

Creating livewires

'People first' company

In this day and age of advancement, organisations stand more or less on an equal footing on technology and equipment. It is the people who make a difference. Shree takes every care to promote every facet that leads to the development and involvement of individuals in the company.

Engaged employees drive high-performance organisations

International HR firm, M/s Hewitt Associates, in their research on companies around the world, has found a high correlation between 'employee engagement' and its performance. According to them, engaged employees are those who are intellectually and emotionally committed to stay in the company, recommend it to others and make extraordinary efforts to further its goals. Companies with higher levels of engagement are most likely to have higher Total Shareholder Returns and Sales growth. Such correlation is the basis of a survey Hewitt Associates undertakes to gauge the best employing companies.

Shree is one of India's best employers

The company's people-centric focus is endorsed by the latest annual survey of India's best employers carried out by

Hewitt Associates in 2004. A study of the reactions of employees to their companies, the Hewitt 'Best Employers' survey was carried out among 272 Indian companies. Shree was ranked a high 41st with an overall score of 83%, which is higher than last year's score of 76%. Shree was the top cement company in the survey.

People are family at Shree

The company inculcates a sense of belonging through its policies and programmes. Shree enjoys harmonious industrial relations with a record of no single day lost due to industrial unrest since inception. Indicating the emotional identification of people with the company was the fact that less than 2% of new hires left within two years of joining it. This is lower than the average of 5% for India's best employers according to the Hewitt survey of 2004.

Attrition

Year	Numbers	Percentage
1999-2000	34	5.57
2000-01	26	4.27
2001-02	31	4.82
2002-03	23	3.40
2003-04	40	5.65
2004-05	66	4.69



Shree

Looking back; looking ahead

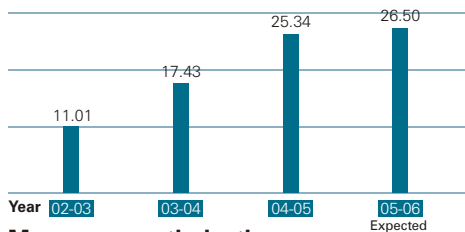


Shree has a dynamic, 'bottom-up' work culture, where people are encouraged to set their own targets. An innovative scheme 'Jo Soche Woh Paave', in operation since the end of year 2001, has been a great success with participation across all functional and departmental hierarchies. Employees with the best ideas are felicitated at company meetings. They are also lauded publicly for other categories like exemplary performance, courageous initiatives during crises, highest attendance and sterling acts of honesty. An initiative called 'Ascent' has been in existence since 2003 to encourage self-development projects of individuals. Such practices make people feel they have a voice in the company and are valued and recognised.

'Sharpening the axe'

The years have seen a growing accent on training. The training man-hours per employee have risen almost one and a half times, from 17.43 in 2003-04 to 25.34 in 2004-05. This figure is expected to go up to 26.50 by 2005-06.

Training Man-hours Per Employee



Manpower optimization

Management consultants of world repute, Ernst & Young were engaged to carry out a

manpower optimization study at Shree. Based on their assessment and Shree's internal recommendations, 47 employees of the Shree cement plant at Beawar were transferred to the upcoming project at Ras, saving about Rs. 1 crore in manpower deployment at the site. All departments have engaged themselves in a restructuring and redeployment exercise to make manpower optimization a reality across the company.

Competency and performance

At Shree, the second line at every department is well-groomed to take over the responsibilities of the head or seniors who move to higher positions or leave the company. This effects smoother transitions by avoiding a responsibility vacuum to develop.

A behavioural and technical competency model has been designed, which arranges for competency development of employees up to Senior Managers. A target based performance management system links individual targets with company targets and allows open and transparent appraisals.

Knowledge exchange

Shree regularly takes in summer trainees from prestigious institutes like IIT, IIM, MDI. While the trainees benefit from practical knowledge and wisdom bank of Shree's people, the company gains fresh insights and an outsider view of where the company stands.



Good Scope for Career Progression

Year	Percentage of Promotions
1998-99	38.81
1999-2000	17.61
2000-01 and 2001-02 (9 months)	31.72
2002-03	27.52
2003-04	28.53

Generous Employer

Year	Bonus (Rs. per worker)
1999	8751
2000	8851
2001	9001
2002	9101
2003	9201
2004	9301

Training Hours

Particulars	2001-02		2002-03		2003-04		2004-05	
	In-house	External	In-house	External	In-house	External	In-house	External
Programmes	283	32	527	29	626	29	366	58
Participants	4849	55	8794	48	6483	45	4427	121
Person-days spent on training	1101	154	1806	150	2240	155	1709	1365
Person-hours of training	8804	1232	14447	1200	17923	1245	15109	10919
Person-hours per member	8.33		11.01		17.43		25.34	



Shree

Looking back; looking ahead



Trainee speak on Shree

"Unity, devoted employees and good working atmosphere."

Avinash Kumar, summer trainee - 2005,
IIT - Kharagpur

"The eagerness to think and adopt innovative ideas and thereby perform better."

Dwitikrushna Pradhan, summer trainee - 2005, IIT - Kharagpur

"Employees work for profit, not for their salary."

Gaurav Garg, summer trainee - 2005,
IIT - Kharagpur

"Keenness in people and management to do better."

Chetan Chaube, summer trainee - 2005,
IIT - Kharagpur

"Employees have a positive outlook on new ideas."

Divyendu Tripathy, summer trainee - 2005,
IIT - Kharagpur

"Shree - family culture."

Kartik Varadpande, summer trainee - 2005,
IIT - Kharagpur



'What Next?'

Manpower productivity has to increase in order to sustain Shree's current growth phase. The challenge is to achieve this at a relatively lower manpower cost. Towards this end, we will focus on more multi-skilling and competency development training programmes, manpower optimisation exercises and measures that keep employees deeply involved in the company.

P C Jhavar

Senior General Manager (P & A)

