

## **THE INDIAN RAILWAYS: A DIVE INTO THE HUMAN RESOURCE MANAGEMENT PERSPECTIVE**

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### ***Abstract***

Private enterprises in developed economies have a history of having extremely effective work forces. However, in the public service and in developing markets, such approaches continue to receive little consideration. As per the Indian Railway Statistics 2016-2017, the public sector employs 13.06 lakhs of employees across the country. The largest government sector employer, takes in to account various needs of Human resource and therefore provide various schemes of development for their work force. The Indian Railways, the largest commercial government sector employer in the world as well as a public sector undertaking (PSU) in India, are the focus here where the paper tries to identify how the Indian Railway make efforts to bring in effective practices of Human resource management.

**Key word:** Indian Railways, Human Resource Management, PSU, HRM Practices

### **Introduction**

The organizational function known as human resource management deals with issues relating to people, including pay, organizational learning, motivation, interaction, and training. Human Resource Management (HRM) is argued as the replacement of the term Personnel Management. Major components of HRM as illustrated by Guest, (1987) consists of: Commitment, Flexibility, Quality and Integration. Human resource management (HRM) techniques are a set of procedures used by a company to manage its human resources by encouraging the growth of firm-specific capabilities, complex social relationships, and organizational knowledge to maintain competitive advantage (Minbaeva, 2005).

HRM Practices recruits, develops, encourages and keeps workers to ensure the organization's longevity and the effective implementation of its plans (Schuler & Jackson, 1987). Personnel selection, performance evaluation, incentive pay, grievance redress procedures, information exchange, management participation, recruitment and increased training hours are examples of HRM practices (Huselid, 1995). The categories of HRM policies and practices are recruitment and selection, instruction and development, involvement and compensation.

The Indian Railways [IR] are both the most significant public sector organisation and the largest commercial employer in the world (Pereira et al., 2018). By providing the necessary transportation infrastructure for the quick and simple flow of products and services, Indian Railways [IR], the largest and fourth-largest train system in the world and Asia, significantly contributes to the socioeconomic development and transformation of India. In many countries, the advent of railways has historically been the most vital single indicator of the start of growth. By moving people, Indian Railways, with its extensive national network, promotes harmony among some of the individuals of many regions, each with its own languages, cultures, and levels of education. Additionally, IR helped India rank as one of

the top ten industrially advanced nations in the world (Prasad, 1960). In this paper we try to study various HRM practices Indian Railway proposed for their employees and how impactful these practices can be for the success of this PSU.

### **Review of Literature**

Ahead, (1997) in the quickly evolving business environment, there have been initiatives to critically assess the effectiveness of human resources together with Indian Railways. It was observed that the Indian railways were facing many challenges such as lack of optimal utilization of work force, low operating efficiency, safety and security, welfare schemes.

Becker et al., (1997) studied that the workforce's ability, desire, and opportunity to act through ways that are aligned with the company's objectives may all be considerably improved with well, long-term focused, coherent HR policies, according to the argument, which also advances bottom-line company objectives.

Daneci-Patrau & Patache, (2011) in their study, which examines the effectiveness of HRM with railway transportation, the Caile Ferate Romane Co. productive capacity is examined.

Pereira et al., (2018) , despite the prevalence of context-specific unique practises, it has been shown that the majority of HRM practises that have been introduced are in line with the concept of high-performance work practises (HPWPs). The study identifies the role that various stakeholders play in decision-making about certain practises. The authors also discovered that there are a number of context-specific non-financial indicators that can be used to gauge performance in addition to financial indicators, and they emphasised the social significance of these indicators.

Ranjan et al., (2016) studied that better comprehension of the interconnected decision-making tool, a sample calculation from Indian Railways is presented and solved. This example shows how relevant data for the evaluated railway zones with regard to different assessment criteria is collected from various websites and Indian Railways' annual statistical report.

### **Objectives**

1. To understand the importance of HRM in the context Indian Railway.
2. To learn various HRM Practices implemented by the IR.

