Contribution of PSUs in building competent workforce for the Nation

Nitin Aggrawal[1]
Neetu Jain[2]

Abstract

This study analyses the current contribution of the Public Sector Enterprises (PSEs) in building a competent workforce for the nation while identifying the policy gaps that have led to disinvestment, privatization and closure of these PSEs. Additionally, a practical method has been used to offer suggestions to help Public Sector Enterprises (PSEs) play a more effective role in developing a skilled workforce for nation-building.

Keywords: HRM, MoU, disinvestment, categorization, Ratna scheme, ACR, grading, digital monitoring.

1. Evolution of Public Sector

At the time of independence in 1947, India was predominantly an agrarian economy with a weak industrial base, low level of savings, inadequate investments, and infrastructure facilities (Aggrawal, 2022). The country was facing socio-economic problems, regional imbalances in economic development, lack of trained manpower, and poor infrastructure facilities, etc. To promote self-reliant economic growth and equal distribution of resources, the Government has laid down the roadmap for developing Public Sector Undertakings (PSUs). The second Industry Policy Resolution was made in 1956 to overcome the scarcity of capital and the lack of interest in entrepreneurship of large-scale projects by private players. The state assumed direct responsibility and developed the industries by setting up Public Sector Enterprises (PSEs) with the following broad objectives as mentioned in the 3rd Pay Revision Committee (PRC) report:

[1] Joint Director, Department of Public Enterprises, Ministry of Finance, Govt. of India
[2] Associate Professor, Indian Institute of Public Administration

- To help in the rapid economic growth and industrialization of the country and create the necessary infrastructure for economic development;
- To earn a return on investment and thus generate resources for development;
- To promote redistribution of income and wealth;
- To create employment opportunities;
- To promote balanced regional development;
- To assist the development of small-scale and ancillary industries; and
- To promote import substitutions, save and earn foreign exchange for the economy.

The workforce is the most important and prestigious part of any industry and it represents the total knowledge, creative abilities, skills, talents, and aptitudes. The potential of a company is known by the capabilities of its human resource. Since then, the organisations have been incessantly working to enhance the skills and abilities of their employees in the present job as well as make them ready to take up future assignments. These organisations also work towards capacity development of vendors, associates, and contributors in the horizontal and virtual value chain. Thus, PSEs not only provide direct employment but also indirect employment leading to a significant contribution to nation-building.

2. Position of Human Resource in India

As mentioned above, the government adopted the approach to encourage industrialisation by directing investment towards the production of capital goods. It also restricted imports to protect the local industries of the country but sooner, it was realised that the return on capital in the public sector during the 1980s was only 1.5 percent, and annual GDP per capita hovered around a 3.5 percent rate (Amaya, 2020).

As the socio-economic development projects of the then government were bleeding due to insufficient funds collected through taxation, the dependency of the government increased on public debt. In 1991, when public debt reached $70 billion and India was on the verge of declaring bankruptcy, a disastrous last resort was taken and actions initiated to bring liberalisation policy to fix the problems (Amaya, 2020).

The industrial policy was junked by the government, and it started bringing policy reforms to stimulate the private sector and attract international trade.

The measures to boost private participation included the elimination of licences for setting up industries or undertaking imports, removal of limits on capital accumulation, opening up more sectors for private sector participation, and many more. In 1991, the liberalisation was undertaken on the premise that it would make local industries more competitive, helping them capture world markets, which in turn would enable millions of Indian workers to move away from low-productivity farm jobs to high-productivity factory jobs (Bhattacharya, 2018). The results of liberalisation were favourable to the nation as annual GDP per capita increased to 6 percent by 53 percent due to the contribution of the service sector and 17.3 percent by exports (Amaya, 2020).

However, it was found that the nature of job creation has been very narrowly concentrated in a few sectors. The jobs created by the construction sector were almost one-third of all jobs created during the post-liberalisation era of the country. The number of jobs created by the construction sector was equal to all the jobs created by the other four generating sectors viz. trade, miscellaneous services, transport and storage, and education (Bhattacharya, 2018).

At the same time, the way industries handle their Human Resource Management (HRM) has changed significantly. It used to be mainly about keeping records, but now it involves making sure companies follow rules and provide due wages (Gulati, 2020). This shift is because of the introduction of technology and automation in processes like payroll, hiring, training, and getting new employees started. But as technology and the internet have developed, it created a new problem: too much information and not enough guidance (Li, 2022). This means that people and businesses in the economy were facing lots of challenges. For employees, it could be figuring out what skills to learn or finding job opportunities online. Employers, on the other hand, were trying to find ways to manage their company's workforce more smoothly and efficiently in this modern age.

