

Resource Management in Indian Pulp & Paper Industry: Challenges & Prospective



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Abstract: Paper Manufacturing requires a wide range of resources which involves Fibrous raw materials, water, energy and Manpower. Human resource in no means a minor aspect in this era of global competitiveness. A fresh look at the trends in Human resource management in ever changing pulp & Paper industry reflects that recruiting, managing, nurturing talent and retaining best one has emerged to be the single most critical issue of today's changing business environment in this sector. India is fastest growing market in the world and it presents an exciting scenario as paper consumption is poised to increase with increasing economic growth especially in packaging area. In order to survive in this globally competitive era, process heads are highly pressured to improve quality, increase productivity, reduce waste, and improve efficiency. Thus availability of production professionals who are innovative, quick on the uptake, has an ability to adapt changed scenario with sound technical knowledge has become most important issue of Human Resource Management section of paper industry. Till recently plant & machinery operation of the Indian Paper Mills were operated largely by semi skilled and unskilled workers. They look after the operation and maintenance of the mills without much understanding of the processes. Almost all segments of the industry are affected but the most affected are the medium and small mills, which depend solely on local work force. Absence of trained technical manpower in the industry has created problems of Quality, Productivity Health and Safety. Paper industry requires both Process and non process technical manpower. Non process Technical manpower requires Mechanical, electrical, production, Electronics and IT professional whereas process technical manpower involves forestry and pulp & paper professionals.

Requirement of Non process technical Manpower is catered by various technical institutions in the country. Availability of Technical Process stream manpower is a major concern for the industry. In the present scenario of rapidly evolving workplace, with swift advances in technology, Human Resource Department within the company must evolve along with industry, their organization and the manpower in order to keep pace with this rapid change. The present paper highlights status of process technical manpower in Indian paper industry, possible future requirement and the possible measures to fill the gap between requirement & availability of process technical Manpower and Role of Human resource Management Department in mitigating this issue.

Introduction:

Employees are greatest asset of an organization. They are their competitive advantage. HR Management system of the Organizations should attract, retain the best talent, nurture them and make them feel they are an integral part of a company's mission. Due to a variety of different factors, including too few available skilled manpower in Pulp & Paper disciplines, an outdated reputation of workplaces location as well as the misconception by younger generations that Pulp & Paper lacks competitive wages, innovation, and sophistication – the workforce is shrinking.

India has become one of the fastest growing economies in the world over the last two decades, undoubtedly aided in this performance by economic reforms. Manufacturing sectors of the economy involving the rapidly evolving workplace and pulp & paper section is not different. The workforce is evolving too. People are living and working for longer period, but at the other end of the spectrum there are young colleagues with an entirely different outlook. Engaging & retaining such varied range of employees with wide-ranging expectations is not so easy.

Paper Industry is looking for trained technically qualified Process Technical Manpower to meet its present and future demand. On an average in large & medium size paper mills which are mainly virgin fibre based, the engagement of technical manpower per ton of paper produced per day is around 2.5. As on today around 6 million tons of paper is produced by this segment of paper mills, nearly 45,000 qualified technical persons are employed by this category of mills.

In small mills (mainly waste paper) technical manpower per ton of paper produced per day is around 1.0, thus technical manpower employed by this category of mills is estimated at around 50,000. Thus total technically qualified manpower in Indian Paper Industry, both in process and non process streams, in all sectors is approximately 95,000.

Out of the total technical manpower required by a pulp & paper mill nearly 40% is non process technical manpower and around 60% is process technical manpower. The non process technical manpower availability is not an issue with the industry as a number of universities and academic institutions are running courses in various disciplines required by the Paper industry. Availability of process technical manpower is a hilarious task for Human resource Management Department of the paper mill. Talent management in process technical manpower is the prime challenge that is

faced by the pulp & paper sector, as acquiring and retaining a productive manpower has proved to be extremely difficult.

CHALLENGES FACED BY THE MANUFACTURING SECTOR

Indian pulp & paper industry, like many other industries, is undergoing a rapid evolution spurred by Technological advances, globalization and shifting demographics. Aging and retiring workforce, combined with technological advances, issues with talent recruitment and management processes, and continued global expansion are taking their toll. Severe shortage of skilled workers has been a critical issue for years, which begs the question, what must be done differently in order to achieve the results necessary to be effective, especially in the time of growing global competition.

