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## MOTIVATIONAL ACTIVITIES AND THEIR IMPACT ON THE ORGANIZATION : A CASE STUDY OF CENTRAL COALFIELDS LIMITED, RANCHI, JHARKHAND

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### **Abstract**

The present study aims at examining the various motivational activities and facilities provided to the employees and their impact on the origination through achievements in the case of Central Coalfields Limited (CCL), Ranchi, Jharkhand. The study indicated that CCL has successfully extended these activities and facilities viz. pay and perks, post retiral benefits, CSR activities, HR initiatives & welfare facilities to the employees specially executives and has benefited positively in terms of overall achievements of the organization. Such studies may be of great help in recognizing the role of motivation in determining satisfaction, performance and subsequently achieving excellence of organizations.

**Keywords :** Central Coalfields Limited, Executives, Motivation, Motivational Activities, Public Sector Organization.

### **1. Introduction**

Motivating the employees of a company is vital to the growth and sustenance of the business. A motivated workforce means a highly productive staff, all of which will help to achieve business goals. This becomes a main objective in organizational and business plan. Before building a motivational strategy, the first step needed to take is to understand what motivates the employees of a company. What drives them to their peak performance will

better help to develop programmes that both motivate and retain the best employee for the company.

Motivation is the process that initiates, guides, and maintains goal oriented behaviours. Thus it causes us to act whether it is getting a glass of water for reducing thirst or reading a book to get knowledge. It involves the biological, emotional and social cognitive forces that activate behaviour in everyday uses; the term motivation is used to describe why a person does something. Obviously he / she does because he / she is motivated enough to work honestly and efficiently to identify himself / herself with the organization.

The list of key motivating programmes / plans may include everything from monetary incentives, rewards and recognitions, building programmes that support worklife balance, to simply creating a fun, relaxed office environment. The success of all facets of business is always hinged to and dependent on motivated employees. From productivity and profitability to recruiting and retention, it is hardworking and happy employees that plays key role. Somehow, there is no exact science or rule for motivating people. In fact, motivation can be as individual as the employees who work in the organization. Some employees may be motivated only by money; some may appreciate personal recognition for a job well done. However, employee motivation can be tracked down to one basic principle: finding out what the employees want and finding a way to give it to them or to enable them to earn it.

## **2. Brief Sketch of Central Coalfields Limited (CCL)**

### **2.1. Highlights of CCL**

Central Coalfields Limited is one of the subsidiaries of Coal India Limited registered under the Company's Act 1956, in the year of 1975. It spreads over the area of the state of Jharkhand. It's Headquarter is located at Darbhanga House, Ranchi, Jharkhand. It is a leading supplier of coal in India to power sectors and steel sectors. CCL is committed towards the creation of eco – friendly environment. It is a very big and reputed public sector organization. It is a Category – I Mini – Ratna Company since October 2007.

CCL is the major source of medium coking coal in India. Other important activities are beneficiation of medium coking coal steel plants through its chain of coal washeries and manufacture of soft coke for domestic kitchen. Most of the production (88%) comes from surface mines. The productivity of underground mines and many of the

surface mines is low, but because of high priced of coking coal, the company is extended to improve. The Chairman - cum - Managing Director is the full time executive of the company. The coal projects are headed by Project Officer.

## 2.2. CCL at a Glance

The CCL at a glance is presented in Table – 1.

