his work "Service under the State" influences most simple level as a source of overall understanding of civil services law and civil services jurisprudence. It is an authoritative exposition of adjudicative law as well as a critique of it helping context its future renovation. The discourse on the rights of Civil Servants is anchored in the text and of article 311 of the Indian Constitution. This provision is unique in World Constitutionalism. Every act of affirmation of the rights of the Civil Servant is also an act of State Power, strengthening it all the way. Adjudicative law empowers the individual at the same time substantially disempowering the State. It is this inversion which possess the basic enigma of the Indian judicial process. Similarly Ejaz Ahmed's The All India Services Manual, published by Ashoka Law House New Delhi, is a best source of relevant case laws & notes on Government of India resolutions.

## **HYPOTHESIS**

1. The sanction for prosecution has got a constitutional provision providing immunity to public servants.
2. Safeguards regarding prosecution of civil servants should be mandatory in nature.

3. Sanction for prosecution being an administrative act, no opportunity of hearing is necessary.
4. Sanction not necessary for prosecution under section 409 of Indian Penal Code.
5. Jurisdiction of police officers on deputation to Vigilance Commission to investigate.
6. No sanction is necessary for prosecution after a person ceases to be a public servant.

### **Research Methodology**

The methodology adopted in this study is doctrinal and empirical one. Case study method and statistical data analysis are the basis of Empirical of this research. Data collected from both primary and secondary sources which is based on Constitution of India, official reports of Law Commissions, Reports of the findings of various committees, All India Reporter on service matters etc. and leading legal bulletins. Besides a detailed survey and analysis of plethora of judicial decisions rendered in this regard by the Supreme Court and a number of High Court are to be made. Reports as available in the form of Books, Journals, Manuals Periodicals Articles and public opinion on instances of corruption constitute the pool of Secondary Sources used.

### **Constitutional Development of sanction's and immunity for prosecution of Civil Servant in india**

This requirement of sanction for prosecution was extended to several special statutes, and even constitution has got a provision providing immunity to public servants. Article 311 of the ' Constitution provides the following manner:

- 1) No person holding a civil post under the union or the states shall be dismissed, or removed by authority subordinated to that by which he was appointed.
- 2) No such person shall be dismissed, removed or reduced in rank except after an inquiry in which he has been informed of the charged against him and given a reasonable opportunity of being heard in respect of those charges. This

sanction for prosecution was provided for a pious purpose of protection of the honest and hardworking public servants of the Country, who sometimes while performing their duty in an impartial and fair manner pick up enmity with rogue people, who afterwards have an aim of seeking revenge on these honest officials by some or the other means. Sometimes these means can be vexatious prosecution against honest public servant. Keeping this fact in mind and also that such kind of vexatious prosecutions if allowed to be carried out against honest public servants will hamper the working of the state administration also. That is why this requirement of sanction for prosecution was placed in the Indian criminal legal system. The same issue was also discussed by the Law Commission of India, and this protection given to the public servants was found to be valid and constitutional both and thus remained part of Cr.P.C. The constitutionality of this requirement of sanction for prosecution was challenged in the light of Section 197 of Cr.P.C. The provision was challenged to be violative of Article 14 of the Constitution. India is a country governed by rule of law, with Constitution as the supreme law of the land and all the other laws should be in conformity with the constitution. As per constitution all citizens are equal in the eyes of Law. This Abstract provides that any person, whether any highly placed public servants like bureaucrat or any politician or Judge or any ordinary citizen, all are treated equal in the eyes of law and there shall be no discrimination as to favoring one and acting to disadvantage of the other in regard to any matter and in any form, and no special privilege in any terms will be given to anyone. This right is also part of the basic structure of the Constitution, and is also an important fundamental right of the citizens. offences like corruption in successive Prevention of Corruption Acts, mainly for highly placed public servants like politicians, bureaucrats, judges, etc. The law makes an exception for the prosecution of this exceptional class of people providing for a requirement of Sanction for prosecution of this people for offences committed in discharge of their official duty.

**Prosecution of Civil Servant in Judicial Process**

A civil servant is answerable for his misconduct, which constitute an offence against the state of which he is a servant and also liable to be prosecuted for violating the law of the land. Apart from various offences dealt with in the Indian Penal Code, Section 161 to 165 thereof, a civil servant is also liable to be prosecuted under Section 5 of the Prevention of Corruption Act, 1947. A Government servant is not only liable to a departmental enquiry but also to prosecution. If prosecuted in a criminal court, he is liable to be punished by way of imprisonment or fine or with both. But in a departmental enquiry the highest penalty that could be imposed is dismissal. Therefore, when a civil servant is guilty of misconduct which also amounts to an offence under the penal law of the land the competent authority may either prosecute him in a court of law or subject him to a departmental enquiry or subject him to both simultaneously or successively. A civil servant has no right to say that because his conduct constitute an offence, he should be prosecuted nor to say that he should be dealt with in a departmental enquiry alone. While it is permissible to prosecute a civil servant, in respect of his conduct in relation to his duties as a civil servant, which amounts to an offence punishable under the provisions of the Indian Penal Code or under Section 5 of the Prevention of Corruption Act, No court is authorized to take cognizance of such an offence without the previous sanction of the authority competent to remove him from service. Civil servants are expected to discharge their duties and responsibilities without fear or favour. Therefore, in the public interest, they should also be given sufficient protection. With this object in view a specific provision has been made under Section 6 of the Act for the sanction of the authority competent to remove a civil servant before he is prosecuted. Therefore, when a civil servant is prosecuted and convicted, in the absence of the previous sanction of a competent authority as prescribed under section 6 (1) of the Act, the entire proceedings are invalid and the conviction is liable to be set aside. The policy underlying section 6 is that a public servant is not to be exposed to harassment of a speculative prosecution. The object of section 6 (1) (c.) of the Act or for that matter section 197 of the Criminal Procedure Code is to save the public servant from



