

Impact of HRM on Handloom as an unorganized sector (A study with reference to Handloom weavers in Krishna District, A.P)

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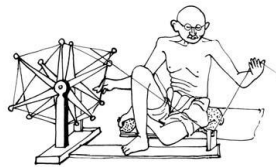
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ABSTRACT

Handloom weaving activity is much popular and decentralized, traditional and skill oriented activity in India. It is spread every nook and corner of the country and occupied everywhere both in rural and urban areas. After agriculture, the handloom industry provides significant proportion of livelihoods to majority of its people. India has great heritage in handloom sector. The scope of employment is heavy; nearly 43.31 lakh people are engaged directly or indirectly by this activity.

The present study is based on the primary data collected from handloom weavers in Krishna district, where majority of handloom weavers are located. The human resource generation is stagnated in handloom sector as well as the choosing this occupation also by heredity or profession by parents only. This study aims at to explore the Human Resources Management practices in handloom weaving activity as well as to suggest appropriate measures to implement the HRM practices.

Keywords: Handloom weaving activity, Un-organized sector, HRM practices,



INTRODUCTION:

The Indian economy has preponderance of organized and unorganized sector of workers. As per the commissioner of Textile, Mumbai, 12% of the cloth production is done through handloom. These sectors (organized and unorganized both) are further classified into sub-sectors of agriculture, manufacturing, trade, transport, telecom etc. Much attention has been given to organized sector to apply various management theories and practices of human resource management. Unfortunately unorganized sector has been neglected a lot in terms of integrating and implementing human resource management. Dharam Chand Jain et.al (2017). Currently, India's textile industry contributes about 14 percent to industrial production, 2 percent to the GDP, and 11 percent to the country's export earnings.

Handloom industry is an ancient cottage industry of India rolls its carpet back to the ancient times. The very first fragment of Indian handlooms was excavated from the parts of Egypt. After that finely woven and dyed cotton fabrics were found in Mohenja Daro (Indus Valley Civilization). Even the Vedic literature also has mention of India's weaving style. Handloom industry acts as the backbone of Indian culture and tradition with a huge variety of designs, printing techniques, Weaving art and materials used Indian Handloom has created

magic all over the world. Phulkar from Punjab, Chanderi from Madhya Pradesh, Ikats from Andhra Pradesh, Tie and Die from Rajasthan and Gujarat, Daccai from West Bengal, Brocade from Banaras and Jacquard from Uttar Pradesh are some of the jewels that have been dazzling all over the world. Indian handloom has been the pride of Indian Traditions and a representative of its cultural brilliance.

Handloom weaving activity is an un-organized sector in India; it is an ancient cottage sector with a decentralized setup. As per 3rd Handloom Census carried out in 2009-10, this sector provides employment to 43.31 lakh people with 23.77 lakh looms, of people are depending upon the ancillary occupations connected with this handloom weaving activity. Handloom sector is highly concentrated on Man Made Art and Tradition, plays a vital role in the economy of country. Outlining the importance of the textile industry in the Indian economy also brings us face to face with the different modules such as the mill segment, handloom segment and power loom segment that make up this whole. The handloom weavers are classified into independent weavers, weavers working under master weavers, weavers working for cooperative societies, weavers working under middlemen and labour weavers (NK Meera, 2011)¹.

The Ministry of Textiles in India defined handloom as “any loom other than power loom; and includes any hybrid loom on which, at least one process for weaving requires manual intervention or human energy for production”¹. According to the Hindu mythologies such as Ramayana, epics and other religion rules mentioned about the passion of the weaving profession and its importance. Apart from above evidences, it was found that Koutilya’s ‘Arthasastra’ have discussed the yarn, skill of weaving and wages interestingly and another book in Buddhist studies also brought to the light of Bouddha Jataka tales which explores the glory of ‘Nakulapita’ a skillful weaver man and his significance was illustrated in a beautiful way. However this sector is facing many problems like competition from power loom, high prices of raw materials, which leads to suicides of weavers Asha Krishnakumar’s , Journalist report.

The number of handloom weaver households declined from 6.5 million in 1995– 1996 to 4.3 million in 2010, the decline has been attributed to competition from the mechanized mill and power loom Sectors, decline of public sector handloom corporations and Apex Cooperative Societies, high cost of credit and low disbursement of credit for the handloom weavers, choking of co-operative credit lines due to debt over-dues and marketing problems. The initiatives of government of India from the beginning are establishment of various boards and appointment of various commissions.

