

## STREAMLINING THE LONG SERVICE AWARDS IN TATA STEEL

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### Abstract

*Tata steel limited is one of the best globally reputed companies in the steel industry. It considers its employees to be the most important part of the organization. It believes that the employees are their internal customers and to grow and sustain in the competitive world, it barely necessity to satisfy their needs first. Tata steel focuses on the idea that, employee's retention should be their motto rather than hiring new employees". So in order to give a motivation, tata steel has a long service award schemes on completion of 20 years of continuous service and then after every 5 years. Now a day's Tata Steel is on the way of implanting total quality management where daily management is a part of it. In order to achieve this, the article is prepared to find out the streamline the system and then the problems of the existing system has been found out with some suggestion for daily management which I hope will fulfill their daily needs.*

**Keywords:** Globally, Employees, Implanting, Total Quality Management, Streamline.

### Introduction

Tata steel has touched the lives of millions of people across the world everyday with the steel that they produce and it has affected the lives of us today though we may not know it. The vehicles we drive, the house we live, bridges we cross, tools we use, tata steel strive to deliver unparalleled quality through their customized value added solution to make our life easier. This is possible only through continuous commitment towards culture of improvement which drive towards operational excellence in process, products, and people. Continuous improvement in the products and service portfolio, along with success in value creating initiatives for customer allows them to serve global growth markets. Today tata steel runs its work from 26 countries and is commercially present in over 50 countries with employees all over the world.

Overall the company seeks to scale the heights of excellence in all it does in an atmosphere free from fear, and thereby reaffirms its faith in democratic values. Tata steel strives to strengthen India's industrial base through effective utilization of staff and materials.

### Objectives of the Study

- To streamline the distribution of the long service awards and certificates.
- To find out the problems in the existing system
- To suggest measures for daily management of the whole process for establishment for total quality management.

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### Research Methodology

The entire work is done on the basis of qualitative research. Both primary and secondary sources of data are used.

### Long Service Award

Recruitment is an expensive business. The cost involved in finding new employees to fill a vacancy is generally significant, but more importantly long term employees bring expertise and knowledge with each of new recruitment. Long service award allow companies to show employees how their work is being recognized. Timely incentive will help employee to boost morale, enhance loyalty and let them know their efforts being noticed and appreciated. This will help in,

- Retaining employees
- Slashing recruitment cost
- Reducing staff churn
- Improving staff dedication
- Inspiring staff loyalty

Giving long service rewards will ensure that employees are made to feel appreciated and valued, which can only enhance their attitude towards the work place and their place within it, ensuring that company can offer their employees something they will genuinely appreciate. Long service awards also strengthen personal connection, as they are being rewarded related to their own interest.

### Long Service Award in Tata Steel

In tata steel at present long service awards (LSA) are categorized as follows,

- 20years
- 25years
- 30years
- 35years
- 40years

An employee on completion of any of the above categories of long service is facilitated with long service awards, a certificate and monetary awards (except in case of 20years). However certificates maintain their uniformity the awards vary for different categories of long service. Based on feedback received from employees, the long service awards has been revised as follows:

Category	Long Service Award	Monetary Award
20years	40gram silver medal	Nil
25years	50gram silver medal	₹2,000/-
30years	60 gram silver medal	₹4000/-
35 years	70gram silver medal	₹6000/-
40years	80gram silver medal	₹10,000/-

The revised LSA will be applicable to all employees who are eligible to receive the LSA on or 1<sup>st</sup> January 2017.

### **Certificates**

Long service certificates are given on the day of completion of their long service :

- For IL3 and below by the divisional head /VPs (designation of officer are denoted by IL)
- For IL2 and above by MD and CEO

### **Awards**

Long service awards are given in the following manner for:

- 20, 25, 30, & 40 years- for all levels are given by their respective VPs to distribute in an appropriate function.
- For IL2 and above level of all location for Jamshedpur, tubes tsk to distribute certificates in communication meeting by MD.
- For IL3 and below level for Jamshedpur, Adityapur and Tubes payroll location: awards are distributed at an appropriate function by VPs.

### **Process Involved**

The following process is involved in long service awards:

- Procurement of awards
- Distribution of awards
- Procurement of certificates
- Distribution of certificates

- **Procurement of Awards**

HR services prepare the list of awardees twice a year

- In December- for the officers who are completing long service during January to June.
- In May - for the officers who are completing long service during July to December
- The list is given to join consultation for procurement of LSA
- The awards are collected from the HRM admin officers as and when required for distribution

- **Distribution of Awards**

- **LSA of 20,25,30,35 and 40 years for all IL3 and below level**

For Jamshedpur, Adityapur and Tubes Payroll location: Awards are collected by BU HRMs and HRM Administration distributed at an appropriate function by the respective VPs.

For other location: facilitated by administrative officer of the respective location.

- **LSA of 20,25, 30, 35 and 40 years for IL2and above level**

For IL3 and above of all location for Jamshedpur, Adityapur, Tubes and TSK by HRMs and distributed in IL1 communication meeting to respective chief and VPs from MD and CEO.

For IL4 and below level of other location: Facilitated concerned location administration.

- **Procurement of Certificates**

For IL3 and below of all location of Jamshedpur, Tubes and Adityapur location:

- List of awardees is given to Steel city press and the process starts before completing two months of offer's LSA.
- Steel city prepared and print the certificate and send to HRM.
- HRM services get the certificates signed from the respective VPs.
- Then the certificates go to the steel city press for the purpose of framing.
- After receiving the certificates, it send to respective BUHR.
- BUHR distributed the certificates at an appropriate function by the respective VPs.

### Data Analysis

Data have been collected of last five year of all the officers of Tatasteel who have already completed their continuous service of 20,25,30,&40 years. It was being segregated into two parts (that officer whose awards are received by HRS department from account and the officers whose awards are still pending at account). Following table illustrates the entire activity;

Category	Request sent to account for LSA	No.of award withdrawn from accounts	No. of awards pending at accounts
Total (Sr.+Jr.)	378	306	72
Senior officer	27	26	1
Junior officer	350	280	70

These are further categorized on the basis of different region in which TATA steel units are located.

### Limitations

- In spite of a fixed process, long service awards of a lot of employees have not been distributed since last 5years.
- As Tata Steel values its employees to be the top most priority, it want its employees to feel special at the time of receiving the award which has not yet possible in the current scenario.
- Responsible persons at HRS for long service awards are not fully informed.

### Suggestions

- The award ceremony should be arranged on monthly basis.
- The pictures of awardees should be posted on social networking sites.

- Families of awardees should also be invited to the ceremony so that they can enjoy this proud moment.
- Since many have not received awards for long time we need to streamline it first so that the distributed awards can be distributed smoothly and then we need to develop the system in such a way that the whole system can be managed on daily basis so that there will be no more pending

### **Conclusion**

From time to time tata steel has tried to improve its quality and performance to meet its customer expectations. Which can only be achieved by integrating all quality related function and process throughout the company. Thus total quality management has been introduced to look at the overall quality measures used by the company. TQM basically focuses on the importance of the relationship between customers and suppliers.

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