harassment, which may be caused to him if each and every aggrieved or disgruntled person is allowed to institute a criminal complaint against him. The protection is against prosecution even by a state agency but the protection is not absolute or unqualified. If the authority competent to remove such public servant accords previous sanction, such prosecution can be instituted and proceeded with. Though in the case of members of the subordinate service, disciplinary authority, having power to remove a civil servant is the appointing authority, the state government is also being a higher authority the authority competent to remove a civil servant. Therefore, when a trial against a civil servant under the provision of the Act has taken place there being no sanction by the authority competent to remove him as required under section 6 of the Act, the entire trial starting from its inception is null and void. Therefore, it is competent to prosecute such a civil servant for the same offence after obtaining necessary sanction under section 6 of the Act. Section 5-A of the prevention of Corruption Act does not contemplate two sanctions, namely, one for laying the trap and another for further investigation. The order under this provision enables the officer to do the entire investigation. Even in respect of starting investigation against a government servant relating to an offence punishable under the provisions of the Act protection is afforded under Section 5-A of the Act. Except with the previous permission of a magistrate no investigation can be started against the government servant by an officer below the rank of a deputy superintendent of police. It is a statutory safeguard to a civil servant and must be strictly complied with as it is conceived in the public interest and constitutes a guarantee against frivolous and vexatious prosecution. When a magistrate is approached for permission for investigation in respect of an alleged offence of corruption by a civil servant by an officer below the rank of a deputy superintendent of police as required under Section 5-A of the Act, the magistrate is expected to satisfy himself that there are good and sufficient reasons for authorizing an officer of a lower rank to conduct investigation. It should not be treated as a routine matter. Section -5 A of the Act provides a safeguard against investigation of offence committed by public servant by petty or lower rank police officer. It has nothing to do directly or

indirectly with the mode or method of taking cognizance of offences by the court of special judge. There is a point of view that Article 311 of the Constitution of India gives only a procedural protection and where such procedural rules are followed meticulously the Courts power of review is ousted. This view is substantiated by cases where the authorities have started fresh proceedings after the Courts have quashed an order of punishment or where the punishment has been increased on appeal to a superior authority. But the above view is not wholly true. It is to be admitted that administration would suffer if the authorities are unable to deal with corrupt, inefficient insubordinate or anti-national elements inside the departments. But at the same time it is the bounden duty of the Court to see also that such a power is not abused or exercised to attain an ulterior purpose or on any extraneous consideration. Apart from the doctrine of abuse of power the Courts have entered into the matter in some instances and where the Courts have interfered on the merits of the case no fresh proceedings could be started on the same facts. The same result follows where a criminal Court acquits the civil servant on the merits of the case. The Court can intervene where the order is proved to be mala fide or where the order is based on no evidence. The punishing authority cannot close its mind before the representation made at the second show cause notice stage and if this fact appears from the record the Court would intervene. The power to impose penalties is for "good and sufficient reasons" So the punishing authority has to specify reasons or grounds for which the punishment is given. In order to take the order out of the protection under Article 311 of the Constitution the debarring provision was cancelled the Court held that the Governor possessed no such power. A complete order found ultra vires Article 311 cannot be subsequently validated by omitting the invalid part and construing the valid part only. The reliance on the principle that an order is not invalid simply because it is assailable on some findings only but not on others. Clearly shows that the Court looks at the matter as one of substance and not of procedure only. The central problem of judicial review in civil service matters seems to be that even though the review goes only to legality and not to merit from the point of view of the Government it unduly interferes with the maintenance of efficient service while

from the point of view of the employees there are not enough principles developed and procedures prescribed to render them substantial justice. This dilemma can be resolved by constituting an appeal tribunal with power to hear appeals from all civil service matters as suggested earlier. Being an independent body consisting of senior civil servants and persons eligible to be appointed as High Court judges such a tribunal can administer substantial justice to civil servants taking into consideration the efficiency of the service.

### **Conclusion**

Article 311 has created an environment of excessive security and made civil servants largely immune from imposition of penalties due to the complicated procedure and process that has grown out of the constitutional guarantee against arbitrary action rather tend to protect the civil servants non-performance and arbitrary risk- averse. Suitable legislation to provide for all necessary term and conditions of services should be provided under article 309 to protect bona fide action of public servants taken in public interest, this should be made applicable to the states, and necessary protection to public servants against arbitrary action should be provided through such legislation under Article 309.

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# Women in the Labour Market: A Look Into the Declining Female Labour Force Participation Trends in India

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## **Abstract**

*The recent decline in women's participation in the Indian labour force has been identified as the single most important component that accounted for the decline in the aggregate labour force during the period 2004-05 to 2009-10. It has often been debated by scholars that these fluctuations in female participation are a result of crowding out of women labour due to agricultural stagnation whereas some argue that the decline is merely a reversal of an exceptional surge in 'Distress Driven' participation of females in the labour force during the earlier period 1999-00 to 2004-05. Some have argued that the decline in female participation could also be attributed to the increased attendance in education among young females causing their withdrawal from the labour force which will have a positive impact on the economy in the long run. This paper therefore attempts to analyze the role of education and the impact of rising participation in education among young females on the aggregate labour force participation of women. Also the paper examines the impact of economic growth on the female labour force participation rates and attempts to provide an explanation for the declining trends in the female labour force participation.*

**Keywords:** Female Labour Force Participation, Education, Economic Growth

## **Introduction**

Women constitute almost half of any country's human endowment, but their recorded contribution to valued production is much lesser than men in most countries. Women's participation status in the labour force is an important indicator of their status in the society (Mammen and Paxson, 2000). Over the years in India, female labour force participation rates have almost been half of that of

males and this has serious implications for economic growth and social welfare. However female participation in the labour force is a much more complex process as women's choice to participate (or not participate) depends upon various economic social and personal factors (Srivastava and Srivastava, 2010).

India has experienced rapid economic growth in the last two decades. With the growth of the service sector, the Indian economy has undergone structural shifts accompanied by a rise in the education levels. However in the same period there has also been a significant decline in the female labour participation rates. Though the declining trends were evident for a while, they have been brought into sharp focus in the recent Employment and Unemployment Survey reports which showed that the female labour participation declined to 26.5 per cent in 2009-10 from 33.3 per cent in 2004-05. What is interesting to note is that this decline was preceded by a sharp rise in the labour force participation during the period between 1999-00 to 2004-05. Many studies have tried to identify this decline as a positive effect caused due to the increasing participation of females in education (Rangarajan et al; 2011), whereas some have attributed this to the stagnation in agricultural growth (Kannan and Raveendran, 2012). However Himanshu (2011) and Abraham (2009) argue that this decline is the reversal of an exceptional increase in distress-driven female labour force participation during the earlier period 1999-2000 to 2004-05.

Hence it becomes imperative to analyze these fluctuations in female participation with respect to economic growth. What is the impact of economic growth on female labour force participation? Does economic growth attract more women to the labour force or does it lead to an 'income effect' causing withdrawal of women from the labour force. Another question that arises is what has been the impact of increased educational attainment among women on their labour force participation rates and whether the rise of female attendance in education is responsible for the declining trend of women's labour force participation rates.