The jobs most difficult to fill are those which have greatest impact on performance. The most significant need is Process technical manpower, which may also face the largest skills shortages in the near future, as an increasing number of workers age or retirement.

Requirement of Additional Technical Manpower in future by the Industry

There is an acute shortage of trained manpower particularly in the newly established mills or mills which are going for capacity expansion. Future requirement of manpower are estimated to be 4% of the existing manpower for capacity expansion, and another 3% technical manpower is required every year to cope with superannuation. In an study by a subcommittee at the beginning of 12th plan future requirement of technical process stream manpower is increasing at a sharp rate. This shows that the requirement of additional technical manpower, which was around 4680 by 2017 i.e. by the end of the 12th plan period | (taking an average growth rate of 7.8%). This would go up to 8040 by 2027. Out of the total manpower required by the paper industry 40% is for process stream and 60% for non-process technical stream.

This indicates that by the end of next five year plan over 3300 process technical manpower is required annually by the Indian Pulp & Paper Industry. Automation and technological advancement has further increased demand of process technical stream.

The technical manpower required Paper industry can be distributed as follows

- 15% as Graduate Engineers
- 25% Diploma holders
- 60% of ITI level (Operator level)

Based on the above criterion technical manpower required by Indian paper industry by 2027 will be as under.

- Graduate Engineers >1200
- Diploma holders >2000
- ITI level (Operator level) >4800

The above requirement of technical manpower by the paper industry in near future is difficult to meet out by the HR Management of the industry due to workforce shortages or skills deficiencies in these areas, it will significantly impacted the ability of the manufacturing companies to expand operations or improve productivity. The industry has changed to redesigned and streamlined production lines and more and processes are automated thus changing the nature of the work required in the sector. All employers will continue to require more from their employees; all are feeling the impact of an increasingly acute talent crunch.

Even high unemployment is not making it easier to fill positions, particularly in the areas of skilled process stream manpower demand. A large number of jobs are going unfilled simply because manufacturers are unable to find people with the required skills. As very few institutions are running Pulp & paper Courses and it is not producing workers with the basic skills needed, the shrinkage trend of Process steam manpower is unlikely to improve in the near future.

The Pulp & Paper Industry has an image problem. One is agree or not, the sector doesn't appeal to tech-oriented talent like other industries and, thus, often struggles to attract Tech-savvy candidates that are necessary to stimulate growth and push innovation. Improving an enterprise's culture establishes a foundation that will address that image problem with time and effort. Driven by feedback to better understand a workforce's opinions and needs, a more satisfying culture creates a better employee experience centered around culture initiatives.

Majority of pulp & paper mills are located in tier III city or in remote areas. This aspect also has an impact on attracting best talent in the industry.

GAPS IN REQUIREMENT AND AVAILABILITY OF PROCESS STREAM MANPOWER

Only eight Institutions are imparting courses in the pulp & paper stream. These are :

- Indian Institute of Roorkee
- FRI Deemed University (CPPRI)
- LNIT, Nagpur
- Bangurnagar Degree College, Dandeli
- SLIET, Punjab
- SPB Institute of Technology
- SJP Polytechnic
- Amravati University

Availability of Process Stream Technical Manpower from these eight existing institutions is only around 300 students per year, against a requirement of over 2500 at the level of B.Tech & Diploma. There is no institution in the country providing ITI in the process stream of Pulp & Paper. This shows that there is a big gap

between the requirement & the availability of technically trained manpower to meet even the present demand.

There is a need to strengthen the existing Institutions and to open new ones at graduate, diploma and mainly in ITI levels.

In order to fill the gaps between requirement and availability of Process Stream technical manpower following milestone may help >

Milestones to be achieved to fill the gap of Requirement & Availability of Process Stream Manpower

There is no single solution to meet out the challenges faced by HRM in recruiting skilled process stream technical manpower in pulp & paper industry and to mitigate the growing skill gap.. Finding talent with required technical knowledge and skills is only part of the solution. The industry should develop talent and also assist the Institution in developing the skilled talent. Formal education programs and competency models can power the momentum of internal and external developmental efforts in this direction.