**Table – 1 : CCL at a Glance**

<b>Items</b>	<b>Availability</b>
Command Area	2600 Sq. kms. spread over 8 districts of Jharkhand viz. Giridih, Bokaro, Ranchi, Chatra, Hazaribag, Ramgarh, Latehar and Palamu.
Total Leasehold Area	762 Sq. Kms.
Total Geological Reserves in CCL Command Area	7 Billion Tonnes
No. of Mines	63 Mines under 11 areas (26 underground & 37 opencast mines)
Washeries	7 Washeries (4 Medium coking coal washeries & 3 Non-coking coal washeries)
Workshops	1 Central Workshop & 5 Regional Workshops (All workshops are ISO 9001 Certified)
Operating Coalfields of CCL Command Area	6 Coalfields (East Bokaro, West Bokaro, North Karanpura, South Karanpura, Ramgarh and Giridih)
Major Consumers	Power Sectors, Steel Sectors, Cement & Fertilizer Sectors & Other (like Sponge Iron, SSF/BRK and others)
Hospital	4 Central Hospitals, 5 Area Hospitals, 10 Regional Hospitals, 892 Beds, 63 Dispensaries, 226 Doctors and 111 Ambulances.

**Source :** Prepared on the basis of information available in different Disciplines of CCL.

## 2.3. Nature, Coal and CCL

Coal is one of the nature's invisible gifts to mankind. It is much more for a developing country. In India coal is power that stands for progress and prosperity and is

basic raw material for energy and heating. Indeed, coal touches our lives, wherever we are.

Mining coal from the bowels of earth is not only difficult but also hazardous and against nature. It involves safety, care of ecology and environment. Even before coal started its onward journey, its multiplier effect on growth and development becomes too evident to be overlooked.

CCL is proud to have been on the map of the country as a public sector for the last five decades, making invaluable contribution in meeting the energy demand of the nation and to the socio-economic development of Jharkhand. Presently CCL plays a vital role in meeting the coal requirement of power stations, steel plants and other industries in North India. A major employer and corporate tax payer, CCL plays a catalytic role in the socio – economic development of the state of Jharkhand. The company is the first Miniratna Cat – I Company of Jharkhand. CCL’s presence in eight districts of Jharkhand symbolizes not only the industrial might of the state but the hopes and aspirations of the people of the state as well.

### **3. The Concept of Motivation and Motivational Activities in CCL**

#### **3.1. The Concept of Motivation**

The term motivation has been derived from the word ‘motive’. According to Berelson and Steiner (1964), A motive is an inner state that energizes, activates or moves and directs or channels behaviour towards goal. The motivation is a process that starts with a physiological or psychological need that activates a behaviour or a drive that is aimed at a goal.

If the employees are never given opportunities to utilize all of their skills, then the employer may never have the benefit of their total performance. Work performance is also contingent upon employees abilities. If employees lack the learned skills or innate talents to do a particular job, then performance will be less than optimal. A third dimension of performance is motivation.

According to Viteles (1953), Motivation is a process that starts with a physiological or psychological deficiency or need that activates behaviour or a drive that is aimed at a goal or incentive. Motivation represents an unsatisfied need which creates a state of tension or disequilibrium, causing the individual to move in a goal directed pattern towards restoring a state of equilibrium by satisfying the need.

Goleman (2011) viewed that 'If there is one trait that virtually all effective leaders have, it is motivation. They are driven to achieve beyond expectations – their own and everyone else's. The key word here is achieve. Plenty of people are motivated by external factors, such as big salary or the status that comes from having an impressive title or being part of a prestigious company. By contrast those with leadership potential are motivated by a deeply embedded desire to achieve for the sake of achievement'.

According to Memoria et al. (2013) the motivation is of three types, namely positive & negative motivation, financial & non – financial motivation and intrinsic and extrinsic motivation. Positive motivation is the process through which one can get the desired work done by the employee through various incentives & facilities. On the contrary the negative motivation includes the efforts of getting the work done through direction and fear of punishment. Financial motivation includes both monetary and non – monetary incentives to the employees, whereas non – financial incentives to the employees refer to the fulfilment of psychological needs viz. appreciation of work, self-confidence opportunities and co-ordination. Intrinsic motivation directly effects the work culture and provides work and ego satisfaction, viz. feeling of responsibility and achievement, whereas extrinsic motivation are the incentives to be provided after the service period and indirectly effects the work culture of employee, viz. retrial benefits, health insurance, provision of leave encashment etc.