The most celebrated theoretical framework linking women's labour force participation to economic development is the U-shaped Feminization hypothesis. It argues that at the initial stages of economic development women's labour force participation declines and thereafter reaching a minimum threshold the participation rates start rising (Sinha, 1967; Durand, 1975; Goldin, 1994; Mammen and Paxson, 2000). The decline in female labour force participation is caused due to

an 'income effect', as at the initial stages of development women engage predominantly in subsistence work of unpaid nature in family owned farms or enterprises. With economic growth and structural transformation taking place opportunities for paid wage labour arises. However these wage work opportunities majorly created by the new industrial sector mostly benefits male workers due to the stigma attached to women working outside home. Hence as men earn higher wages, women withdraw from performing subsistence work and restrict themselves to performing domestic household activities. However, with the rise of services sector white collar jobs, child care support and other services that support domestic activities, expansion of education among women, rising absolute wages and declining wage differentials with males they 'substitute' domestic activities for paid work and hence tend to reenter the labour market, causing the 'substitution effect'(Goldin, 1994).

This paper explores the relationship between economic growth and female labour force participation in India. Also the study examines the impact of increased educational attainment on women's participation in the labour force.

The paper is divided as follows: section 2 gives a theoretical perspective to the declining labour force participation trends of women in India. Section 3 describes the methodology. Section 4 looks at the findings and results. Section 5 looks at the age specific participation trends among women. Section 6 concludes the study.

### **Women's Declining Labour Force Participation: A Theoretical Perspective**

Several studies have shown a U-shaped relationship between economic growth and female labour force participation rates (Goldin, 1994; Tansel 2002; Kottis, 1990).

This trend is seen due to the initial decline in female labour force participation as economic development takes place. Goldin(1994) argues that these trends reflect structural shifts in the economy and an interplay of 'substitution effect' and 'income effect' that takes place as the economy develops. Women initially withdraw from the labour force due to increased household incomes, choosing to perform unpaid domestic work instead of paid work. As service sector develops and white collared jobs increase women substitute unpaid work for paid work and enter the labour force.

Many studies have affirmed the existence of a U-shaped feminization curve. Goldin

(1994) and Mammen and Paxsen (2008) have used cross sectional data across different countries and have found significant results. Tansel (2002) traced this relationship for Turkey for three time periods and his results supported the U-shaped relationship.

Lahoti and Swaminathan (2013) have carried out a panel data analysis for analyzing the relationship between economic growth and female labour force participation in the Indian context for the period 1983-84 to 2009-10. Their study did not find any significant relationship between the two variables. Also contrary to a U-shaped relationship their results are suggestive of an Inverted U relationship between level of economic development and female labour force participation.

Rangarajan et al 2011, Kapsos, Silberman, & Bourmpoula, 2014 argue that the withdrawal of women from the labour force has a positive implication as it is due to the expansion of education. They argue that with the implementation of Sarva Shiksha Abhiyan and Right to Education Act, education has expanded among young children, girls and youths, encouraging them to withdraw from the labour market. Women with lesser education tend to have a higher participation rates compared to women with primary or secondary education due to their socio-economic status. Women in poor households are required to complement the household income in order to meet the basic subsistence needs (Dasgupta and Goldar, 2005). In contrast, women with higher levels of education and living in affluent households also have higher levels of participation in the labour force.

Himanshu (2011) says that large fluctuations in the workforce after 1993-94 reflect movement in and out of labour force of a substantial section of the population which is vulnerable and informal. He says that participation in the labour force by these sections is not by choice, but is distress driven due to poverty. These vulnerable sections include women, children and the elderly who move into the labour market during crisis and move out when conditions are better. His long term analysis shows that changes in employment pattern and workforce structure in the past decade and a half have been sluggish and do not conform to the standard employment-output relationship.

Another factor that influences labour force participation rates is unemployment rate. There is a general agreement that unemployment tends to cause people to leave the labour force (Schwietzer and Smith, 1974). High unemployment causes



discouraged worker effect, which leads to people dropping out of the labour force as they feel they cannot find jobs. Kottis (1990) found a significant discouraging effect of unemployment on labor force participation for women in Greece. If we look at the unemployment levels over the years, it is clear that the highest unemployment rates were observed in the period between 1999-00 to 2004-05, which also saw the highest increase in labour force participation rates. Hence this leads us to question whether a discouraged worker effect played a significant role in the decline in female labour force participation.

This study therefore attempts to answer the following questions:

- Is there a significant relationship between economic growth and female labour force participation rates in India?
- What has been the impact of educational attainment and unemployment level on female labour force participation?

## **Methodology**

### **• Data**

This study uses state level panel data from 1993 to 2012 to explore the relationship between economic growth and women's labour force participation. Data on women's economic activity, women's education level and unemployment level is drawn from five National Sample Survey Organization rounds conducted during 1993-94 to 2011-12. All analysis is based on Usual Principal and Subsidiary Status (UPSS) activities. The study considers the labour force participation of women above the age of 15. For analyzing education level the study takes the percentage women in a state who have achieved secondary & above education. NSDP per capita at constant 2004-05 prices has been used as the proxy for economic growth. Data on NSDP per capita has been obtained from Central Statistical Organization.

### **• Model Specification**

The study uses Panel Data Regression with fixed effect method to analyze the relationship. I have regressed labour force participation rates for women above the age of 15 (FLFPR) at state level on Log of per capita NSDP (at constant 2004-05 prices), the square of Log NSDP, percentage of women with secondary and above education level in the state (Education) and the state female unemployment level

(Unemployment) using the following base-line model.

$$FLFPR_{it} = \beta_0 + \beta_1 \ln NSDP_{it} + \beta_2 \ln^2 NSDP_{it} + \beta_3 Education_{it} + \beta_4 Unemployment_{it} + U_{it}$$

If the U- shaped Hypothesis holds labour force participation rates will decline initially with increase in per capita NSDP ( $\beta < 0$ ) but starts increasing after achieving a certain level of development i.e. ( $\beta > 0$ ).

The study also looks at the age-specific participation of women in the labour force to examine the extent of labour force participation decline due to increased educational attainment.