3. Human Resource of PSUs

According to Public Enterprises (PE) Survey Reports of the Department of Public Enterprises (DPE, 2020, 2021, 2022a), the Central Public Sector Enterprises (CPSEs) have provided employment to around 1 to 1.7 million citizens of the country over the period of their existence. The data of the last four years has been compared with the database of the Employee Provident

Fund Organisation that keeps records of the organised workforce in the country (EPFO, 2022) as shown in the table below:

Table 1: Employees in CPSEs

Year	Employees working in CPSEs*			Employees working in the country (in Lakh)**
	Regular (in Lakh)	Contractual/Casual (in Lakh)	Total (in Lakh)	
2017-18	10.88	4.67	15.55	-
2018-19	10.72	5.52	16.24	61.12
2019-20	9.10	5.69	14.79	78.58
2020-21	8.61	5.11	13.72	77.08
(*PE Survey Report & **EPFO)				

As per Table 1, the CPSEs have been contributing to almost 20% of the organised sector; however, the share of the public sector in the job market is declining Furthermore, the government has announced a New Public Sector Enterprises policy that envisions that the strategic sectors have a limited number of players, restricting it to a maximum of four public sector enterprises of the holding nature (The Economic Times, 2021).

This announcement has created a lot of introspection by all stakeholders, where some imagine the new PSEs to be conglomerates like those of China, while others presume the organisations shall have the best-of-class HR practices to create world-class organisations like Google, Amazon, etc. However, it is obvious that the changes shall flip the operational behaviour of the industry.

4. Competency Building Model

i. Organization Structure

In 1965, the Committee of Secretaries gave the classification of companies as Schedule A, B, C, and D based on the importance to the economy and complexities of problems to provide relativity between compensation structures of Board level executives of CPSEs. Subsequently, the Government issued broad guidelines for categorisation of CPSEs into four schedules. Each CPSE requests for categorisation or re-categorisation by submitting information on the following broad criteria to its administrative Ministry (DPE, 2011):

- Quantitative Factors like investment, capital employed, net sales, profit before tax, number of employees, number of units, capacity addition, revenue per employee, sales/capital employed, capacity utilization, value added per employee, etc. If figure is not available, the projection in the Cabinet Note may be provided.
- Qualitative factors like national importance, complexities of problems, level of technology, prospects for expansion and diversification of activities and competition from other sectors.
- Information on Share price, MoU ratings, Ratna Status, ISO Certification.
- Critical/Strategic Importance of CPSE, if applicable.

Then, the administrative Ministry in consultation with its Financial Adviser forwards the proposal of the concerned CPSE to the Department of Public Enterprises (DPE) for scrutiny as per the extant guidelines (DPE, 2011). Later the Ministry sends the proposal to Public Enterprises Selection Board (PESB) for appraisal and recommendation to Cabinet Secretary and Minister-in-Charge.

Subsequently, the approval of the Competent Authority on categorisation is communicated to the CPSE. As on 31.03.2021, there are 165 scheduled CPSEs which comprise of 65 in 'schedule A', 60 in 'schedule B', 38 in 'schedule C', and 2 in 'schedule D' (DPE, 2021). Meanwhile, the Government has also given operational autonomy to these CPSEs by delegating powers to the Board of profit-making CPSEs under Navratna, Miniratna, and Maharatna schemes.

Authority was given in various areas like spending on important things (CAPEX), investing in partnerships or new companies, managing employees, borrowing money, buying things from other countries, forming technical partnerships, restructuring the organization, and merging with other companies (DPE, 2010a). As of March 31, 2021, there are 10 Maharatna, 13 Navratna, 56 Miniratna-I, and 10 Miniratna-II CPSEs (DPE, 2021). These categories might change every ten years when a committee, led by a retired Supreme Court Judge, reviews them (3rd PRC, 2016). This committee looks at how much money and incentives PSEs should provide to attract employees, taking into account the business situation in the country and the world. Thus, talent gets attracted to the jobs of these PSEs as the compensation is one of the best amongst the industry. Similarly, the delegation of powers under Ratna schemes is regularly monitored and amended based on contemporary requirements through committee constituted at higher-level. These actions are rare, but care is taken by the policy makers to provide adequate reforms in the power of delegation based on the market dynamics so that PSEs remain competitive.

ii. Performance Management

All Public Sector Enterprises are Board-driven entities and follow the corporate governance guidelines under the Companies Act, 2013. As per Aggrawal (2022), DPE has also developed multiple monitoring systems to ensure compliance with these legislations and guidelines of DPE. These systems include Memorandum of Understanding (MoU), Public Enterprises (PE) Survey, Annual Compliance Report (ACR), Grading System, etc.

