



Remuneration as a Tool for Increasing Employee Performance in the Tea Estate – an Extensive study on Gulma Tea Estate

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The research aims to study if ‘remuneration’ as a tool can increase employee performance in a tea estate – specific to Gulma tea estate. The research used structured questionnaires to collect responses and draws information from the secondary data sourced from Gulma tea estate. The critical contribution of the research is that a positive correlation was found between the remuneration and the employee

performance. The remuneration paid to the tea garden employee is essentially basic, as mandated by the competent authority with no scope for improvement. In such a scenario, a delta change in the remuneration augments productivity in the employees. This research results will help the management to strategize production to achieve the targets. Most important, this study can help other tea gardens to strategize the right path forward to optimise their production capacity.

Keywords: Human resource, remuneration/Compensation, Organization, Management, Compensation benefits, organisation productivity.

Introduction

Tea is the most widely consumed drink in the world. India ranks second in terms of production tea after China. The tea gardens in India are generally spread over hill area of Himalayas and Western Ghats. Tea is a popular drink across the world and in India it is one of the most common drinks to start a day. This popular drink originated in China who once had a monopoly, later to break the Chinese monopoly tea was introduced in India by the British. The climatic condition in North East India was found to be favorable for tea cultivation and hence tea cultivation flourished in the region which later also spread to some parts of South India. India is the second largest producer of tea after China. As per Tea Board of India, India recorded an annual production of 1233.14 million kilograms of tea in 2015-16. Assam contributes to nearly 52% followed by North Bengal which contributes to nearly 26% of total tea production in India. Although tea industry flourished in India yet the condition of the tea garden workers did not change with time. Media and journals reported hunger deaths

in the North Bengal tea gardens. India is developing fast in every field yet hunger deaths are harsh reality of the country. India ranked 100th among the 119 countries, marked 'with serious hunger problem' in the Global Hunger Index 2017 report, released by International Food Policy Research Institute (IFPRI). The graveness of the problem can be identified by its ranking in GHI as in 2016 India ranked 97th among the 118 countries and in 2015 it ranked 80th among the 104 countries surveyed. There are about 276 tea estates in North Bengal and the livelihood of about 2.5 million people is dependent on tea industry. The very future of tea industry thus greatly depends on tea workers who spend most of their life in the tea gardens. Therefore, the present study has been conducted to analyse the relationship between the impact of remuneration on the employee's performance in the tea garden of Gulma a tea estate in North Bengal. The research would aim to explore the condition of the tea garden workers in the present day context where there are several government schemes implemented to address the issue of job security. It would put light into the fact that whether there is adequate availability and accessibility of all the requisite facilities by the families of the tea garden workers throughout the year, as it a basic need for survival. The study was conducted through field survey taking into account the major indicators of wage as a paramount parameter. Primary data has been collected through interview.

CONCEPT OF REWARD AND EMPLOYEE PERFORMANCE

Reward and benefits packages impacts on the value of employee efficiency and increases the performance outcomes .It increases the performance, satisfaction and productivity. The perception of employee about the organization benefits policy, if pay is good the employee performance will be good, quality and quantity of work will also increases (Ivancevch and Glueck, 1989).Organization pay directly influences on employee voluntary turnover and compare their pay with other organization (Henman and Schwab, et.al. 1987). People stay or leave the company for reasons they satisfied with their job promotional opportunity and work environment (Mitchall and Holton et.al.1993).

OBJECTIVES OF THE STUDY

1. The broad aim of this research is to decide the role of remuneration in expanding workers' performance.
2. The objective of the study is to analyze the relationship of employees' salary on employees performance".
3. To evaluate the level of employee performance.
4. To examine the relationship between compensation and benefits towards employee performance.

Scope of the Study

The scope of the study is restricted to the tea plantations labourers of Gulma Tea Estate in North Bengal and would be centered on different issues including the food security issues of the tea garden workers. It would look into account the impact of all the facilities including the wage structures, the availability and accessibility to food grains, livelihood profile of the families and its impact on health and education. It would also try to explore how the facilities impacts the tea workers performance which ultimately effects the development of the tea estates.

Review of Literature

Kamruzzaman, Islam, Rana, & Rashid (2015) in their study of the existing strategy of women workers in tea estates in Bangladesh tried to find out the survival strategies opted by the female workers for maintaining their livelihood. Study opened that women workers adopted stiff survival strategies for food, hygiene and health also even financial independency. They used to work extra hours beside their schedule hours because whatever the payment made by planters were not sufficient for maintaining their family.

Institute of Social Science and Economic Change (2015) reflected in the study about the past history of women workers in North Bengal. The study unveiled that terrible tale of coolecatching from the tribal region during the colonial period. There were convincing factors and coercive politics by the colonial planters. Moreover, there were no other sources of livelihoods for the women worker during that time.

Dutta (2015) observed in her study about the wage politics of women tea workers by the planters. The study had shown the conditions of vulnerable women workers in North Bengal. Women workers' less bargaining power was the positive strategic point of the planters. Study claimed that the amount of wage was not linked with the price of tea that planters fetch. The strong lobby of planters always made them winners during the process of determination of wages.