### Findings and Results

The all India analysis was conducted separately for rural and urban areas. The study found significant panel regression results for rural areas as can be seen in Table 1 Results for rural areas (All India)

**Dependent Variable:** Female Labour Force Participation Rate (in percent)

Note: No. of Obs = 145, No. of groups = 29, R sq within = 0.2400, between=0.1372, overall=0.0165

INDEPENDENT VARIABLES	COEFFICIENTS
Log per capita NSDP (constant 2004-05 prices)	-214.8743*** (t = -3.28)
Square log per capita NSDP (constant 2004-05 prices)	10.3713*** (t = 3.24)
Percentage women with secondary education & above	-0.837*** (t = -4.04)
Female unemployment rates	0.02585** (t = 2.28)
Constant	1160.939*** (t = 3.45)

Significance levels - \*p<0.10, \*\*p<0.05, \*\*\*p<0.01

All coefficients were found to be highly significant. An aspect that can be seen in these results is the impact of education on female participation. I find a significant negative relationship between percentage women with secondary education and female labour force participation. This could perhaps indicate three things; (a) women in the school going age group i.e. 15-20 withdrew in large numbers from the labour force (b.) It could also reflect at the lack of employment opportunities for

educated women in rural areas and (c.) As Klasen and Pieters (2012) argue; women with low levels of education are forced to work due to economic conditions, whereas women with very high levels of education participate in the labour force due to high wages offered to them. Women between these two groups face social stigmas associated with female employment as there is no major economic need for their income.

Another noticeable aspect is the high significance of unemployment for female labour force participation rates. Clearly there is the case of discouraged worker effect at play in the declining trends of female labour force participation.

#### • Results for Urban Areas (All India)

The panel regression analysis for urban areas showed the following results:

Table 2. U-shaped relationship for urban areas (all India level)

**Dependent Variable:** Female Labour Force Participation Rate (in percent)

Note: No. of obs = 145, No. of groups = 29, R sq within = 0.1714, between = 0.0028, overall = 0.0122

INDEPENDENT VARIABLES	COEFFICIENTS
Log per capita NSDP (constant 2004-05 prices)	-9.694094 (t = -0.31)
Square log per capita NSDP (constant 2004-05 prices)	0.4865282 (t = 0.33)
Percentage women with secondary education & above	-0.1774085** (t = -2.17)
Female unemployment rates	0.0204941*** (t = 3.86)
Constant	74.28895 (t = 0.46)

Significance levels: \* $p < 0.10$ , \*\* $p < 0.05$ , \*\*\* $p < 0.01$

The relationship between economic growth and female labour participation is not

found to be significant in urban areas. Therefore the withdrawal of women in urban areas cannot be significantly attributed to the income effect of economic growth. However, the impact of education and unemployment is found to be highly significant on female labour force participation. Education and female participation are found to have a significant negative relationship like in rural areas, thus it leads us to attribute similar reasons for the withdrawal of women from the labour force with increase in education level among women as were found in rural areas i.e. withdrawal of women belonging to the school going age group, lack of employment opportunities and social stigma attached to female employment. The study finds a positive significant relationship between female unemployment and female participation rates in urban areas, thus suggesting a strong discouraged worker effect in urban areas. The U shaped relationship was not found to be significant in case of urban areas at all India level.

### Age Specific Female Labour Force Participation

So far it is evident that increased level of secondary education among women has had a significantly negative impact on their labour force participation rates. There has been a substantial decline in the female labour force participation due to the increased enrolment in education

**Table 3.** Age specific female labour force participation rates.

AGE GROUPS	PERIOD		
	1993-94	2004-05	2011-12
	<b>RURAL</b>		
5 to 14	7.3	3.8	1.6
15 to 29	45.5	42.8	27.1
30 to 59	57.8	60.2	45.7
ALL	37.9	37.4	27.7
	<b>URBAN</b>		
5 to 14	2.6	2	0.5
15 to 29	20.4	21.7	18.1
30 to 59	29.5	29.7	25.3
ALL	18.5	19.5	16.7
	<b>TOTAL</b>		
5 to 14	6.2	3.4	1.3
15 to 29	39	37.1	24.4
30 to 59	50.7	52	39.6
ALL	33.1	32.8	24.6

Source: India labour and employment report, 2014

If we look at the decline in participation of women falling in the age group 15-29 (which is the higher secondary education and more age group) there is a clear decline in the participation rates of among this group.

However there is also a substantial decline in the labour force participation rates among the women falling in the age group 30-59. Kannan and Raveendran (2012) argue that the total labour force declined by 51.65 million out of which 45% was due to additional enrolment for education. The decline in male labour force participation was almost completely accounted for by the increase in their educational participation. However for women only 27% of decline in labour force participation could be accounted by their increased educational enrolment. Also the withdrawal from the labour force is much more in rural areas than urban areas. Therefore the expansion in education of women does not adequately explain the decline in female labour force participation.

## **Conclusion**

This analysis confirms the existence of a U- shaped relationship between economic growth and female labour force participation in the rural areas across India. This leads to the conclusion that women's participation declined in the wake of economic growth in rural areas. This could be attributed to the income effect as suggested by the theories. Women's participation was majorly distress driven and declined significantly as their economic conditions improved over time. This leads us to question whether women have benefitted from economic growth. As the surge in women's participation was majorly distress driven, their increased participation in the labour force cannot be seen as a sign of their improved well-being unless it is accompanied by better education level for women and more 'white collar' service sector jobs which are high paying.

Another finding of the study is the negative relationship between percentage of women with secondary and above education level and the female participation in the labour force which existed across both rural as well as urban areas in India. This suggests that as women become more educated they withdraw from the labour force. Now since the analysis included women above the age of 15 these results could be attributed to the withdrawal of the school going age group from the labour force, which can be interpreted as a positive sign. However since the decline was

more sharp in rural areas and was observed across all age groups (Kannan and Ravindran, 2012), rising education levels could not fully explain the declining female participation in economic activity. Another reason for this negative relationship could be attributed to the lack of employment opportunities for the educated class of women, which increases unemployment rates and eventually discourages them to participate in the labour force.

Supporting this line of argument the study finds strong evidences of a positive relationship between unemployment rates and labour force participation rates of women. These results suggest that higher participation in the labour force is accompanied by higher unemployment rates, highlighting the mismatch between the job opportunities available and the increasing labour supply.

Unemployment rates are found to have a significant impact on women's participation rates indicating that the decline in labour force can also be attributed to the discouraged worker effect in both rural as well as urban regions across the country.

National data systems understate and underestimate women's economic contribution. Indira Hirway (2012) observes that the NSS data is unreliable and does not take into account women's work involving activities such as foraging and caring which are essential for the survival of the household but do not fit the standard devised categories of our data system. Therefore women's work is undervalued due to a flawed notion of value which is considered to be synonymous with market value (Human Development Report, 1995). An important implication of this is that a large part of the female labour force does not move in and out of the labour force, but it moves in and out of the low productivity distress driven work that they take up as a coping strategy.

