

Analysis of HRA Practices in Selected Public Sector Projects in India

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Abstract:

Human capital is one of the most valuable assets of an organization that determines an organization's failure or success. It is the key to success; human resource development facilitates organizations to respond to the challenges of ever-changing business scenarios. The selected public works are selected to analyze HRA practices in these organizations. Index Terms - HRA, HR, Universally accepted model, HRD, Balance Sheet I. To get started Public sector understanding occupies a commanding place in the Indian scenario. It grows very much and covers almost Any field of industrial activity. These companies are set up to cover human resource development activities in addition to commercial Activities. Public sector businesses operate mainly in the infrastructure sector, some of which are dangerous as nuclear power Generation, petroleum, refining, oil exploration and coal mine etc.

Keywords: Public works projects, modernization of technology and equipment, HRA.

Introduction:

Research Area:

A study is being conducted to cover seven central public works projects to analyze HRA practices in public sector operations Namely, SAIL, BHEL, CCI, NTPC, HZL, MMTC, ONGC and model employees by them to approach and value their human assets.

1. Intellectual capital is one of the most valuable assets of the organization. That's the key to success. Human resource development It facilitates organizations to meet the challenges of ever-changing business scenarios.

Sail (Indian Steel Authority limited):

We invest not only in the modernization of technology and equipment, but also in human resource development

Training, etc. to increase their potential and respond to the real challenges of new business in changing economic scenarios. The potential of our human resources is being optimized by developing and utilizing them in an optimum way to maintain In view, age and professional profile.

For the valuation of human assets, SAIL adopts the "Economic Valuation Method" and the basic model devised by Lev and Lev Schwartz incorporates certain improvements proposed by Eric Flamholtz and Jaggi Lau. This is the first time that we have been able to do this. Special requirements. Human asset valuation is done by confirming future expected earnings and discounting some to them

Current value. Discounts are made at 15% Sail classifies human assets into the following categories - namely. Managers and executives, Supervisors, clerical staff, skilled workers, and semi-skilled or unskilled workers.

BHEL (BHARAT HEAVY ELECTRICALS LIMITED):

Human resources are evaluated on the following assumptions, based on models based on Lev and Schwartz:

- (i) Weighting for changes in efficiency due to age, experience, and skills;
- (ii) Normal career growth due to the current policy, vacancies are filled from the level just below

(iii) Current pattern of employee compensation, including direct and indirect benefits, including the effect of the wage division allowance;

(iv) Apply a discount factor of 12% per year to future earnings to reach present value.V.CCI (Cement Corporation of India Corporation.)

CCI is fully conscious towards human activity and gives little attention and priority to maintain human assets in fine fettle.

Human resources procurement, development, remuneration, integration and maintenance are wisely controlled and Deftly You are directed to ensure that individual needs, organizational goals and social goals are successfully achieved. Good insight into existing ones.

Human potential is 41% of the total human power distributed can be perceived well through the profiles of occupation wise and age wise CCI employee strength represents technically and professionally qualified degree/diploma holders. As such 48% of total strength The organization represents young people in the 18-40 age group.

The balance sheet or CCI is said to be "a model for the assessment of the economic value of a well-defined and universally accepted model in the absence of a clear cut."

An attempt was made to evaluate the same by calculating the present value of the company's human assets "expected future Employee earnings, taking into account the current salary scale and promotion policy, followed. The calculations have been Based on the guidelines and principles declared in the economic model developed by Lev and Schwartz, Eric Flamholtz and Jaggi, Lau with appropriate changes.

National Thermal Power Plant (National Thermal Power Plant)

NTPC's total HRD process has resulted in a strong team that is technically competent and professionally qualified. This is... Resources have been continuously striving to take NTPC to commanding height by improving operational parameters and other

Productivity of raw materials year by year. NTPC is taking regular annual exercises to assess its human resources assets using a variety of Accounting principles embodied in the principles and philosophy of personnel accounting, the importance of this resource is always so It remains at the top of its mind.

NTPC uses the Lev and Schwartz economic models. The present value of future earnings is calculated to arrive at the present The value of human assets, assuming a discount rate of 12%, is classified into three categories of labor force.,

Executives, supervisors, workers.

HZL (HINDUSTAN ZINC LIMITED)

HZL does HRA and uses the Lev and Schwartz models with the following assumptions:

(i) Career growth is projected in accordance with current policies and vacancies are being filled from the level just below.

(ii) Current patterns of employee compensation are taken into account.

(iii) The present value of future revenue is calculated assuming a discount rate of 12%.

MMTC (Minerals and Metals Trading Corporation)

At MMTC, talent is assessed by working out the present value of the expected future earnings of Employees after taking into account the current salary scale and the promotion policy that is. to reach the present value of the future.

The profit of the employee is 12% p.a.The discount factor is applied. The calculation was applied. The calculations have been Based on guidelines and principles enunciated in Lev and Schwartz models. Present value of human earnings per employee It reached rupees. The value-added face value of human capital with 1.153 million employees is RS. As of this time 0.870 million.

ONGC(OIL AND NATURAL GAS COMMISSION LTD.)

ONGC has always given priority to human resource development by developing enlightened human resources policies from Time to time to achieve its goals and objectives. Personnel policy from time to time to achieve its goals and objectives.

The HR policy aims to follow a participatory style and create an environment of mutual love and respect between employees By providing job satisfaction that ensures continuous development and career progression and provides better living and working conditions.

Observation:

1. All implemented companies follow a somewhat similar practice that evolved from the synthesis of three approaches based on Economic value It may seem to be an improved version, as advocated by Lev and Schwartz, Flamholtz and Jaggi and Lau.
2. The forms of accounting and the various components of accounting are not uniform in all organizations.
3. Many organizations have adopted the practice of HRA and began to reflect the value of HR in their annual accounts of supplementary information or social accounts.
4. The present value approach to HRA is still in the experimental stage. But it is already necessary in evaluating some specific assets under generally accepted human accounting standards.
5. All organizations are more conscious and elaborate with respect to HRA, with the exception of ONGC.
6. At this point, the development of generally accepted human accounting standards is essential.

Conclusion:

Our approach to date has been to value human resources in order to integrate them into traditional finance and present their value Statement. But to derive the real utility of HRA, the whole concept of creating financial statements needs to be changed. Finance Statements should be created in a view that is human-based, not capital-based current view. The Financial A statement prepared to indicate human resources as an asset so called human financial statements prepared to indicate human beings The assets of the resource would be

called human-based financial statements. Now it is required for under laws and government guidelines. Promise to keep a separate item on the balance sheet about such personnel activities that they performed. So the business must Implement HRA with vigor and clear direction.

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