The All India Handloom Board was set up to support weavers with raw material supply and marketing. LC Jain, a member of the planning commission on multiple occasions assisted the promoter of the Indian Co-operative Union, Kamaladevi Chattopadhyay, and was secretary to the All India Handicrafts Development Board. In his review of handloom policy in the *Economic and Political Weekly*, he echoes the sentiment of handloom activists “It is

¹ NK Meera (2011) the study of handloom weavers in Coastal Andhra during the late 19th and early 20th century”.

time for the policy maker to lift his little finger in their [crafts people's] favor. We have a heritage to keep" (Jain 1986). Co-operativization of weavers was emphasized in the Five-year Plans post independence, along with control of power loom growth by the Textile Commissioner. These were key thrusts of the 1948 Cotton textile control order passed by the Government of India. This prevented mills from producing varieties of cloth that had been traditionally the domain of handlooms, as well as some items reserved for small power loom units (Eapen 1984, 583).

The Kanungo Committee set up in 1952 was of the view that handloom had no future, and recommended a progressive conversion of handlooms to power looms over a period of 15 to 20 years (GOI 1954, para 75, 81). In contrast, the Karve committee of 1955 [on Village and Small scale Industries, Second Five year Plan] (GOI 1955, 89) recommended freezing not just the mill but also the power loom output at existing levels. The Textile policy of 1956 extended working capital for co-operatives through the RBI scheme for handloom finance in 1952, and a guaranteed cover to co-operative banks for non-recovery of loans to handloom weavers' societies in 1956.

Subsequently, the Ashok Mehta Committee in 1964 (GOI 1964, 164-172) swung back on these resolutions questioning handloom's long term viability and suggested that power looms be given support. This resulted in the official recognition and expansion of power looms in India. By 1974, as the Sivaraman committee of Handlooms pointed out, the handloom industry had taken a further beating from the expansion of power looms (GOI 1974, Srinivasulu 1996, 3202). In 1978, the new Janata government announced a textile policy followed by The New Textile policy of 1985 was the most comprehensive one to date and made a critical shift in emphasis from employment potential to enhancing productivity (GOI 1985, 4).

The Abid Hussain Committee reviewed the policy and suggested splitting weavers into three tiers based on skill and earning, and an added focus on improving weavers' earnings (GOI 1990). LC Jain's denouncement of what he saw as the "liquidation of the handloom industry" (Jain 1985) was caustic. In view of the unprecedented suicides in weavers, the Mira Seth committee was set up in the 1990s to examine the impact of the policy, ending up with recommendations for an export-oriented strategy for the survival of handloom. In 2006, the Development Commissioner of Handloom introduced the Integrated Handloom Cluster Development Scheme (IHCDP), generally addressed as the Cluster scheme, as a policy to develop handloom using an approach that was based on geographic areas and focused on the market.

Human Resource Management Practices:

After knowing the disadvantages of handloom sector in India, it is better to adopt HRM practices to overcome various problems and to boost the economic lives of weavers. The functions of the HR indicated that, they play a key role of supporting staff which motivates the line staff to function properly and achieve the organizational goal. Thus, through practice of best HR policies and procedures one can motivate employee for work and organizational engagement. In fact, best HR practices can even change the attitude of employees and dissolve the issues on cognitive dissonances. Unorganized sector have no

framework of human resource policies and procedures, however formalizing and standardizing the same would be a mammoth job, but not an impossible one.