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# Absenteeism of Employees in Leading Textiles Industries of Punjab: A Conceptual Study.

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## **Abstract:**

*The research will help in knowing the impact of Absenteeism on overall performance of the textile industry. Absenteeism not only causes production loss but also causes reduction of gross national income. When the gross income of workmen reduces naturally the buying capacity also reduces if the workforce could not manage the primary and secondary needs, timely and properly. The work force has to face problems like poor family harmony, poor health, more mental and physical tiredness, which causes to absents from work in future. Employee Absenteeism can be defined as stress that leads to work exhaustion. Sadly, it is the most gifted and committed employees that tend to burn out first. Because of their high standards and tendency towards perfectionism, these employees end up burning the candle at both ends.*

**Key words:** Absenteeism, loss of GDP, Inadequate social and Industrial Security, Wages disparity.

## **1. Introduction**

Absenteeism is the single most important cause of lost labour time. Absenteeism is one of the major human problem of Indian industries. In other words, it is the failure of employees to report for work when they are scheduled to work. Employees who are away from work on recognized holidays, vacations or approved leaves of absence would not be included. Absenteeism is becoming a serious practice in labor-oriented industries especially in those large industries where laborers are working

in mass. It is a matter of prime concern for the supervisors and managers. They have to find the ways to overcome absenteeism. Today the success of industrial development in a country is largely determined by the efficiency and experience of its labour force. In this regard, the problems of absenteeism and labour turnover are of great significance. It is the efficiency and experience of workers that would ultimately decide the success of an industry, while the experience and ability of workers largely depend on the elimination of the problem of absenteeism of workers in the industry.

Absenteeism is a serious workplace problem and an expensive occurrence for both employers and employees seemingly unpredictable in nature. A satisfactory level of attendance by employees at work is necessary to allow the achievement of objectives and targets by a department. Employees are absent from work and thus the work suffers. Absenteeism of employees from work leads to back logs, piling of work and thus work delay.

Absenteeism is a huge, but largely neglected, problem for employees. Labour costs spring first to mind when a company wants to reduce overheads. But while initial attempts to control these almost always focus on direct costs such as wages and benefits or employee numbers, other costs remain hidden. One of those is absenteeism; companies lose financially each year through absenteeism. Absenteeism is one of the most widespread obstacles to productivity, profitability and competitiveness. It causes overtime, late deliveries, dissatisfied customers and a decline in morale among workers expected to cover for absent colleagues. The indirect costs often exceed the direct while the absenteeism cause considerable losses to the company. It also affects its operations in terms of achieving its ultimate objectives. No organization can afford to neglect such costs due to worker unnecessarily abstaining from work. The company has to tackle not only production problem but at the same time they have to keep a vigil on the causes of absenteeism and introduce a system to effectively control this problem.

## 2. Definitions

According to Webster's dictionary "Absenteeism is the practice or habit of being an absentee and an absentee is one who habitually stays away from work." According to Labour Bureau of Shimla: - Absenteeism is the total man shifts lost because of absence as percentage of total number of man shifts scheduled to work. According to Martocchio & Harrison, " Lack of an individual physical presence at given location and time when there is a social expectation for him or her to be there"

### Employee Absenteeism

For calculating the rate of absenteeism we require the number of people scheduled to work and number of people actually present. Absenteeism can be finding out of absence rate method.

$$\text{ABSENTEEISM RATE} = \frac{\text{NO OF THE MAN DAYS LOST}}{\text{NO OF THE MAN DAYS PLANNED TO WORK}} \times 100$$

There are two types of absenteeism, each of which requires a different type of approach.

1. Innocent Absenteeism : Innocent absenteeism refers to employees who are absent for reasons beyond their control; like sickness and injury. Innocent absenteeism is not culpable which means that it is blameless. In a labour relations context this means that it cannot be remedied or treated by disciplinary measures.
2. Culpable Absenteeism: Culpable absenteeism refers to employees who are absent without authorization for reasons, which are within their control. For instance, an employee who is on sick leave even though he/she is not sick, and it can be proved that the employee was not sick, is guilty of culpable absenteeism. To be culpable is to be blameworthy. In a labour relations context this means that progressive discipline can be applied. For the large majority of employees, absenteeism is legitimate, innocent absenteeism, which occurs infrequently.

Procedures for disciplinary action apply only to culpable absenteeism. Many organizations take the view that through the process of individual absentee counseling and treatment, the majority of employees will overcome their problems and return to an acceptable level of regular attendance.

### Reasons of Absenteeism -

S. No:	Personal Reasons	Psychological reasons	Social Reasons	Lack of professionalism	Lack of Industrial Growth
1	Serious accidents and illness	Low morale and negativity	Social disorders and negative atmosphere	Poor working conditions	Lack of personal growth
2.	Personal problems (financial, marital, childcare eldercare etc.)	Inadequate nutrition	Inadequate security of staff	Boredom on the work place and sense of uncertainty among employees	Hazardous work conditions
3.	poor physical fitness	Stress causing Conditions on work job and stressful nature of staff	Political interferences	Lack of job satisfaction and negative communication in organization	Wages disparity
4.	Inadequate nutrition	Inadequate promotional avenues	Too much starching employees for improvement	inadequate leadership Qualities	Lack of Staff Retention policies
5.	Visit to tourist places and entertainment elsewhere	Inequality conditions between male and female staff	Lack of confidence in management	Transportation and communication problems	poor supervision and uncommitted employees
6.		Caste preferences	Gossiping and misinformation among employees.	Frequent policy change in organization	Excessive workload
7.		Employee discontentment and uncommitted employees	Non effective coaching approach	Over lording employees with work and excessive requirement of information	Restructuring the organization cause absenteeism
8.		Social Rituals and religious functions		Frequent implementation of innovations and improvement	Ignorance of team spirit and breakdown of teamwork.