Table 2: Grading of CPSEs

Grade	**Annual Score**
Excellent	85 and above
Very Good	75-84
Good	60-74
Fair	50-59
Poor	Below 50

The Department of Public Enterprises monitors the compliance of CPSEs to various aspects of Corporate Governance, such as Composition of the Board, Board Meetings, Constitution of various Board Committees, Audit Committee, Remuneration Committee, etc., along with their regular meetings, material subsidiary-related party transactions, Board Disclosures, Remuneration of Directors, and holding of Annual General Meetings, etc. The compliance report of each quarter is submitted by CPSEs to their administrative Ministry and is later submitted as consolidated information for the entire year to the DPE. Based on the compliance report, extant guidelines (DPE, 2018), and the scores obtained as per Table 2, a grade is allocated to each CPSE The graded compliance report of all CPSEs is then forwarded to the Committee on Public Undertakings (CoPU) for further necessary actions.

iii. Annual Compliance Report

All CPSES submit their Annual Compliance Report (ACR) to their administrative Ministry within 30 days from the close of the preceding financial year, i.e., by April 30 every year. Subsequently, the concerned Ministry submits the consolidated compliance report to the DPE by June 30 of the year (DPE, 2010b). The information is locally monitored to ensure compliance with other DPE guidelines.

iv. MoU Guidelines

A Memorandum of Understanding (MoU) is like a deal between the main owner and the management of a government-owned company (CPSE). This agreement applies to all CPSEs, including their subsidiary companies. The government ministry or the main company signs the MoU with the CPSE or its subsidiary. They both agree on specific goals before the new financial year begins, and they promise to achieve these goals. If they do, they get rewarded by the government (DPE, 2022b).

The goals in the MoU are based on what's good for the company's owners, like making more money, having a better financial situation, using assets effectively, and having a higher value in the stock market if the CPSE is listed. These goals can be measured and checked using public documents. Also, there are some government priorities and programs, like buying from certain places or supporting small businesses and innovation, that the CPSEs must follow. If they don't, they can lose points.

Under the MoU, the sectoral templates containing the parameters or Key Result Areas (KRAs) and corresponding benchmarks of these parameters are worked out by the Inter-Ministerial Committee (IMC) and implemented with the approval of the High-Powered Committee (HPC) before uploading on the MoU dashboard of DPE, through which CPSEs report their performance.

Table 3: MoU Score and Rating

MoU Score	**MoU Rating**
Top 25 and Score ≥ 90	Excellent
Score ≥ 70	Very Good
Score ≥ 50	Good
Score ≥ 33	Fair
Score < 33	Poor

The MoU system uses a five-point scale of performance measurement, that is, 'Excellent', 'Very good', 'Good', 'Average', and 'Poor'. Based on the scores, the rating is assigned to each CPSE (DPE, 2022b): The MOU rating forms the basis of Performance Related Pay (PRP) with all KRAs identified in the MOU. Those CPSEs that do not enter into MOUs will not be eligible for PRP. As per Table 3, if the CPSE achieves an 'Excellent' MOU rating, the Performance Related Pay (PRP) can be paid at 100% eligibility levels as outlined above. For a 'Very Good' rating, the eligibility should be scaled down to 70%. In respect of 'Good' and 'Fair' ratings, the eligibility levels could be brought down to 50% and 33% respectively. If the CPSE is rated as 'Poor', there will be no eligibility for PRP irrespective of the profitability of the CPSE (DPE, 2022b).