Singh (2017 p.18) defined motivation as the psychological process that gives behaviour purpose and direction ; a tendency to behave in a positive manner to achieve specific , unmet needs ; an internal drive to satisfy an unsatisfied need ; and the will to achieve. Motivation is operationally defined as the innex force that drives individuals to accomplish personal and organizational goals.

Thus motivation is the act of stimulating someone or oneself to get desired course of action, to push right button to get desired reactions. The following are the features of motivation:

- Motivation is an act of managers.
- Motivation is a continuous process.
- Motivation can be positive or negative.
- Motivation is goal oriented.
- Motivation is complex in nature.
- Motivation is an art.
- Motivation is system – oriented.

### 3.2. Motivational Activities and Facilities in CCL

The motivation is one of the major dimensions of performance. It is the act of stimulating someone or oneself to get desired reaction. If sufficient amount of activities and facilities are made available by the organization then the employees shall feel satisfied forwards the activities and facilities and utilise their skills to the benefit of the organization, leading to improve the organization's performance and achieving organizational excellence.

The CCL is very keen and careful in providing necessary activities and facilities to the employees for stimulating them to work hard for achieving the goal of the company. The motivational activities and facilities provided by the company (CCL) to the executives are briefly presented below.

#### 3.2.1. Pay and Perks :

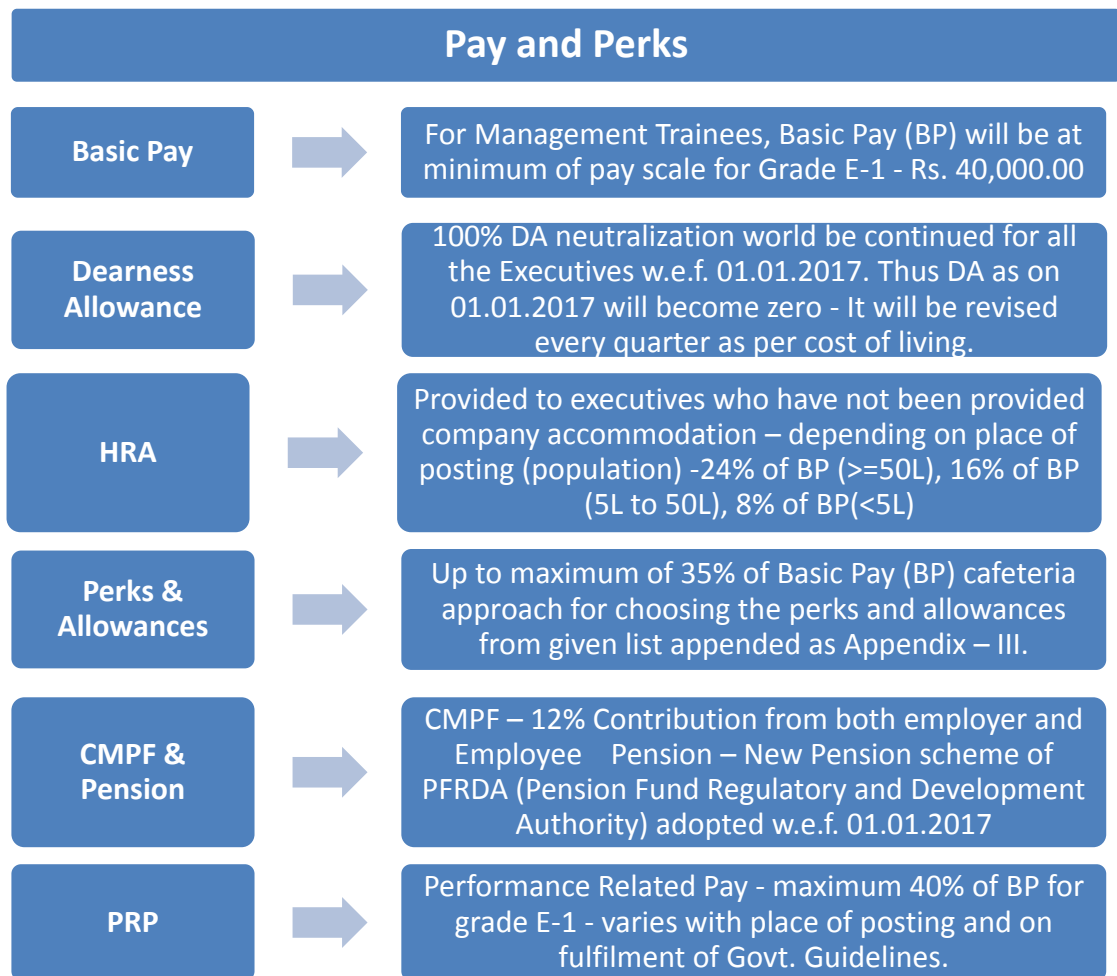
The executives of CCL are governed centrally by the Coal India Limited (CIL). CIL is the appointing authority for all executives. On the basis of requirement of subsidiaries the executives are posted / promoted by CIL. CIL executives can be transferred from holding company to the subsidiaries and vice – versa. The revised pay scale of Below Board Level executives applicable w.e.f. 01.01.2017 is presented below in Table - 2.