Tamang (2015) elaborately explained in his study an extensive review of tea plantation and its labour in Dooars region. He designed the study into three subtle parts; the historical past of people of plantation, initiatives of governments for the wellbeing of labour community and revenue generation from plantations. The study observed that very negligible increase of area of plantation, upward trend of increasing population in plantation, increasing unemployment, more participation of female workers, etc.

Paul and Hassan (2016) studied and reviewed on hygiene and healthcare practices of aged people of tea estates in Bangladesh. The study reflected that majority of old aged people lived in deep poverty that results ill health and less care from the family as well as from the society. The study further transpired that lack of awareness of Government health care facilities among them.

Purkayastha and Kalita (2016) examined on the living condition of tea labours of Assam. The study highlighted on the socio-economic aspect of tea labours only. Study suggested that workers were suffering from multifarious problems of their daily life. According to the study, they were socially, culturally and economically lagged behind. The entire responsibility vested in the hand of planters to arrange for them opportunities to make them socially and culturally stable to live peacefully.

Shah and Pate (2016) examined in detail about the prospects vs. challenges of tea industry in India. The study was presented in two parts; the challenges and the prospects. Productivity of labour, extreme production cost, worse effects of climates, ill effects of disease and pests, lack of concentration of government, poor quality of products, etc. were studied under the aspects of problems of the industry. On the other hand, extensive demand in the domestic market, production of organic tea, increasing use of information and communication technology, etc. were studied as prospects of the industry.

Methodology

With the objectives of an in-depth exploration into workplace hazards, abuse and violation of labour rights in tea gardens, the research project used both qualitative and quantitative approaches. The goal of the qualitative design is to represent the participants' reality as faithfully as possible from their own point of views (Morgan and Kunkel, 2001). In order to ensure an in-depth exploration of psychological, social and economic aspects of tea plantation worker's lives, the qualitative design could help us to gather information through the use of ordinary conversation and observation. The quantitative approach helped the research in gathering data which is important for designing and selecting intervention strategies for the wellbeing of workers.

Findings and Analysis

Below are the findings of the study:

1. Inadequate or poor facilities of housing;
2. Poor facilities of drinking water;
3. Lack of communication among the workers;
4. Interference of belligerent unions for vested interests and not linking wage increase with productivity;
5. Influence of outside agencies (like local political parties to woo votes);
6. Increase in incidence of theft (particularly green leaf) and general rowdiness basically due to unemployment;
7. Mosquito diseases-prone areas;
8. Improper implementation of PLA and Factories Act
9. The disproportionate increase in workers' family population.
10. Improper rationing facilities
11. Improper schooling facilities
12. Improper medical facilities
13. Lack of self help groups and no availability of cooperative societies
14. Improper sanitation and communication

According to the Plantation Labor Act 1951, a person employed in a plantation primarily in a management capacity notwithstanding that his monthly wages do not exceed rupees three hundred. It has been revealed from the study at Gulma tea estate that the labors instead of receiving rs 300 per day they receive only rs 200. It was found that around 80% tea workers are permanent and rest are temporary workers. The monthly income of the of permanent workers is approximately 6000/ per month and rs 4500 for temporary workers. When social security and other mandate provisions according to the PLA are taken into consideration, only 40% of the workers are considered as permanent workers.

Access to health insurance is provided to only 50% of the workers through health cards. Pattern of health care utilisation shows that 70% workers seek treatment in tea estate health facilities while public and private health services are used 25% and 5% of the workers respectively.

Around 90% of the workers in the sample have access to PDS; out of these workers, 62% carry BPL ration card, 22% carry APL card and the rest have AAY card.

The sample profile shows that 86% of worker-households have toilet facility attached to their accommodation and the remaining use open space.

In our approach, we supplement the standard global approach for estimating living wages by taking into account different family size as well as the need for financial security at the time of superannuation while calculating living wage for workers, as recommended by the Supreme Court of India. Total monthly living cost based on food and non-food expenditure comes to INR 22,994 for a standard family size with four members. To support this living cost, Living Wage Per Person Per Day should be INR 884 while Minimum Wage Per Person Per Day (if facilities are provided by tea estate owners) should be INR 300.

Conclusion and Recommendations

The major revelation of this study is that there will be low performances of employees when compensation is inadequate, and subsequently the morale or rather the individual worker will not be motivated to put in their efforts best. This will invariably lead to affect the Organizational performance as it is “Garbage in, Garbage out”. Once the employees performances are low the Tea plantation’s performance will be also low. This finding was in line with the study conducted by Agburu(2012) when he declared that remunerations and salaries should not only be adequate but they must also show some element of equity. This finding is again in line with the research work of Sule (2012) that workers that are not well motivated must leave the job for another, that is again focusing on labor turnover rate which resulted from inadequate compensation and unhappiness at work.

The following are the recommendations for the tea plantation laborers of Gulma Tea estate which will help the management to strategize production to achieve the targets. Most important, this study can help other tea gardens to strategize the right path forward to optimise their production capacity.

1. Remuneration/ salaries should be adequate and at par with the Tea plantations Labour Act 1951.
2. Remuneration should not only be adequate but also be paid on fixed time basis.
3. There should not be any disparity between the identical workers in the tea plantations for payment of wages.
4. The tea plantations should ensure that remunerations display much equity that there would not be sacred cow syndrome among the workers.

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