The above monitoring mechanism has been instrumental in the development of modern PSEs with a competent workforce. Professionals remain attracted to these companies because of better

HR policies, higher performance-linked remunerations, on-board training, other capacity-building activities, job security, and other perks.

v. Compensation Management

The Third PRC was constituted under the Chairmanship of Justice (Rtd.) Satish Chandra to consider and recommend pay scales for Board and Below Board level executives and non-unionised supervisors of CPSEs under the Industrial Dearness Allowance (IDA) pattern of pay scale. Therefore, based on the recommendations of the Third PRC and subsequent approval by the Cabinet Secretariat, the revised pay scale guidelines effective from 01.01.2017 were issued (DPE, 2017). As per these guidelines, the following model pay scales were recommended for below Board and Board level executives:

Table 4: Categorisation of CPSE's and their organizational structure

(in Rs per month)				
SCHEDULE	**A**	**B**	**C**	**D**
Board Level Executives				
CMD	2,00,000-3,70,000	1,80,000-3,20,000	1,60,000-2,90,000	1,20,000-2,80,000
Director	1,80,000-3,40,000	1,60,000-2,90,000	1,20,000-2,80,000	1,00,000-2,60,000
Below Board Level Executives				
E-9	1,50,000-3,00,000	NA	NA	NA
E-8	1,20,000-2,80,000	1,20,000-2,80,000	NA	NA
E-7	1,00,000-2,60,000	1,00,000-2,60,000	1,00,000-2,60,000	NA
E-6	90,000-2,40,000	90,000-2,40,000	90,000-2,40,000	90,000-2,40,000

E-5	80,000-2,20,000	80,000-2,20,000	80,000-2,20,000	80,000-2,20,000
E-4	70,000-2,00,000	70,000-2,00,000	70,000-2,00,000	70,000-2,00,000
E-3	60,000-1,80,000	60,000-1,80,000	60,000-1,80,000	60,000-1,80,000
E-2	50,000-1,60,000	50,000-1,60,000	50,000-1,60,000	50,000-1,60,000
E-1	40,000-1,40,000	40,000-1,40,000	40,000-1,40,000	40,000-1,40,000
E-0	30,000-1,20,000	30,000-1,20,000	30,000-1,20,000	30,000-1,20,000
Levels	**Ten**	**Nine**	**Eight**	**Seven**

However, to maintain the competitiveness of the PSEs, the following conditions were explicitly made by the Third PRC:

a. Affordability for Implementation of Pay Revision

CPSEs were permitted to revise their pay scales based on the condition that the Revised Pay Package of Board, below Board, and non-unionised Supervisors is less than 20 percent of the Average Profit before Tax (PBT) of the last three financial years (DPE, 2017).

b. Fitment Benefits

As per the Fitment Benefit criteria, the CPSE can implement the full fitment benefit of 15 percent provided that the additional financial impact in the year of implementation of the revised pay package is within 20 percent of the average PBT of the last three years For other CPSEs, the fitment benefit was applicable as per the reduced rate based on the criteria specified in the Table 5 (DPE, 2017) given below:

Table-5: Fitment Benefit

Condition	Additional financial impact on implementation of revised pay scales	Fit Benefit Applicable (% of BP +DA)
1	Revised Pay Package ≤ 20% of average PBT of last 3 FY	15%
2	Revised Pay Package > 20% and ≤ 30% of average PBT of last 3 FY	10%
3	Revised Pay Package > 30% and ≤ 40% of average PBT of last 3 FY	5%
4	Revised Pay Package > 40% of average PBT of last 3 FY	0

Thus, as per Table 5, a company requiring additional funds between 20 to 30 percent for the implementation of the revised pay package was allowed to apply for 10 percent of the fitment benefit to Basic Pay (BP) and Dearness Pay (DP). The fitment reduces to 5 percent for companies whose additional requirement exceeds beyond 30 percent of the average PBT of the last three financial years, whereas no fitment benefit is provided to companies that exceed the requirement for funds above 40 percent.

c. Other Perks and Benefits

The Board of Directors has been empowered to decide on the perks and allowances admissible to different categories of executives, under the concept of Cafeteria Approach, subject to a ceiling of 35% of Basic Pay (DPE, 2017) Under the Cafeteria Approach, the executives are allowed to choose from a set of perks and allowances.