## 2. Review of Literature

**Hone, (1968)** emphasized on lack of commitment and felt that “absenteeism is

related to new values and norms which are developing among the work force as a result of technological developments. Work and leisure are now cherished by the worker, and these he wants to enjoy along with monetary benefits he gets for his services. Economic consideration, therefore, decides whether one would like to be absent from work.” **Jacobson (1989)** has investigated a direct relationship between monetary incentives and work floor attendance. as reported by Jasios (2005) defined absenteeism as “ The frequency and/or duration of work time lost when employees do not come to work.”**Muchinsky, (1997)** conducted study in the same field on the basis of literature review on employee absenteeism and concluded employees' withdrawal behavior apart from turnover. Studies examining the psychometric properties of absence measures are reviewed, along with the relationship between absenteeism and personal, attitudinal and organizational variables chronic absentees into four categories such as; entrepreneurs, status seekers, family oriented and sick and old. **Absenteeism according to grifen, O'leary-Kelly and Collins (1998)** is any failure to report for, or remain at work as scheduled, regardless of the reason. To **Schappi (1998)**, it is the failure to report for scheduled work. **Sikorki (2001)** defines it as not being present or attending, missing, lacking, inattentive, and/or being preoccupied in an organization, while **Yende (2005)** believes that absenteeism does not include annual leave, maternity leave, and authorized absences such as public duty, compassionate leave, and in some cases long-term illness. This also refers to uncertified sick leave as well as any other unauthorized period of absences. However this is contrary to the view of **Johns (1994) in Yende (2005)** who sees absence refer to the time an employee is not on the job during scheduled working hours, or granted leave of absence, or holiday vacation time. What **Johns (1994)** means here is that absenteeism simply refers to the period the employee is not in workplace whether authorized or not. **Martocchio and Jimeno (2003)** stated that” We propose a model of the personality types that have a higher likelihood of using absenteeism to their benefit (*i.e.*to recharge and change negative affect) and therefore have the absence be functional (*i.e.*, positive affect and higher productivity upon returning to the job) rather than

dysfunctional (*i.e.*, negative affect and person is still unproductive or has less productivity than before the absence event). We conclude by emphasizing the theoretical contributions that this model makes and by suggesting ways in which the model could be tested.” **Vander and Miller (1988) in Josias (2005)** defined absenteeism as “ an unplanned, disruptive incident and can be seen as non-attendance when an employee is scheduled for work.” **Cascio (2003)** defines absenteeism as” any failure of an employee to report for or to remain at work as scheduled, regardless of the reason.” **Jasios (2005)** said **Cascio** here points out that the term “as scheduled carrier significance in that it automatically excludes holidays (annual leave), court cases, and maternity leave and like.” That is this definition also eliminates the problem of determining whether an absence is excusable or not for example, in the case of verified illnesses. **Cascio (2003)** according **Josias (2005)** maintain that “ from a business perspective the employee is absent and is simply not available to perform his or her job, that absence will cost money.”**Wolter H.J. Hassink& Pierre Koning (2009)** find statistically significant differences in absence patterns across groups of workers with different eligibility statuses depending on their attendance records and whether they had previously won. One finding is that absenteeism rose among workers who, having won already, were ineligible for further participation. Nevertheless, and although the reduction in firm-wide absence associated with the lottery drifted from 2.4 percentage points to 1.1 percentage points after seven months, the authors conclude that the lottery was of net benefit to the firm. **Ruchi Sinha (2010)** in her study reveals that there only 4% employees remain away from their work and that too due to personal reasons. There is very high level of job satisfaction among the employees. **Nisam (2010)** stated that stress among employees, health problems, loneliness at workplace; non-cooperation of colleagues causes absenteeism at workplace. **K.A.Hari Kumar (2012)** stated that the rate of absenteeism in Madura Coats is very high. In summarizing all the above, absenteeism simply refers to the time an employee is not on the job during scheduled working hours, granted leave of absence holiday or vacation time.

**Research Problem:**

“Absenteeism” is one of the great disasters faced by all the organizations in this modernized world, which results in turnover. So the firm has to reinvest so many amounts. People not only used to leave the organizations due to the personal reasons, the main reason is all about the industrial environmental factors.

“Absenteeism” not only indicates the physical presence it starts with the “Mental absence” of an individual so the firm has to take this as a important issue before initiating any remedial actions through that and along with the participative management. All the textile industry is facing a significant problem on employee's regular attendance. There are so many factors that influence employees to take leave. This study ensures that it will reveal a clear good result for the absence. Due to absence of employees, the management is in compulsion to give target production. Generally, the textile industry is facing a tight competition all over the world. So the Textile industry should have to take necessary steps and this also helps the management to know about the employee's basic needs, which are not fulfilled, and what the employee's expectation.

**Objectives**

The following objectives are taken to carry out the desired research effectively:

1. To study about the factors that influence absenteeism.
2. To understand the techniques for dealing with absenteeism.

**3. Research Methodology****3.1 Statement of the Problem**

The present study encompasses the Absenteeism of Employees in Textiles Industries of Punjab:

A conceptual study in the post-liberalisation era..

**3.2 Scope**

The study will be restricted to absenteeism in the textile industries In the state of

Punjab.

### **3.3Research Design**

The present study will use exploratory design primarily and later on descriptive research design.

Sr.no.	Description	Contents
1.	Problem Statement	Absenteeism in the textile industries In the state of Punjab.
2.	Group of Problems	Objectives 1-2
3.	Events	Study of Absenteeism in the textile industries In the state of Punjab
4.	Area of Population	State of Punjab

### **3.4Sample Design**

In the present study, primary and secondary information was used. Efforts were made to obtain unbiased reports for the study. As far as secondary information was concerned, it was collected from the available reports on Internet, books, magazines, journals, white papers, newspapers, newsletters, etc.

### **3.5Significance**

In order to infer the magnitude of study, various dimensions of the topic have been explored. This topic has attracted the attention of researchers belonging to diverse fields. This area of research has been enriched not only by educationists, marketers, but also by psychologists, philosophers and social reformers who have made significant contributions in their fields. The study will be useful to corporate bodies in trade, individual, employees and even administrators who would require knowledge about the absenteeism in business development of textile industry in the state of Punjab.. In these hard times of core-competence, it is significant to



understand the nature of the prospective workers, their perception towards absenteeism. This study is in the same direction and will bring forth the reasons for the prevalent problem amongst present industries. The study shall also suggest ways and means to amend the attitude in life at individual level and the action to be taken at social level. It shall also suggest amendments in business pattern on management programmes and expects to set standard afresh in the light of modern day advancements and the ethical behaviour of business class, workforce and administration in the textile industries within the state of Punjab.