**Table – 2 : The Grade, Designation and Pay Scale of Executives - CIL**

<b>Grade</b>	<b>Designation</b>	<b>Pay Scale (in Rs.)</b>
<b>E-1</b>	Management Trainee	40,000 – 1,40,000
<b>E-2</b>	Senior Officer	50,000 – 1,60,000
<b>E-3</b>	Assistant Manager	60,000 – 1,80,000
<b>E-4</b>	Deputy Manager	70,000 – 2,00,000
<b>E-5</b>	Manager	80,000 – 2,20,000
<b>E-6</b>	Senior Manager	90,000 – 2,40,000
<b>E-7</b>	Deputy GM	1,00,000 – 2,60,000
<b>E-8</b>	General Manager / Chief Manager	1,20,000 – 2,80,000
<b>E-9</b>	Executive Director / Board of Director	1,50,000 – 3,00,000

**Source :** Office Memorandum, Coal India Limited, Kolkata, No. CIL/C5A (PC) / Pay Revision 2017 / 2972 dated 08.08.2018

List of Perks and Allowances of Executives is presented below in Figure – 1.

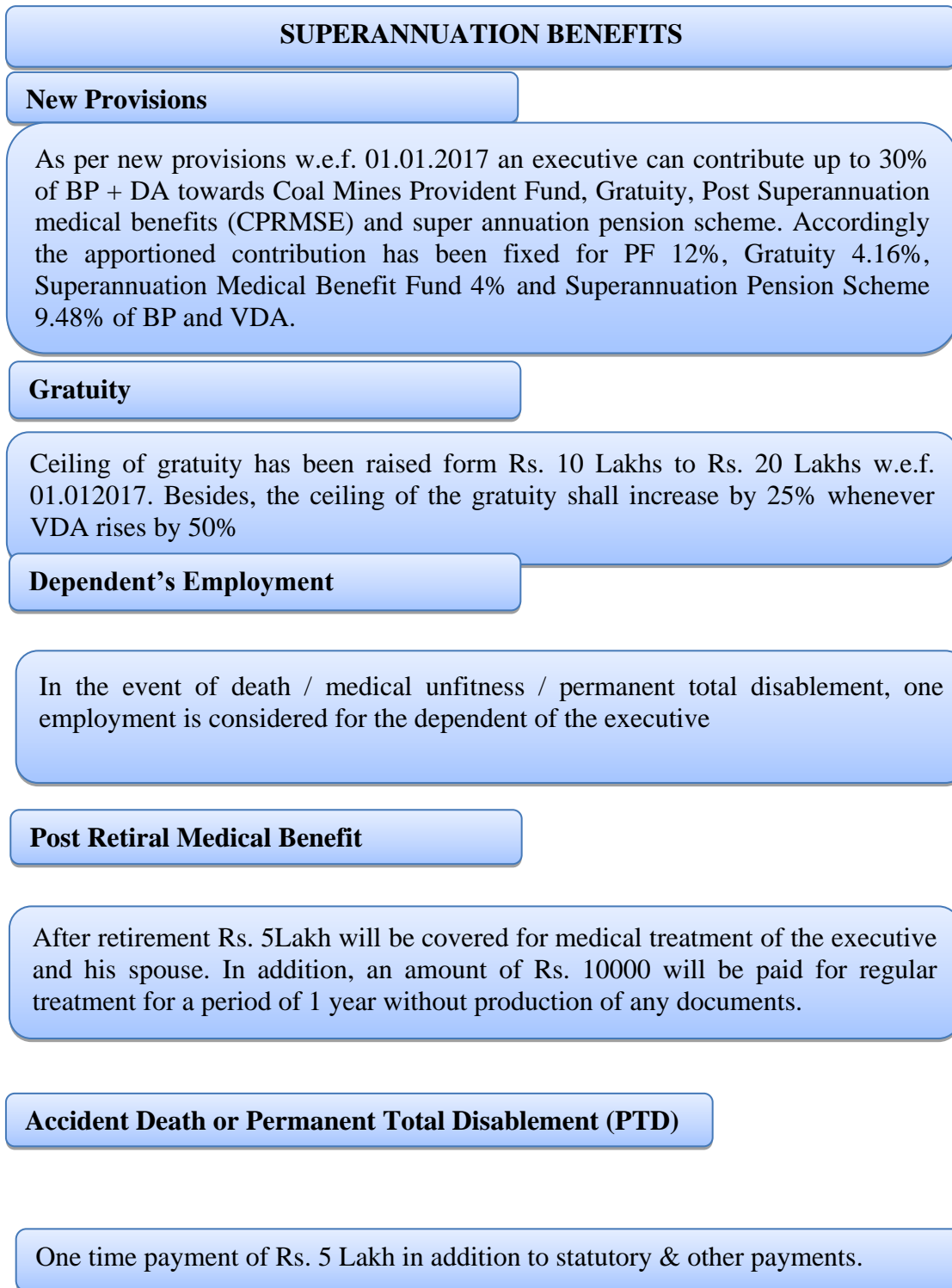


**Figure – 1 : Pay and Perks**

### 3.2.2. Post Retiral Benefits

Post retrial benefits include many things like – Pension, Gratuity,

Dependent's Employment, Medical benefit, Accidental Death or PTD as detailed below in Figure – 2.



**Figure – 2 : Post Retiral Be**



### 3.2.3. CSR Activities

The concept of Corporate Social Responsibility (CSR) is to focus on inclusive growth of the community in the command area of CCL through different CSR measures making mining socially sustainable. For CCL, CSR not only means investment of funds for social activities but also integration of Business Processes with Social Upliftment. A stable social environment is a pre – requisite for business investment & industrial operations and industry needs to facilitate such environment by taking care of the concerns of the society.

The objective of CSR policy is to lay down guidelines for the coal companies to make CSR a key business process for sustainable development by focussing on overall development of villagers, within the radius of 25 km of its running projects, workers of the companies and poor people of the society by subscribing to the principles of global compact.

### 3.2.4. HR Initiatives of CCL

CCL organizes various training programmes through well-established training centres under HRD Department like Management Training Centre, Ranchi, Computer Training, Bhurkunda, Technical Training Institute, Burkunda, Central Excavation Training Institute Barkakana, Vocational Training Centre at different areas, Security Training Institute, etc. CCL conducts various external training programmes of the duration of a week by sending executives from E1 level to E7 level of the company from up gradation of knowledge in renowned premier institutions of the country namely IITs, IIMs, ASCI-Hyderabad, XLRI, IICM etc.