National Commission for Enterprises in the Unorganized Sector (NCEUS) in 2004 was established by Government of India to acknowledge the importance of unorganized sector. In 2008, NCEUS submitted a document titled "Report on Definitional and Statistical Issues Relating to the Informal Economy" available in the website of Development Commissioner MSME (<http://dcmsme.gov.in>; assessed on 20.04.2015). The report defines unorganized sector consisting "of all unincorporated private enterprises owned by individuals or households engaged in sale and production of goods and services operated on a proprietary or partnership basis and with less than total ten workers". The Unorganized Sector, according to National Accounts Statistics (NAS), refers to all operating units whose activities are not regulated under any Statutory Act or legal provision and those which do not maintain any regular accounts. Generally speaking unavailability of regular accounts has been the main criterion for classifying these units as unorganized and main indicator of challenge for HR to define a framework and scope to frame and implement HR policies and procedures for this sector. However, it is not that much easy to bring changes among stakeholders in any unorganized sector. The handloom has no exception. However, the government is taking initiative to bring back their attention to develop and continue in this sector. Many NGOs and government boards along with ministry of textile and handloom boards are thriving to develop this sector. Government of India has set up various Handloom Boards to look after the production level, export and import facet, making schemes effective & providing necessary funds for the growth of Handloom Industry. These are - All India Handloom Board, Cotton Advisory Board, Central Wool Development Board, Jute Advisory Board and Central Silk Board.

Review of literature

Naga Raju, G., and Rao, K. V. (2014)² study brings to light the socio-economic conditions of the handloom community in Andhra Pradesh. The study has been conducted across the Guntur district. It is known from the study that the economic status of the weavers is not up to the mark due to their low income from their profession.

Victoria Devi (2013)³ studied on the "Handlooms for livelihood in North-Eastern Region Problems and Prospects" highlights the facts that women are engaged in the weaving sector in a significant proportion in the North-East region though the earnings are not up to the mark.

Vijay Bhaskar, R. (2013)⁴ study gives us a picture of the conditions and problems of Handloom weavers in Nellore District. The study examines the co-relations between the literacy and the sale of fabrics, caste and production of fabrics, cost and profit of production, man hours spent production etc.

Sahai Biswambhar reported (1956) that the problems of handlooms are owing to the competition from power looms and mills. He felt that there is need to employ trendy techniques of production and design, government ought to establish training centers for the benefit of weavers where they are concentrated and materials like, design books and related instruments need to be created there.

METHODOLOGY

At Present, the handloom weavers in Krishna district are facing acute problems of abject insufficient income, poverty and lack of skill development (Training and Development) and social security. The majority of weavers are struggling hard to survival especially income and expenditure are huge imbalance and the socio-economic conditions of handloom weavers are in panic condition. The rapid expansion of power loom has doubled their problems and lack of HRM practices in handloom sector. In the past days the handloom industry was glorious in Krishna districts. Especially since two decades the conditions of handloom industry are pathetic. An attempt is made in the present study to examine the need of HRM practices in unorganized sector.

Scope of the Study:

The study is planned to focus on the need of HRM practices in handloom weaving activity in the selected Mandals in Krishna Districts of Andhra Pradesh. It is presumed that the problems of weavers irrespective of their domicile are similar. More so, Krishna districts have significant number of handloom weavers.

The study mainly concentrated on the following parameters: Age, type of house dwelling, working hours, monthly income and training, type of training and source of training, social security to handloom weavers in Krishna district.

Objectives of the Study

The study is undertaken with the following objectives:

1. To study the socio-economic aspects of handloom weavers in Krishna district;
2. To know the HRM practices impact on income level of the sample respondents;
3. To study the need of HRM practices in handloom sector.

Sample Design

The present study is adopted the *stratified random sampling* method for selection of respondents. Stratified random sampling is probability sampling option. The first step in stratified random sampling is to split the population into strata, i.e. sections or segments. The strata are chosen to divide a population into important categories relevant to the research interest. In the first stage, Krishna was selected purposively based on the population as per the report of Third Handloom Census 2010 where significant weaving households are located. In the second stage, from Krishna district three Mandals (Blocks) were identified with the same phenomenon i.e. the weaving community highly populated mandals and each Mandal is considered as one unit. In the third stage, every village (where handloom weaving families are living) is identified till getting the good proportion of sample to meet the objectives of the study. The sample size for the study is 288 respondents in Krishna district. 288 sample respondents from the selected mandals of Pedana, Gudur and Gantasala, which is three percent from total weaving population in the mandals. The data is collected both from primary and secondary sources.

Table1: Sample Size in Guntur and Krishna Districts

Mandal in Krishna district	No. of Handloom Weavers in the Mandal	Sample Size (3 per cent)
Pedana	4559	137
Guduru	4239	127
Ghantasala	806	24
Total Respondents		288

Profile of Handloom weavers

The present data of the respondents give the information related to gender, age, education and type of house connected to practices of HRM.