#### **4. Discussion:**

In the state of Punjab the textile industry has established its base in various districts and tehsil levels segments. Famous industries are functional in Amritsar, Gurdaspur, Ludhiana. The oldest industry in Punjab was Egerton Wollen Mills in Gurdaspur established in the year 1880 and still functional under the name and style of Dhariwal Woollen Mills, In the contemporary times names of Oswal Textile Mills, Vardhman Textile Industry Ludhiana, are considered to be the leading textile manufacturers in the state of Punjab employing thousands of workforce along with the textile industry in the district of Amritsar. The basic problem of absenteeism in these parts of Punjab suffer from various reasons and its becomes very difficult to curve the situation to a satisfactory level of attendance. The social disorder in the state of Punjab during the periods from 1980 to 1990 brought the absenteeism to the maximum an various bog entrepreneurs shifted to Panipat and Baddi townships in the state of Haryana and Himachal Pradesh. Here the significant point is the perception of the workforce about the administrative set up and the environment in the Industry. The local workforce is hardly available in the state of Punjab due to migration to various developed countries like US, Canada and Australia and the textile industry is dependent workforce from other parts of India mainly UP, Bihar and Jharkhand. Mostly the system of employments of workforce is through labour contractors and the migrant labour is the found to be the maximum. "Perceptions are pieces of knowledge which are acquired by the individual as a result of his visual

tactile, verbal and auditory contacts with the environments around him. They are not necessarily accurate by scientific standards; rather they are more or less accurate". The level of perception certainly effects decisions. Degree of perception, adequate and inadequate perception, degree of perceptive adjustment, degree of communication problems, facilities and better perception plays a significant role while forming perception about a material object or human being. "ABSENTEEISM" is one of the great disasters faced by all the organizations in this modernized world, which results in turnover. So the firm has to reinvest so many amounts. People not only used to leave the organizations due to the personal reasons, the main reason is all about the industrial environmental factors. All the textile industry is facing a significant problem on employee's regular attendance. There are so many factors that influence employees to take leave. This study ensures that it will reveal a clear good result for the absence. Due to absence of employees, the management is in compulsion to give target production. Generally, the textile industry is facing a tight competition all over the world. So the Textile Industry should have to take necessary steps and this also helps the management to know about the employee's basic needs, which are not fulfilled, and what the employee's expectation. The question arises as to what strategic effort should be employed to ease out the situation and the virtual theory of motivation seems to be the front running strategy. The proper governmental policies in the welfare of the labour workforce will help the industry and the incremental dearness allowances raised from time to time may also help the industry.

# **“Analysi S- The Impact of Reward System on Employees Performance of North Eastern Railway, Gorakhpur**

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## **Abstract:**

*This research paper focuses on the impact of reward system on employee performance of North- Eastern Railway, Gorakhpur in the modern work environment. It also highlights the effect of reward system on employee's job satisfaction. It is quite clear that an employee should be aware of the connection between his level of performance and reward he deserve for his performance. It is important to award those who impart there valuable skill to their work because this will lay huge foundation for others to work for the betterment of any organization. A key focus of reward system in Railway is to employee feel appreciated and valued. This research also how different types of reward systems are more beneficial to the Railway. This research contains about the reward structures and how it is being restricted to some level because of financial pressure at the central level. Hence retaining and motivating staff becomes a bit difficult. Providing a better reward system thus promotes job satisfaction among employees and promote there will power to work more efficiently for organisation.*

**Keywords-** Reward, Motivation, Railway, Employee's performance.

## **Introduction**

Rewards is one of the important elements to motivate employees for contributing

their best effort to generate innovation ideas that lead to better business functionality and further improvise company performance both financial and non-financially. Thus Reward system acts as an important tool that organisation can use to channel employee motivation in desired ways. It is therefore important for a company to find out what motivates its employees so that it can plan a suitable reward system and gain better results. Reward is clearly central to the employment relationship.

The aim of this study is to investigate and analyze how well the reward system of N.E.Railway helps to generate employee motivation. The purpose of reward systems is to provide systematic way to deliver positive consequences to desired performance. Armstrong and Taylor (2010, p.331) stated that "Performance is defined as behaviour that accomplishes results. Performance management influences performance by helping people to understand what good performance means and by providing the information needed to improve it. Reward management influences performance by recognising and rewarding good performance and by providing incentives to improve it."

Rewards can be extrinsic or intrinsic, extrinsic rewards are tangible rewards and these rewards are external to the job or task performed by the employee. External rewards can be in terms of salary/ pay, incentives, bonuses, promotions, job security, etc. Intrinsic rewards are intangible rewards or psychological rewards like appreciation, meeting the new challenges, positive and caring attitude from employer, and job rotation after attaining the goal.

Reward system of N.E.Railway consists of many types of rewards:

1. Best worker of the year award.
2. Prime Minister's Shram Awards- To workers who have shown extra ordinary zeal and enthusiasm for work and have made remarkable contribution towards productivity.
3. Railway week MR Award- It is a life time award.
4. Best maintenance officer Award
5. Awards in form of cash is given to labours, and many other

All these rewards have been in use for several years to motivate an employee to perform reliably the tasks assigned to them and at the standards set for them, and to follow the rules that have been established to govern the workplace. The purpose of reward system is to provide a systematic way to deliver positive consequences. Fundamental purpose is to provide positive consequences for contributions to desired performance.

So, this study is all about reward system and its impacts on employee motivation in one of the successful government sector i.e. Railway. This report will provide objectives of the project, literature review, research methodology and annexure.

## Theoretical Framework

### Reward Systems:

This study involves intrinsic and extrinsic rewards as independent variables. In independent variable extrinsic reward includes three dimensions such as basic pay, merit pay and performance bonus. As for the intrinsic reward, it includes four dimensions such as recognition, learning opportunity, challenging work and career advancement.

### Employees's Performance

This study involves employees' performance as dependent variable. In dependent variable employee performance encompasses three dimensions such as productivity, job quality and job accomplishment. Relationship of the variable for this study is referred to the following figure:

#### Rewards:

##### Intrinsic rewards

Recognition  
Learning opportunity  
Challenging work  
Career advancement

##### Extrinsic rewards:

Basic pay  
Performance bonus

#### Employee's Performance:

Effectiveness  
Efficiency

## Literature Review

**Vroom (1964)**, supported the assumption that workers tend to perform more effectively if their

**Figure:** Research framework on the relationship of intrinsic and extrinsic reward toward employee's performance

wages are related to the performance which is not based on personal biasness, but on objective evaluation of an employee's performance.

**Adams (1965)** describes equity theory as the perception of how an employee is treated compared to others and in essence that they will be more satisfied and motivated if they think they are fairly treated.

**La Motta (1995)** is of the view that performance at job is the result of ability and motivation. Ability formulated through education, equipment, training, experience, ease in task and two types of capacities i.e. mental and physical.

**Flynn (1998)** argued that rewards and recognition programs keep the spirits high among employees, boosts up their morale and motivation of the employees. The basic purpose of recognition and reward program is to define a system to pay and communicate it to the employees so that they can link their reward to their performance which ultimately leads to employee's job satisfaction.