5. Policy Intervention

As per the Industrial Policy statement of 1991, the Government evolved the policy of 'disinvestment' in Central Public Sector Enterprises (CPSEs) with an objective to raise resources, encourage wider public participation, and bring in greater market accountability (3rd PRC, 2016). Subsequently, the New Public Sector Policy was announced in 2021 wherein the Government has decided to keep its presence only in the strategic sectors like (1) Atomic Energy Space and Defense (i) Transport and Telecommunication, (iii) Power, Petroleum, Coal, and other minerals, (iv) Banking. Insurance, and Financial Services, and close, or privatise, all other PSEs (DIPAM, 2021). It is a highly ambitious plan of the government and it shall sail through the test of time. Meanwhile. introspection has been made to identify the precursor that caused the present decision of the government.

i. Compliance Burden

The companies registered under the Companies Act, 2015 have to ensure compliance with the common regulatory framework comprising of:

- Corporate Laws: Companies Act, 2013
- Labour Laws (Labour Codes, Factories Act, Employees Provident Fund, Employees State Insurance, etc.)
- Environmental Laws (Environmental Protection Act, Forest Conservation Act, Air Protection, Water Protection, etc.)
- Securities Laws (SEBI Regulations) Listing, Disclosure
- Intellectual Property Laws
- Industry-Specific Laws

However, the PSEs were stressed with additional compliance requirements like:

- Welfare Regulations (Reservation for Scheduled Cast, Scheduled Tribe, Other Backward Classes, Ex-Servicemen, Person with Disability, etc.)
- Oversight & Transparency (Central Vigilance Commission, Comptroller Auditor General, Central Bureau of Investigation, Right to Information Act, Parliamentary Committees)
- DPE Guidelines (Categorization & Organization Structure, Board Appointments, Board and Senior Management

Remuneration, Performance Evaluation, Delegation of Powers, MoU, etc.)

- Other Departments Guidelines – Department of Investment and Public Asset Management, Department of Economic Affairs, Department of Expenditure, Ministry of Micro, Small and Medium Enterprises, NITI Aayog etc.

Thus, these additional compliance burdens caused too much bureaucratic interference and affected the performance of the CPSEs, as a large chunk of operational man-days were invested by the company to ensure compliance rather than investing it in other areas to build competitiveness.

ii. Autonomy and Delegation of Powers

As compared to private companies, the Chief Executive Officer of PSE enjoys limited autonomy under the Ratna scheme. It has restricted the capability of the CPSE in expansion, diversification, and modernisation as compared to private companies. Thus, the Board of private companies enjoys better autonomy and holds exhaustive decision-making powers. Further, the absence of application of transparency regulation to private companies creates an unequal level for PSES, and it is detrimental to the survival of the latter. Further, the government needs to build a better real-time monitoring system so that private companies may not adopt chronic and wrong practices like corruption, under-payment, etc.

iii. Modernisation

The Public Sector Enterprises draw most of their policies from the Central Government whereas the objective and functions of the two forms of government operations are entirely different. In fact, the government should have entrusted more teeth to the nodal department monitoring the CPSEs across the country as it could be seen that until the pandemic, the concept of work-from-home (WFH) was unknown to the industry, and with the advancement of technologies like Microsoft Teams, Moodle. Google Meet, WebEx, Vidyo Connect. Blackboard, etc., the concept became a reality and the researchers began introspection on identification and performance monitoring criteria for such jobs in WFH mode.

Thus, there is a requirement that an industrial think-tank may be created, and technocrats may be empowered to review each decision scientifically so that decisions related to technology, innovation needs, research requirements, etc. are taken in the right perspective and interest of the nation. Similarly, the job profiles, recruitment process, etc. should be reviewed based on the requirement for modernisation so that competent professionals board the organisation and help the organisation in achieving competitiveness

iv. Gig Economy

A major shift in the employment trends has been the rise of the gig economy globally. The gig economy encompasses freelancers, online platform workers, self-employed, on-call workers, and other temporary contractual workers (Aggrawal, 2023). The rise of the gig economy is driven by the emergence of tech-enabled platforms, demand for flexible work arrangements, and a focus on skills. As per the India Staffing Federation report (2019), India is the fifth largest in flexi- staffing globally, after USA, China, Brazil, and Japan. The report also projected the flexi-staffing industry to grow at 22.7%, reaching 6.1 million workforces in 2021. However, the Public Sector Enterprises don't have policies to accommodate such a workforce. Thus, the companies need to evolve such policies to entertain gig workers into their operations.