### **Discussion**

#### **1. Human Resource Management and Indian Railways**

There were 12,52,347 regular personnel working for Indian Railways as of 31.3.2021. The following table (Table 1) displays the number of railroad personnel in various groups and the total amount spent on them for a few chosen years:

Number@ of staff as on 31st March (in thousands)					Expenditure@
Year	Groups A&B	Group C	Group D	Total	on staff (₹ in crore)
1950-51	2.3	223.5	687.8	913.6	113.8
1960-61	4.4	463.1	689.5	1,157.0	205.2
1970-71	8.1	583.2	782.9	1,374.2	459.9
1980-81	11.2	721.1	839.9	1,572.2	1,316.7
1990-91	14.3	891.4	746.1	1,651.8	5,166.3
2000-01	14.8	900.3	630.2	1,545.3	18,841.4
2010-11	16.9	1,079.2	235.9	1,332.0	51,776.6
2018-19	16.8	1,075.8	135.1	1,227.7	1,35,171.13
2019-20	18.5	*1,235.9	#	*1,254.4	1,56,243.06
<b>2020-21</b>	<b>18.6</b>	<b>1,233.7</b>	<b>#</b>	<b>1,252.3</b>	<b>1,56,730.29</b>

\*revised  
 @ Includes number of Railway Protection Special Force (RPSF) personnel and expenditure on them from 1980-81 onwards. These were not included in earlier years.  
 # erstwhile Group D merged in Group C for 2019-20.

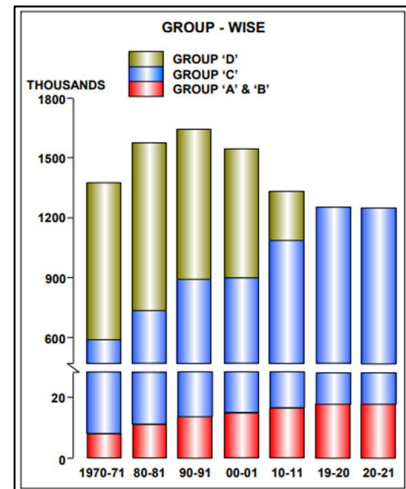


Table 1 (Source: Indian Railways Year Book 2020 - 21)

Personnel from Groups A and B make up 1.48% of total strength, while those from Group C (which now includes Group D) make up 98.52%. 1.26 lakh (10.27%) of the workers in Group C are craftsmen and workshop workers, and 11.07 lakh (89.73%) come from other groups, such as operating staff. Personnel for the Railway Protection Force/RPSF numbered 76,639.

To cater to such a huge head-count the Indian Railways have a dedicated Personnel Department which are operational in all the zones. The important role of personnel department in IR is to ensure right amount of human resource is recruited for the job that is to be completed.

### Functional areas of HRM in Indian Railways

Enhancing organizational planning and development is the main responsibility of the personnel department of the Indian Railways. This is done by first identifying the organization's requirements in terms of short-, medium-, and long-term goals. The Personnel department also plans, develops, and designs an organizational structure by defining the roles, responsibilities, and authority of the personnel in order to effectively accomplish goals. The department caters to the development of interpersonal relationships by the division of positions, jobs, and tasks, thus fostering a sense of community and ownership. Additionally, the department conducts several audits and checks to ensure that the organization's HRM rules and practices are being followed.

### HRM in Indian Railways

A logical and efficient structure for hiring and selecting employees exists within Indian Railways. The Structure considers the Job's requirements as and when they arise. Officers of the Indian Railway Personnel Service (IRPS), a Category "A" service established on 1.1.1976 as a result of a proclamation issued by the President of India, are in charge of managing human resource management for Indian Railways. The Union Public Service Commission's Civil Services Examination is used to recruit IRPS officers. A path for career advancement into the IRPS is also available to in-service Group "B" personnel officers of IR ("Indian Railways Human Resource and Policies," 2020).

Under the Indian government, IRPS is the sole regulated Group "A" service with a focus on human resources duties. Nearly 10% of these officers have now been serving on deputation in other

departments of the Government of India, Statutory bodies, and State Governments due to the high demand for the experience of IRPS personnel in the HR field in the public sector. Over 1.3 million active personnel and 1.4 million pensions of Indian Railways are managed by IRPS personnel, who oversee the full spectrum of HR operations (“Indian Railways Human Resource and Policies,” 2020).

As far as recruitments are concerned the Group A employees are directly recruited by UPSC by All India Competitive Examinations along with their interviews. Group B employees are usually filled through promotions from the deserving Group C employees. Recruited by Railway Recruitment Boards (RRB) recruits the required human resource for technical/ non-technical for Group C personnel and Railway Selection Board along with local employment exchanges recruits for Group D personnel.