During 2018 – 19, large number of programmes was organized. Worth mentioning among them are Foundation Programme for Fresher to familiarise the new entrants with the working of the coal industry and orient them towards structure, system, policies and procedure of the company. Technical / Functional Competency Development Programme for the executives of level E1 to E5 depending on the specific competency requirements designed for specific cluster of technical competencies under each key functions. Leadership Development Programmes designed for executives across different management level, separately

for basic leadership competencies (level E-3 to E-5), advanced leadership development (level E-6 & E-7 for equipping them in assuming higher role and transformational leadership programmes for senior executive levels. Also the General management programme, Value Refresher programme and Cross Functional Training Programme for meeting specific objectives and challenges.

#### 3.2.5. Welfare Facilities

Welfare as a term which is understood to include such services, facilities and amenities as may be established in or in the vicinity of undertakings to enable the persons employed is them to perform their work in healthy, congenial surroundings and to provide them with amenities conducive to good health and high morale.

Welfare includes anything that is done for the comfort and improvement of employees and is provided over and above the wages. Welfare helps in keeping the morale and motivation of the employees high so as to retain the employees of longer duration.

Welfare has always been given the top priority subject matter of the organization and hence in every top management meetings like Board Meeting, meeting of the Functional Director, CGM / GMs Coordination Meeting etc., welfare has always been the first point of the agenda. The set objectives of welfare activities are :

- To provide better life and health.
- To make the employees happy and satisfied.
- To improve intellectual, cultural and material conditions of living of the employees.

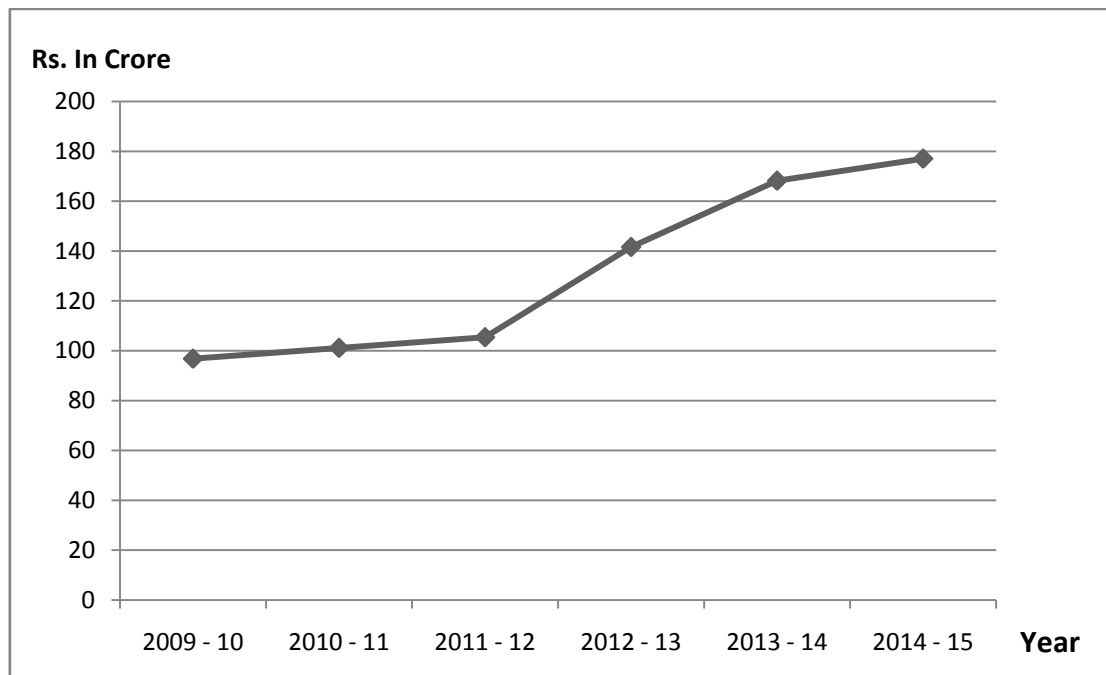
The welfare measures, at a glance, is presented below in Table – 2.