6. Approaches to boost PSE's Contribution Employment Rotation

i. Employment Rotation

As we know, the PSEs provide long-term jobs up to a lifetime to an individual. Thus, the organisations enjoy the highest level of loyalty and 100% commitment of their employees. However, despite lifetime security of employment and maximum contributions of the employee, the organisations have not been able to generate more than 10-17 lakh jobs over the period of their existence (DPE, 2020, 2021, 2022a). Thus, an out-of-box solution is needed so that more jobs are secured for the competent workforce as well as to build competent professionals for Nation Building. Accordingly, it is proposed that 10 to 20 percent of the jobs in PSEs may be identified where the employment can be given on a tenure basis. The organisations may customise their operations into projects of 5 years, 10 years, or 15 years so that all recruitments are undertaken on a rotation basis, and the maximum number of citizens get the opportunity to serve at least one PSE.

The following solution (Figure 1) has been drawn from the model of Aggrawal (2023) where the National Job Grid has been used to provide job security to increase women's participation. The companies may be empowered to amend their recruitment rules, and a nationalised approach may be used in recruitment in PSEs.

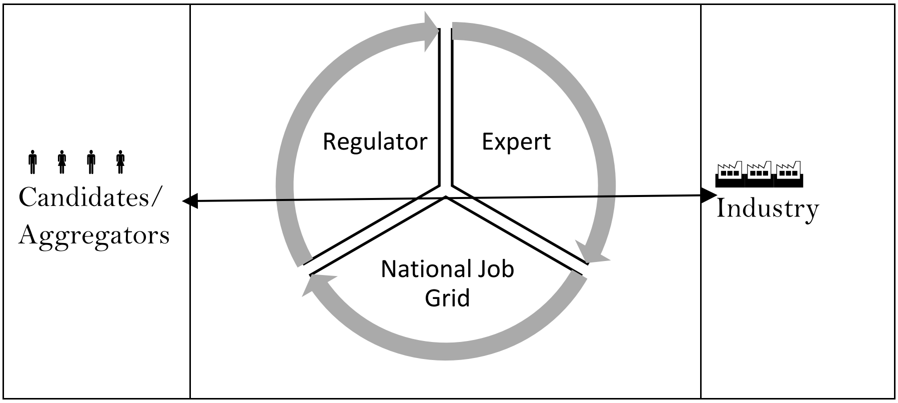

Figure 1: Skill based Employment Process

The selection of individuals should be purely based on skills, abilities, capabilities, etc., rather than based on a test to reject maximum candidates. The selection of a candidate shall be limited to verification of records and assessment of competence by the professional job aggregators. A layer of renowned Industry Experts has been added so that recommendations on the skills of candidates can be obtained from them directly by job aggregators or Industries during the selection of the candidate. Above the Expert, another layer of Regulator has been created to act as a watchdog and rate these Industry Experts and Job Aggregators. Thus, all entities in the ecosystem should behave in an extremely professional manner without any vices and bias towards any candidate. The above model shall ensure that PSEs are able to expand faster and provide a higher rate of employment to the nation. Thus, it will ensure that a larger mass of the country is better skilled and employable.

ii. Skill-based Recruitment

All organisations, including PSEs, have to develop themselves into lean and agile structures where the efforts of all individuals are gathered into the core direction of business. A benchmark of man-days may be used to measure the operational efficiency of all individuals in the operations of the company. If the output is less than 50% below the benchmark levels, the associated functions may be outsourced. The identification of manpower should be completely based on skills in the format listed in Figure 1. In the Figure 2, the levels of proficiency and grading have been used hypothetically to make a comprehensive sample of Job Description under the skill framework.

Job: Data Entry Operator

Educational Qualification: Level 10 in Hindi, Science and Mathematics

Skill Qualification: Level-5 proficiency in MS Office, Computer Typing Speed of 2500 key depressions, Level 2 proficiency in email operations. etc.

Selection Method: Skill Certification from recognised academic Institute or Industry of Level-12 or Industry expert having grade-5

Figure 2: Skill based Recruitment

Thus, PSEs are required to work together with the National Skill Mission in the identification of all kinds of skills, behaviours, aptitude, etc. of the candidates for their jobs. It will help in understanding skill requirements vis-a-vis inventories available in the PSEs. The decisions on capacity building and utilisation of resources shall become more objective under the skill framework. Further, these skills can be populated and codified through a National Skill Grid as proposed by Aggrawal (2023) in his research study.