### **Human Resource Management System of Indian Railway [IR-HRMS]**

The Centre for Railway Information Systems [CRIS] developed the HRMS Employee Mobile App and HRMS Web Portal for Indian Railways Staff. The decision is aligned with the government's flagship programme for "Digital India". HRMS, or human resource management system, helps boost output and employee satisfaction. The 27 lakh households of employed and retired workers are projected to gain from the new system.

The Indian Railways are investing heavily in the Human Resource Management System (HRMS) in order to increase productivity and employee satisfaction. It is a step towards achieving the vision of the Hon'ble Prime Minister to convert India into a knowledge economy and a society that is empowered by technology. It is also a move to increase the productivity and efficiency of the railway system. The implementation of HRMS is anticipated to have a significant impact on how well each person performs and to increase their tech acumen. According to the new system, the HRMS's Employee Self Service (ESS) component would let railway personnel communicate with other HRMS modules and interact with data-change notifications.

The administration and railway personnel will be able to communicate with one another using this application. Indian Railways employees can now access data specific to their work and interact with management to request modifications as needed. Before the HRMS was put into place, the employee did not have easy access to this information. The administration becomes more transparent as a result. It marks a significant turning point in the Indian Railways' effort to computerize HR-related tasks. The performance measures of the people management sector have changed considerably as a consequence of such initiatives. Among the most exciting projects, it will support the Indian Railways' over 12 lakh-strong workforces<sup>1</sup>.

## **2. HRM Practices implemented by the Indian Railways.**

### **a. Man power Planning**

Manpower planning is carried out by the personnel department of the Indian Railways through a variety of procedures, including the identification of vacancies, the removal of posts, the transfer of posts, the cadre review, the redesignation, the deployment, the merging

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<sup>1</sup> Indian Railways puts employees' welfare into sharp focus. (2022, Oct 07). Asian News International <https://christuniversity.knimbus.com/loginAndLaunch?docUrl=?url=https://www.proquest.com/newspapers/indian-railways-puts-employees-welfare-into-sharp/docview/2722313609/se-2>

of posts, and redeployment. In the workforce of the Indian Railways, which was previously mentioned, there are four classifications or categories that are controlled, trained, and promoted by the recruitment team of IR.

In addition, the personnel department takes into account organizational needs while evaluating other functions including selection, appropriateness, trade testing, employee placement, etc. The HR department also organizes orientation and induction Programmes for new hires as well as regular training sessions for current workers. The department ensures that the employee receives all knowledge, objectives, long and short-term goals, policies, and organizational framework during the induction procedure.

Seniority, promotion, and removals are also controlled by the personnel department, and may be implemented as and when an appropriate requirement arises. HRM also involves defining top performers inside the company and rewarding such exceptional performances with advancements, awards, incentives, etc. As and when the need arises, the department also handles staff removal and dismissal, death and pension, elective and medical retirement plans, etc.

#### **b. Training and Development**

The Indian Railways offers training facilities for both gazetted and non-gazetted positions. At various points in their careers, all railway employees in the safety sector get systematic training. Probation period training, Promotion training, Refresher training, and Specialized training are all provided by these training centers, which are dispersed throughout Indian Railways. A total of 4,24,000 non-gazetted employees received various sorts of training in 2020. Significant efforts have been made to train the human resources to face the difficulties posed by changes/advancements in technologies, quality of services, and safety of operations.

In addition to internal training, railway staff are transferred abroad for trainings as part of technology transfers and receive input from top training institutions in India. The use of training facilities already presents in the establishments and without additional financial strain on the government to construct training infrastructure makes apprenticeship training one of the most efficient ways to develop trained employees for industry.

After completing an apprenticeship programme, individuals can quickly adapt to the industrial setting when seeking permanent employment. Improved training quality, experience learning, and increased employability are some additional benefits of apprenticeship training. Additionally, it helps by giving apprentices a genuine opportunity to put their abilities into practice and by fostering their confidence in the workplace. Additionally, Indian Railways received a "Certificate of Appreciation" for its outstanding assistance in the recruitment of apprentices.

#### **c. Indian Railway Medical Service**

The three-tiered, modern, well-organized Indian Railway Medical Service have made significant progress toward becoming a comprehensive health-care System. The primary purpose of the Indian Railway Medical Service's creation was to provide for the health of railroad employees. According to the pass rules, it offers medical faculties to retired employees' families as well as to family members of current employees.