**Snell (1999)** says motivation is everything.

Without motivation even the most talented people will not deliver best to their potential. With motivation, others will perform way above the level expected of their intelligence and academic ability.

**Luthans (2000)**, there are two basic types of rewards, financial and non-financial and both can be utilized positively to enhance performance behaviours of employees. Financial rewards means pay-for performance such as performance bonus, job promotion, commission, tips, gratuities and gifts etc. Non financial rewards are non monetary/non cash and it is a social recognition such as acknowledgement, certificate, and genuine appreciation etc. The non financial rewards is also called materials award.

**Ali and Ahmed (2009)** confirmed that there is a relationship between reward and recognition and also between motivation and satisfaction. The study revealed that if rewards or recognition offered to employees were to be altered, then there would be a corresponding change in work motivation and satisfaction.

**Kanfer et al. (2012)** describe motivation in the work sense as set of processes which are ultimately used to determine person actions, and which actions they will use to achieve a desired outcome.

According to **Sufyan Mehmood (2013)** any organization's performance system should take into consideration the level of the service, which directly affects by employee benefits policy and the sustainability of the service.

### **Objectives of the Study**

- To identify reward system in N.E.Railway;
- To evaluate the relationship between reward system and employee motivation;
- To analyse Workforce desired behaviours of an employee working in railway.

### **Research Methodology**

The purpose of this project is to explore the most important motivating factors and analyze the effects of different reward systems in N.E.Railway, Gorakhpur.

For the purpose of gathering information and collecting data I have adopted two types of method – Primary data and Secondary method.

**Primary Method:** It comprises of the data which was collected through the questionnaires filled by the respondents.

**Secondary Method:** It comprises of the data which was collected through books, journals, articles, magazines and websites.

**Method of collecting data** – Quantitative.

**Sample Design- 'Convenience sampling'** design was adopted as the respondents were selected by researcher on the base of ease of access with which he was comfortable.

### **Data Analysis**

The survey was conducted in North Eastern Railway. The survey was conducted in North Eastern Railway of Gorakhpur. The questionnaires were filled by the employees of different profile i.e. from senior to junior's level.

1. In the survey when the respondents were asked about the type of reward they prefer the most about 48% of them answered that they preferred Monetary Reward whereas 14% prefer Non-Monetary Reward and 18% likes to be appreciated by both the types of rewards.

## 2. The Impact of Financial Rewards on Employee Performance :

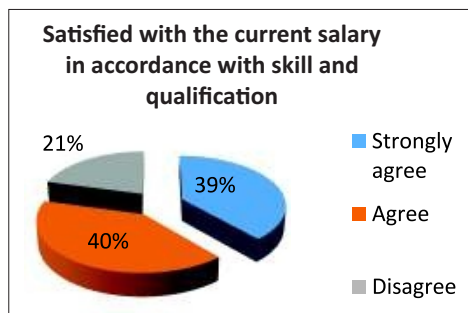
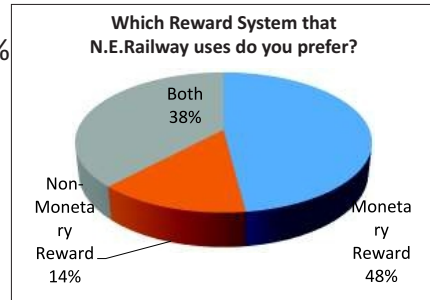
Salary, Bonuses and Allowances Are the Significant Elements of Financial Reward:

Financial rewards like salary, bonuses and fringe benefits are instrumental in fulfilling the basic necessities of life and needs of belongings and authority.

Employees expect salary accordance to their skills, abilities and qualification. When they were asked are they agree from the statement I am satisfied with the current salary which they get according to their skill and qualification the 39% are strongly agree and 40% where agree.

## 3. The Impact of Non-Financial Rewards on Employee Performance:

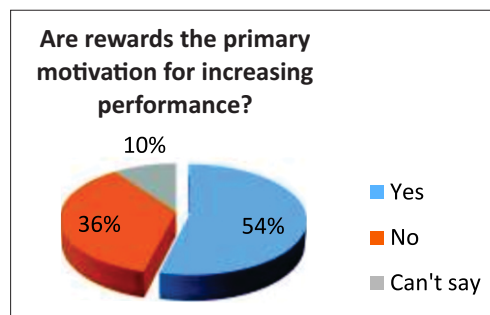
There were many Non- financial Rewards which were offered to the employees of different level like Gifts, Acknowledgment, Rewards and Recognitions, etc. These types of rewards are preferred by mostly high post employees but have little or no impact on low post or workers of the organisation.



## 4. Rewards the primary motivation for increasing performance:

The study on impact on employee's performance by reward system showed that rewarding an employee for his/her work acts as a primary motivation for increasing their performance.

About 54% agree that yes they acts as a motivational tool where as 36% were disagree with this statement.



## Conclusion

The importance of reward in any



organization is very crucial for the employee's job performance and employee's job satisfaction. This analysis proves the rewards positively change the employee's job performance and employee's job satisfaction in North Eastern Railway, Gorakhpur. The types of reward system vary from level to level as monetary reward is mostly preferred by lower and middle level employees whereas non-monetary reward is preferred by higher level employees. The results of this study indicate that workers have different values to different rewards given to them by their employees (N.E.Railway). From this study it can be easily inferred that workers reward system matters a lot and should be a concern of both the employers and employees. Thus, we can conclude that performance and rewards are closely linked, rewarding an employee for their work will motivate them to do their work properly and timely and thus will increase the performance.

### **Recommendation**

From my analysis I can recommend few points. They are as follows:

1. According to the research made, it is evident that North Eastern Railway, Gorakhpur needs to take more into consideration the needs and wants of the employees.
2. Some of the answers to the open questions reveal that the employees were dissatisfied with their work tasks. The respondents felt that their work tasks were too simple and self-repeating. In order to resolve this problem the author recommends that the employer should try to increase the level of personal contact to the employees. Development discussions where the employees have the opportunity to give feedback on their work tasks should be conducted more than once a year.
3. Performance management systems can be seen and measured using irrelevant criteria and sometimes people are rewarded for meeting these criteria. Unfair reward systems can also be viewed in such a manner and be considered procedural rather than fitting an individual or team's needs. Therefore some further study is needed on the integration of rewards systems in both performance appraisals and how that reward system and structure supports

overall organisational strategy.

4. From the analysis I would recommend that more research is needed to determine what aspects of reward systems are most important for specific desired outcomes.

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