The above process shall remove the wasteful activities in the recruitment process that are presently inclined to a rejection filter to reduce the number of applicants, rather than based on the appraisal of the right aptitude, skills, etc., of the candidate for the job. Also, it will reduce the lead time of recruitment and improve the productivity of the company manifold.

iii. Short-term Employment

In the study (Aggrawal, 2022a), it was found that 58 percent of the respondents proposed short-time employment based on 4-hour, 6-hour, or 8-hour per day duration. According to the survey, cost-efficient arrangements are needed through which the companies may accommodate the ever-increasing gig economy. Accordingly, it has been proposed to convert 10 to 20 percent of jobs in each PSE into short-term jobs of 5 years, 10 years or 15 years duration based on the jobs requirements in the company.

Initially, the executive operations like data entry, data analysis, sales jobs, tele-calling, record-keeping, bill processing, etc., can be converted into short-term jobs based on each project. The jobs should be mapped to PSE's pay scales, and the applicant may be offered initial pay in the said pay scale. However, experienced executives, irrespective of working in the private or public organisation, shall be provided pay protection at the level they join with the organisation. A replica regulation or policy may be created to mandate the same security in the private sector. However, no candidate shall be offered any pay above the pay-scale irrespective of the last pay drawn in the previous organisation. Further, no references shall be taken into account in deciding the pay of the individual from companies other than the last employer.

Further, the PSEs need to build a system to accept the gig economy on a pro-rata work basis. It will significantly reduce the cost of operations as well as improve the quality of work output. However, to make the system self-sustainable, the organisation may require job converters who are well-equipped in translating organisational needs into job requirements so that the processing of jobs by gig workers can be monitored on all aspects of delivery and quality.

iv. Digital Shield

In almost all operations, financial matters with the operational milestones and the release of payments to vendors, suppliers, retailers, wholesalers etc., require the approval of operational executives. Such crossover of functions attracts corrupt practices, and maximum illicit transactions are seen in construction works. Like the Income Tax Department process, a faceless system may be developed so that citizens, without meeting any officer, raise their grievances and the system allocates them randomly to an Assessment Officer, who then resolves the issues based on merit and within a time frame allocated by the internal digital monitoring system.

A similar Digital Shield is required to be built around PSEs, if the Government wants to reduce the slippage of resources. A faceless virtual system is required where all vendors interact with PSEs, and the officers in the background are assigned randomly so that no malfunction can lead to corrupt practices. Further, anonymous complaint management processes may be built around this Digital Shield so that any malpractices get reported with the system, and protocols may be developed to take suo-moto investigation and action to resolve the issues. The proposed system shall improve the quality of operations, reduce the chances of corrupt practices, increase human values of employees, and make PSEs more accountable.

v. Digital Monitoring

Like common legislation, i.e., Companies Act, 2013, the government needs to bring a common digital monitoring system where the information collected from all industries, irrespective of their public or private nature, is captured by the central agency and used to drive policies that are conducive to nation-building. Thus, information from strategies, operations, accounts, etc., is required to be identified and captured through a centralized system known as the National Data Grid. The collected information may be pulled by the researchers to propose meaningful solutions and commercially viable products or services. Further, the regulators may monitor the compliance actions from all entities and undertake suo-motu action as per the protocol of the law. Further, the policy-makers may review the efficiency of operations and the level of contribution so as to develop enabling policies and facilitate the actions of economic agents in nation-building contribution.

7. Further Research

The possible approaches have been recommended in this paper to increase the contribution of PSEs in nation-building from the perspective of human resources only. The proposed solutions are technically feasible as per the research recommendations; however, they may require expert monitoring to implement the same. As PSEs have been contributing to nation-building through profit-making, capital expenditure, and diversification of operations beyond international boundaries, further study can be undertaken on these parameters. More policy interventions can be included to undertake further research and draw additional solutions.