Gender

Women are significantly playing key role in all the areas, the contributions of women in the traditional weaving activity is very negligible in the study area of Krishna district. Out of 288 respondents 71.2 percent (205) of respondents are men and the rest 28.8 percent (83) of respondents are women. This is totally dominating proportion by men, generally women participation is good at any place but in Krishna district the situation is different.

Table 2: Profile of Handloom weavers

		Respondents
Gender	Men	205 (71.2)
	Women	83 (28.8)
Age Group	21 – 30	26 (9.0)
	31 – 40	52 (18.1)
	41- 50	61 (21.2)
	51 – 60	93 (32.3)
	Above 60	56 (19.4)
Education	Illiterate	120(41.7)
	Primary	104(36.1)
	High school	19(6.6)
	Inter	43(14.9)
	Graduation	2(0.7)
Type of House	Pukka house	104 (36.1)
	Semi pukka house	93 (32.3)
	Kutchha house	91 (31.6)

Age Group

The age certainly plays a significant role in the production and the overall output, if person is having middle age the production output will be high. If there is working aged people the output would be different, hence the significance of age groups ultimately impact

on the overall production and the income. There is a close correlation between the age groups and the production.

Out of 288 respondents, 32.3 percent (93) of respondents are in the age group of 51-60 years, 21.2 percent (61) respondents are in 41-50 years age group, 19.4 percent (56) respondents are in the group of above 60 years, 18.1 percent (52) respondents are in the age group of 31-40 years and 9 percent (26) respondents are in 21-30 age group. Most of the respondents are nearer to retirement stage. The youngsters are not choosing this activity as their profession. If situation continues same in future we will see the handloom weaving industry in the history books only. The Chi-square value is highly significant at 0.004 levels.

Education qualification

Out of 288 respondents 41.2 percent (120) respondents are illiterates, 36.1 percent (104) respondents have primary level education, 14.9 percent (43) respondents have intermediate level education, 6.6 percent (19) respondents have high school level education and lowest 0.7 percent (2) respondents have graduation level education.

Type of House

Housing is one of the basic needs of human beings which constitutes the protecting any individual and any family. The housing is more need of handloom weavers; the weaving activity is usually carried out at the weaver’s residences only. Regarding type of houses of respondents 36.1 percent (104) respondents are living in pukka houses, 32.3 percent (93) respondents are living in semi pukka houses and lowest 31.6 percent (91) respondents are living in kutchha houses. The Chi-square value is highly significant at 0.039level.

Number of Hours Work in a Day

Working hours in the production are very important; the output obviously depends on the working hours that utilized fruitfully, if there is disturbance in working hours it ultimately impacts the production.

Table 3: Number of Hours Work in a Day:

Working Hours per Day	Respondents
6 - 8	25 (8.7)
8 - 10	57 (19.8)
10 -12	132 (45.8)
Above 12 hours	74 (25.7)
Total	288 (100)

Source: Compiled from collected data.

Note: Pearson chi-square value: 10.477, df: 3, significance: 0.015

On the other hand, in Krishna district, out of 288 respondents 45.8 percent (132) respondents are working between 10 to12 hours per day, 25.7 percent (74) respondents are working above 12 hours per day, 19.8 percent respondents are working between 8 to10 hours per day and 8.7 percent (25) respondents are working 6 to 8 hours per day.

Number of working days

Working days in any production unit are the progressive remarks for the development of any organization, the output and the overall growth depends on the working hours, the working days absolutely depends on the man power and the other

resources such as backwards and front linkages, if there are proper working days in an organization there would be a positive progress, in handloom sector it is reported that due to various reasons working days are effected drastically ultimately the production has been declined.

Table 4: Number of Working Days in a Year

Number of Working Days	Respondents
Below 100	4 (1.4)
101 – 200	64 (22.2)
201 – 300	179 (62.2)
Above 300	41 (14.2)
Total	288

Source: Compiled from collected data.

HRM Practices

Out of 288 respondents, 67.01 percent (193) respondents said that there was HRM practices conducted by NGO (Arthika Samata Mandali), 21.87 percent (63) respondents said that HRM practices implemented by Government and only 11.11 percent (32) respondents said that they have no idea about this.

Table 5 If Any HRM practices implemented by whom?