Following milestone will help the Paper Industry in meeting out its skilled Process stream technical manpower for present and Future demand.

- Creation of infrastructure in the ITI's located near the existing clusters of pulp & paper mills for starting a certificate course in pulp & paper to meet the industry's requirement of the Process stream technical manpower.
- Strengthening of CPPRI capabilities in the area of HRD & Training to enhance its capabilities for advanced capsule courses as per the need of industry for sponsored candidates at middle management levels Industry should come forward and join hands with CPPRI to move ahead in this direction.
- Formation of sector specific council for skill development with the involvement of pulp & paper industry representatives.
- Companies should leverage local colleges and it is or other trade schools in creating facilities to develop skilled process manpower in paper sector.
- Short term Training & Skill development courses for Unskilled Labour on operational aspects will also assist in shop floor talent development at local level.
- Industry should come forward to plan formal training to local youngsters and select science stream 10th & 12th Pass students. They may be trained for 1 year and 2 years courses with institutions having infrastructure for formal training in pulp & paper sector. This way company can become self sufficient in meeting its skilled manpower requirement at local level which will be easy to retain also.
- Company may recruit Mechanical/ Chemical stream manpower and send them for 3 months training process stream training with

a well defined syllabus to Institutions. This will meets requirement of process stream at supervisor/officer level in production and quality control.

- One of the major issue in Paper industry is the low wages and salaries. Due to Dissatisfaction of waages retaining of the employees is difficult. The paper industry should develop an effective wage system which will help in hiring and retaining skilled talent

RECOMMENDATIONS FOR HUMAN RESOURCE MANAGEMENT

It is critical that HR department should develop an innovative workforce plan, create a pipeline and hire current & Future employees. Once recruits the policy must be design to retain the best talents. HR best practice should be developed and employed to retain the best talents.

Following Human resources practices may be helpful in hiring and retaining best talent.

Hiring the Right People

Obviously, successfully recruiting new, skilled Talent is critical in addressing the current workforce issue. People are the heart of any business. Of course it is easier than done. In order to hire best talent the company must plan a great recruitment policy. Hiring the right people is never easy. The policy must be of Hiring right First time.

Onboard and Train for Success

Once you recruit the people, it's HRM job to help set them up for success. Starting a new job at a new company can be a challenging transition for anyone, even the most seasoned professionals.

When you hire new employees make sure you have an on boarding process in place. Remember, a major staff turnover occurs within the first 45 days of employment. This is due to poor on boarding and training.

Training in relevant skills

It is the area where HR has to operate to its best. It is equally essential to provide adequate training to employees, in order to keep them update with the latest developments in the working area and prepare them better for the upcoming challenges.

Providing security to employees

Retaining of right person in a company is must for its growing. Make them feel part of the organization and job security with proper working environment will make them happy and to be associated with you for longer period.

Reward & Recognition to Achievers

Employees want to be rewarded for their good work. There are many ways to reward and recognition of an employee. You may apply all or selected from following or any other way.

- Have an "Employee of the Month/Year" award
- Plan a dinner with the CEO
- Send a surprise package to their home address
- Provide Them new office Furniture
- Allow them to attend a conference of their choice
- Make a charitable donation on their behalf

You have to be consistent if you start any of the above. Come up with a pattern where you can regularly recognize great work without seeming bias or unfair. Developing habits of regular recognition will give employees something to looking for.

CONCLUSION

It has been an established fact that the success of any manufacturing industry in modern technological era is entirely depend on availability of skilled manpower. Recruiting and retaining of best talent is prime objective of HR Management Cell in any paper mill at present. The biggest challenge for paper industry nowadays is " how to manage this biggest & most critical Resource i.e Human Capital". Though the challenges being faced by the paper industry with respect to process stream manpower shrinkage may sound dire, if addressed proactively they are surmountable. The industry must come forward and take proactive approach in filling up required & Availability gaps.

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