References

1. 3rd PRC. (2016, Jun 06). Report of 3rd Pay Revision Committee for Central Public Sector Enterprises effective from 01.01.2017. Retrieved on 04.12.2022 from https://dpe.gov.in/report-3rd-pay-revision-committee-cpses
2. Aggrawal, N. (2022, Aug). Digital Roadmap for Corporate Governance. Chartered Secretary: The Journal for Governance Professionals, Vol. 52(08). pp. 36-42
3. Aggrawal, N. (2022a, Oct). Moonlighting Survey? LinkedIn poll, Retrieved on 06.11.2022 from https://www.linkedin.com/feed/update/urn:liactivity:6984610654393389056/
4. Aggrawal, N. (Oct, 2023). Strategies for increasing the contribution of Women in Nation Building (chapter) in Revisiting Sustainable Development Goals for Nation Building: Repositioning India as a Vishwmitra with Vishwa Mantra (pp. 59–72). Indian Institute of Public Administration. ISBN No. 978-81-955533-7-2
5. Amaya, S. (2020, Mar 12). The Success of India's Liberalization in 1991. UFM Market Trends. Retrieved on 04.12.2022 from https://trends.ufm.edu/en/article/indias-liberalization-1991/#_ftnref1
6. Bhattacharya, P. (2018, Apr 12). Which are the top sectors that generate employment in India? Mint. Retrieved on 04.12.2022 from https://www.livemint.com/Politics/7XXmUWyxkSEGKoWXJqUuHM/Which-are-the-top-sectors-that-generate-employment-in-India html
7. CMIE (2022, May-Aug). Unemployment in India: A Statistical Profile. Retrieved on 20.11.2022 from https://unemploymentinindia.cmie.com/kommon/bin/sr.php?kall=wshowtabHYPERLINK "https://unemploymentinindia.cmie.com/kommon/bin/sr.php?kall=wshowtab&tabno=0002"&HYPERLINK "https://unemploymentinindia.cmie.com/kommon/bin/sr.php?kall=wshowtab&tabno=0002"tabno=0002
8. DIPAM. (2021, Feb 04). New Public Sector Enterprises ("PSE") Policy for Atmanirbhar Bharat – regarding. Retrieved on 11.12.2022 from file:///G:/JD%20Office/Desk%20Files/Downloads/New%20PSE%20Policy%20for%20Atmanirbhar%20Bharat%20(2).pdf

9. DPE (n.d.), Classification & Categorization of CPSES (Chapter-5) Department of Public Enterprises (DPE). https://dpe.gov.in/sites/default/files/Chapter_5_Classification_Final_0.pdf.
10. DPE (2010a, Feb 04). Introduction of "Maharatna" Scheme for Central Public Sector Enterprises (CPSEs), O.M. No. 22(1)/2009-GM.
11. DPE (2010b, Jul 27) Implementation of Policies and Guidelines issued by Department of Public Enterprises O.M. No. 14/(38)/10-Fin.
12. DPE. (2011, Nov 30). Criteria/parameters for categorization of Central Public Sector Enterprises (CPSEs), O.M. No. 9(17)/2011-GM.
13. DPE. (2017, Aug 03). Pay Revision of Board level and below Board level Executives and Non-Unionised Supervisors of Central Public Sector Enterprises (CPSEs) w.e.f. 01.01.2017. O.M. No. W-02/0028/2017-DPE(WC)-GL-XIII/17
14. DPE. (2018, Dec 28) Grading of CPSEs on the basis of compliance with guidelines on Corporate Governance for Central Public Sector Enterprises. O.M. 18(8)/2005-GM
15. DPE. (2020). Public Enterprises Survey 2018-19: Annual report on the performance of Central Public Sector Enterprises. Department of Public Enterprises, Vol. 1. Retrieved on 04.12.2022 from https://dpe.gov.in/sites/default/files/PE_seurvey_ENG_VOL_1.pdf
16. DPE. (2021). Public Enterprises Survey 2019-20: Annual report on the performance of Central Public Sector Enterprises. Department of Public Enterprises, Vol. 1. Retrieved on 04.12.2022 from https://dpe.gov.in/sites/default/files/PESurvey English Vol%201 PDF_web_2019_20_1.pdf
17. DPE. (2022a). Public Enterprises Survey 2020-21: Annual report on the performance of Central Public Sector Enterprises. Department of Public Enterprises, Vol. 1. Retrieved on 04.12.2022 from https://dpe.gov.in/sites/default/files/PES_English_Vol%201 2020-21_Website_7_4_2022.pdf
18. DPE (2022b, Oct. 12). MoU Guidelines for the year 2022-23 and onwards - reg. Retrieved on 04.12.2022 from https://dpe.gov.in/sites/default/files/MoU%20Guideline22-23.pdf
19. EPFO. (2022, Nov 20). Payroll Report upto Sep 2022 (Nov-22), Ministry of Labour and Employment. Retrieved on 04.12.2022 from https://labour.gov.in/sites/default/files/Payroll_Data_EPFO_Nov_2022.pdf
20. Desai, S. (2022, Nov 06). Can your employer ask for all your time. The Times of India. Retrieved on 20/11/2022 from https://timesofindia.indiatimes.com/india/can-your-employer-ask-for-all-your-time/articleshow/95336783.cms