

PROFESSIONALISATION OF MANAGEMENT IN CO-OPERATIVE SECTOR SUGAR MILLS OF U.P.

Author

Mohd. Arif

Supervisor

Dr. A. A. Ansari

Department of Commerce &
Business Studies
Jamia Millia Islamia

In a primarily agricultural country like India significant contribution to economic development, general prosperity and social upliftment of masses is possible. The pre-independence era witnessed major thrust of rural credit for co-operatives to provide cheap credit to farmers particularly to prevent the usurious exploitation of farmers by moneylenders. The first co-operative sugar mill in U.P. at Bazpur, District Udham Singh Nagar was dedicated to the Nation by the first Prime Minister Pt. Jawahar Lal Nehru. It was the first effort of establishment of sugar factory in co-operative sector, which went into production in 16th Feb. 1959.

In today's highly competitive and globalised business environment, there is an urgent need of professional management for the successful handling and managing the affairs of the co-operative organisation. The professional management in co-operative sugar mills is widely accepted and recognised and it is also needed in sectoral federation which protects the interest of their affiliated units. It has been observed that general trend in the growth of professionalisation of management is hampered in the co-operative organisations because of lack of education.

The Directors of these mills including Chairman, Vice-chairman show a very poor participation in the training programmes organised by various institution and centres. It gives birth to lack of professional approach among the policy makers of co-operative sugar mills of U.P. It has been found that most of the directors in these mills are laymen and lack professional competence. They hold office by virtue of their position and not because of their co-operative and modern management background. The general body under law and rules, has to give broad policy guidelines in their meeting which is held once in a year but unfortunately there is irregularity in holding General Body Meeting annually which poses the problem in the way of enlightenment of members in the working and management of these sugar mills. The members are found not aware of their functions.

The Study reveals that neither the Board of Directors nor the Administrator (in place of the Board) is immune from unscrupulous activities like deliberate mismanagement and misuse of mill's resources. Such a tendency persists because the Board is generally composed of such persons (cane growers and nominees) who directly or indirectly have vested interest in the affairs of the mill.

It has been found during survey of these mills that generally the retired persons from

any department of co-operative department of U.P. which do not possess required skills and knowledge of handling the processing operations in day to day work in lightly competitive business environment are appointed keeping in mind that they will handle the business of the mill on the basis of their experience. The existing practice of deputing P.C.S. officers as commercial managers for a short period has not given good results. They should be educated and trained for handling the work of commercial organisations and as per policy they should be kept in the organizations for a considerable period of 3-4 years. The procedure for recruitment of supervisory and subordinate staff of co-operative sugar mills varies from mill to mill. Some mills recruited the junior level staff on the higher post.

An analysis of the working of co-operative sugar mills of U.P. shows that there are number of obstacles in the way of the professionalisation of management. The education and training programmes to various levels of management of these mills could not be fully utilised. These mills do not spare their staff for training, as they do not have sufficient staff to manage their normal work. It has also been found that adequate numbers of qualified personnel i.e. lecturer and instructors are not available in the training programmes. Trainers must possess adequate knowledge of the subject they teach, ability to deliver, aptitude for teaching and use of techniques appropriate to the subjects and to the trainees.

In the process of professionalisation of management in co-operative sugar mills, an important prerequisite is to demarcate the spheres of functions of the elected Office In order to work out the training needs systematically it is very essential for all co-operative sugar mills to make a serious effort to provide a written job description for all levels of management and thereby identify the type of knowledge and skills which are required for efficient performance of particular job.

By now information technology has assumed considerable importance in terms of routine work. These mills should adopt it. Initially these mills may find it financially difficult to establish such information-oriented parameters. The training institutes have to make their programmes in accordance with desired norms to face challenges. The training programmes are to be scientifically designed and updated by training institutes according to the business situations. There should be necessary related provisions in the by-laws of the mill. Emphasis should be laid on professional merit and not merely electoral merit of the person. The provisions related to the composition of board of directors provide for inclusion of women directors as representation of women, representation of economically backward category etc.

Co-operative enterprises should leave the managerial responsibilities to the salaried executive and the Board should concentrate on policymaking, long-range planning and evolution of the work of the executive management. It is required now to make a serious effort to stop the interference of politics in the management and administration of these mills. There is a need to build up a cadre of professional personnel to effectively handle the managerial and developmental tasks in the co-operative sugar mills of U.P. to achieve the working results of these mills as per expectations in present day business environment full of competition.