Addition to curative services Protective, Promotive, Operational & Industrial Health, and Public Health Services are all offered by Indian Railway Medical Service. It is crucial for keeping track of the food and water quality on railroad property. The largest business health department in the world, it has approved total of 2597 Hospital Employees. There are 128 hospitals and 586 healthcare facilities operating around-the-clock during the entire year. For the 13639 indoor beds, Indian Railway Medical Service also employs 41,000 paramedical personnel. It provides care for almost 67 lakh beneficiaries.

The most valuable resource for any firm is a healthy workforce. Taking this into account, IRHS ensures that all Railway personnel receive an annual health assessment in addition to their periodic medical examinations (PME). The beneficiaries have a lot of faith in Indian Railways' health services.

#### **d. Employee services and welfare**

The welfare programs offered by IR include a wide range of services in the fields of education, healthcare, housing, sports, recreation, and catering. A key method for providing additional services to railroad and their families in the areas of education, recreation, healthcare, sports, scouting, and cultural activities is the Staff Benefit Fund. This Fund is used to operate pharmacies for the indigenous medical systems, namely Ayurveda and Homeopathy. A total of 2,603 accommodation were electrified in the years 2020–21, making up around 42.62% of the workforce's housing options. At their workplaces throughout the year, canteens provided employees with free meals and drinks (Indian Railways, 2021).

Indian Railways is home to a variety of cooperative societies. The administrative, financial, management, appointment, and service issues involving the society's personnel are not within the control of the Railway Administration. On Indian Railways in 2020–21, there are 46 Credit and Thrift Societies, 116 Railway Men's Consumers Co-operative Societies, 11 Labor Co-operative Societies, and 3 Railway Men's Housing Societies in operation (Indian Railways, 2021).

Indian Railways examines a variety of employee wellness programs. Welfare benefits like medical expense reimbursement, grants to non-railway hospitals, social welfare centers, different welfare funds, child educational assistance, productivity-linked bonuses, school systems and academic facilities for employees' young kids, guesthouses for women employees/trainees, etc., help the human resource to participate in better working environment and social satisfaction. This ultimately helps in creating an integrated work atmosphere in the organisation. The Indian Railway additionally offers a variety of vocational training programs, libraries, and reading rooms, as well as numerous services for the visually and physically disabled, a creche for working women's children, and accommodations. Pensions, Death Upon Retirement Gratuities, Provident Funds, Retirement Pension Complementary Permits, Compensation in Case of Death or Disability in Employment, Leave Cash payments, Medical Facilities, Pension Adalats, etc. are just a few examples of retirement perks. Retiring gifts for railroad workers include a 20 g gold-plated silver medal with the Indian Railways insignia (Indian Railways, 2021).

#### **e. PREM (Participation of Railway Employee in Management)**

Participation of Railway Employee in Management was established in the Zonal Railways in the year 1977 and the Department of Railway in 1972. There are three levels of

operation on the Indian Railways. the Divisional Railway Level, the Railway Board Level, and the Zonal Railway Level. The main objective of PREM is to improve the efficiency and viability of the railroad organization and to promote the railroads as a service organization, better and more organized labor engagement in management is desired. Additionally, to demonstrate an open dialogue about how the railroad organization should be handled and shaped, and to inform about the investment plan, particularly with regard to accommodation and welfare initiatives (*Workers Participation in Management of Railways | Indian Railway Employee*, n.d.).

The major functional operations of PREM include; care for customers, quality, measures to improve revenue, control of cost, Human Resource Development, redeployment of human resource in case of surplus, commercialization and holistic developmental initiatives (*Participation of Railway Employees in Management*, 2021).

## Conclusion

The most important resource for a company is its human resources. Additionally, this unifies the goals and procedures and increases the significance of HRM. Human resource management, recruitment, selection, training, counselling, compensation management and employer-employee interactions are just a few of the many and diverse tasks that fall under the umbrella of human resource management. Personnel efficiency, the systematic process of choosing, training, compensating, promoting, maintaining discipline, controlling, and coordinating the workforce needs to be catered with utmost significance to make sure that the organisation is marching towards its long term goals.

The key finding of this study is that HRM practices in Indian Railways are consistent with the set of practices described in the IR. The opinions of a wide range of stakeholders, which not only includes the conventional parties like managers and employees represented by unions but also other government stakeholders, political parties, and members of society, have an impact on these activities. Multiple stakeholders in decision-making are also related to various performance indicators, such as non-financial and financial metrics, with the first being very context-specific.

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