Response	Respondents
NGO	193 (67.01)
Government	63 (21.87)
No idea	32 (11.11)
Total	288

HRM Programs

The table reveals the HRM Programs utilized by respondents. One NGO conducted the above programs; among respondents 60.52 (89) respondents have utilized both training and development and social security programs. 21.08 percent (31) respondents utilized training and development for handloom weaving. 18.36 (27) respondents utilized social security like housing, toilets construction and new designs equipment to looms.

Table 6: HRM Programs utilized by Respondents

Programs	Respondents
Training and Development	31 (21.08)
Social Security	27 (18.36)
Both the above	89 (60.52)
Total	147

HRM practices impact on income:

It is found that there is a positive relationship between HRM practices and income improvement. The table reveals the range of monthly income of HRM programs utilized and non utilized respondents. From non utilized category 45.59 percent (47) respondents' monthly income is Rs. 3,001-4,000, 16.49 percent (17) respondents' monthly income is Rs. 1,001 - 2,000, 14.55 percent (15) respondents monthly income is Rs. 4,001-5,000, 10.67

percent (11) respondents' monthly income is 5,001 - 6,000, 9.7 percent (10) of respondents' monthly income is Rs. 2,001-3,000, and only 2.91 percent (3) respondent's monthly income is above Rs. 6,000.

On the other hand, HRM programs utilized respondents, out of 147 respondents 74.12 percent (109) respondents are getting monthly income is between Rs. 5,001 to 6,000, 18.36 percent (27) of respondents monthly income is between above Rs. 6,000, 4.76 percent (7) of respondents income is between Rs. 4,001 to 5,000, 2.04 percent (3) of respondents monthly income is between Rs. 3,001 to 4,000 and only very few 0.68 percent (9) of respondents average monthly income is between Rs. 2,001 to 3,000.

The impact of HRM programs clearly indicating the variation in income levels between utilized and non utilized respondents. Who were utilizing HRM programs their monthly income is higher than the non-utilized respondents, their income level is increased from Rs. 301-4000 range to Rs. 5001 to 6000 range.

Table 7: HRM practices impact on income of Respondents

Income (in Rupees)	1	2
1001 – 2000	17 (16.49)	–
2001 – 3000	10 (9.7)	1 (0.68)
3001 – 4000	47 (45.59)	3 (2.04)
4001 – 5000	15 (14.55)	7 (4.76)
5001 – 6000	11 (10.67)	109 (74.12)
above 6000	3 (2.91)	27 (18.36)
Total	103	147

FINDINGS

1. The major of respondents are in the age group of 51-60 years. Younger generations have not chosen the handloom weaving as a profession. Weavers' children and weaving community children were turned to alternate works from handloom weaving which is good remunerative than weaving.
2. Generally women participation is good at any place in weaving activity but in Krishna district is totally different their participation is low and it is big hurdle to supporting works in handloom weaving sector.
3. Majority of the respondents have utilized both training and social security programs.
4. Majority of the respondents from HRM practices non utilized category monthly income is Rs. 3001-4000
5. Majority of respondents from HRM practices utilized category monthly income is between Rs. 5,001-6,000, these respondents income level was increased with impact of HRM practices.

CONCLUSION

The Human Resource Management practices are very crucial for the growth and development of businesses in any sector, organized or unorganized. Unorganized sector being so vast needs better HRM practices. Handloom weaving sector provides a large scale of employment for 4.31 million weavers and allied workers after agriculture sector. Therefore, there is a genuine need to promote the handloom sector which could establish the pride of

place occupied on the industrial map of India. It could also contribute to the economic growth of the country in a better way. Impact of HRM practices clearly shows on their monthly income and it was raised. To uplift of the socio-economic status of handloom weavers, there is need of the hour to start HRM practices by the government and non-government organizations. It is need to improve the weaving skill through the training and development programs they can improve their skills to weave better designs and products. The handloom weavers shall adopt the new techniques in handloom weaving; HRM practices can improve social security and overcome the poverty in handloom sector.

¹ The Hindu English daily Newspaper (2013) “Doomed by definition” August 31st.

²Naga Raju, G. & Rao, K. V. (2014). A Study on the Socio- Economic Conditions of the Handloom Weavers, *Journal of Rural Development*, Vol. 33, No. 3, pp. 308- 328, National institute of Rural Development and Panchayati Raj (NIRD), Hyderabad.

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