**Table – 2: Welfare Measures in CCL : At a Glance**

<b>Activity</b>	<b>At the time of Nationalization</b>	<b>As on date</b>
<b>Housing Facilities</b>		
• No. of Houses	22,850	67,527
• Water Supply		
- Generation Capacity (MGD)	8.249	18.39
- Population Covered by Potable Water Supply	1,01,500	3,24,000
<b>Medical Facilities</b>		
• Dispensary	30	63
• Hospital	16	19
• No. of Beds	250	892
• Ambulances	21	111
• Doctor	60	231
• Para Medical Staff	203	679
<b>Educational Facilities</b>		
• Private Schools	10	67
• Government Schools	04	54
• Pvt. Comm. Mgd. Schools	08	43
• Central Schools	2	01
• DAV Schools	-	15
• Other Sponsored Schools	-	05
• College	01	04
• School Buses	48	109
<b>Sports Infrastructure</b>		
• Grounds	-	30
• Stadiums	-	10
<b>Statutory / Non – Statutory W. Measures</b>		
• Canteen	25	59
• Rest Shelter	04	45
• Post Office	02	39
• Bank Branches	-	35+11
• Primary Cooperative	-	Ext. Counter - 08
• Cooperative Credit Societies	-	21

**Source :** Collected from the office of Different Departments / Disciplines

The total amount spent by CCL on various welfare activities are shown below in Figure – 3.



**Figure – 3 : Growth of Expenditure on Welfare Activities**

Above Figure clearly indicates a continuous increase in the total expenditure incurred by CCL in welfare activities. The rate of increase appeared to be very low during 2009 – 10 to 2011 – 12 (only 8.89%) but very high rate of increase (67.98%) during the later period from 2011 – 12 to 2014 – 15 for which the data was made available.

#### **4. Impact of Motivational Activities on Overall Achievements of CCL**

The CCL added a chapter of extraordinary success in the glorious history of the company during the financial year 2007 – 08. It has achieved a record production of 44.15 million tonnes, the highest ever in the history, despite several constraints. It earned profit before tax of Ra. 1035 crores.

Again CCL has achieved the ambitions target of 67 million tonne during the financial year 2015-16 (actual production 67.04 million tonne). The major factor underlying this achievement is the ‘Kayakalp’ model of governance which has transparency, philanthropy and ethics in its core value.

The company has made a spectacular turn – around, a couple of years back and has gone from step to step by registering record Production, Productivity, Profit and People’s

care i.e. 4Ps, CCL is confident to break all previous records in 2020. Other notable features / events are as under.

- Top most corporate tax payer in the state of Jharkhand.
- Focus on Triple bottom line Planet, People & Profit.
- Leading from front in 'people care'.
- 50,000 students getting education in 67 schools.
- Approximately 1 Lakh villages benefitting from community development and CSR activities.
- 10 Lakh patients getting treatment in 82 hospitals / dispensaries in command area.
- More than 40 Lakh persons depending directly or indirectly on CCL for livelihood.
- CCL is awarded with the prestigious 'HR Orientation Award' on February 15, 2017 for outstanding contribution in the field of human resource.

## **5. Conclusion**

Motivation of employees plays an important role in the growth and sustenance of an organization. The CCL, a public sector organization, is very much careful in providing necessary motivational activities and facilities for stimulating the employees to work hard and become a part of the organization. Worth mentioning motivational activities provided by CCL to the employees specially the executives are attractive pay and perks, post retiral benefits, CSR initiatives, HR initiatives and welfare facilities. These motivational activities and facilities have resulted in overall achievements of the organization. The study emphasizes the need for improving motivational activities and facilities which may affect employee satisfaction positively and achieve the goal of organizational excellence.

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