

Dossier No.- 05072024a

REC Limited Media Coverage 05 July 2024

ED HR Exclusive Interview With ET HR World



REC: Insights into the HR policies of a Maharatna public sector enterprise

“We want to take care of the personal comforts of our employees and provide a good working environment to them so that they could freely give their maximum output without any fear or trouble,” said Arun Kumar Tyagi, Executive Director - Human Resources, REC.



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Published On Jul 5, 2024 at 06:36 AM IST

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588 Industry Professionals

Highlights

- REC is a Maharatna public sector enterprise under the Ministry of Power, Government of India.
- The company provides loans of various maturities to state, central and private companies for creation of infrastructure assets in the country.
- It finances the entire power-infrastructure sector comprising generation, transmission, distribution, renewable energy, electric vehicles, battery storage, etc.
- Recently, REC also diversified into the non-power infrastructure sector comprising roads, expressways, metro rail, airports, ports, educational institutions, hospitals, etc.
- The loan book of REC stands at Rs 5.09 lakh crore as on 31 March 2024. The NPA (non-performing assets) of REC is very low, which is currently at 0.83 per cent.
- For the financial year 2023-24, the company reported a net profit of Rs 14,019 crore.
- “This year, we have sanctioned the highest ever loan amount of Rs 3.6 lakh crore, and the disbursement was Rs 1.6 lakh crore,” said Tyagi.



Arun Kumar Tyagi, Executive Director - Human Resources, REC

In an exclusive interview with ETHRWorld, Arun Kumar Tyagi, Executive Director - Human Resources, REC, said, “We want to take care of the personal comforts of our employees and provide a good working environment to them so that they could freely give their maximum

output without any fear or trouble.”

Tyagi further said, “We want to implement the best HR practices that are currently being followed by our peer companies. This is because we recruit people after much difficulties and following a systematic recruitment process which is tedious and lengthy. So, we don’t want our attrition rate to be high.”

Workforce

REC currently has a staff strength of 516 employees, out of which about 300 people are posted in the headquarters at Gurugram, near Delhi, and the rest 200 are working in the field.

Training programmes

According to Tyagi, the management decides what training programmes have to be organised, but the application has to be submitted by the employees, which means the willingness has to be there, and the Chairman approves it.

Job rotations

REC has adopted a job rotation policy under which the management tries to ensure that after working in a division for three years, people get to work in a different division like finance, banking, commercial, loan, asset liability management divisions. “This policy provides different exposure to our employees, and their efficiency also gets increased. It’s also our policy that the employees should have field experience,” said Tyagi.

Gender Diversity

Out of a total workforce of 516 employees at REC, about 70 (or 13 per cent) are women employees.

Attracting and retaining women talent

In order to attract and retain more women talent, REC has a number of policies.

For instance, the maternity and child care leaves are flexible to enable more women to avail them. There are creche facilities that both its male and female employees can avail. “We try to not keep the women employees till late. We also try to not ask them to come during holidays,” said Tyagi.

If employees are working late night, they are provided free home drop facilities, especially to female employees.

For the prevention of sexual harassment (PoSH) at the workplace, the company has displayed message boards to inform its female employees about how they can complain about sexual harassment. Also, there is a women cell where women can register their grievances or complaints, if any.

Offsite for women employees

REC sends the entire group of its women employees to some place every year. The idea is to enable the women to interact with each other, discuss their issues and problems with the company, and develop a rapport among themselves. "Post these offsites, we ensure that there is an action taken report on the issues so discussed," said Tyagi.

Recently, REC sent all its 70 women employees to Srinagar for a three-day (21-23 June) offsite where they discussed their issues and grievances, and how these could be addressed. People from the HR team was also there. The women employees deliberated on their expectations from the management and the HR team. Last year, the women employees had gone to Goa.

Husband & wife

At REC, the management tries to ensure that if there are husband and wife, they are posted in the same place as far as possible. "Right now, all the pairs of husbands and wives in our workforce are posted at the same place. For instance, our HR here has one and the Finance has another of the one such couple," said Tyagi.

Senior employees

REC has a policy that if someone is about to retire in 2-3 years, he or she should be given a posting of their choice. If someone is transferred mid-session, they get monetary compensation so that they could be helped in their children's admission in educational institutions.

Hard posting

If an employee of REC gets a hard posting like in areas like Leh Ladakh or Srinagar, they serve there for a maximum period of three years and after that they get a choice posting. "We have also increased the hardship allowance so that people don't have to face troubles due to increased expenses," said Tyagi.

In-service demise

According to Tyagi, if an employee dies in-service, REC, as a part of its HR policy, continues to pay the basic salary plus DA (dearness allowance) to their wife (or husband) till their normal retirement age, which is 60 years. Of course, there is also group insurance policy under which the family of any such employee would get about Rs 70-80 lakh or even Rs 1 crore. Also, all the loans given by REC to its employees, like car loan or home loan, are insured so that in the case of pre-mature death of the employee, their family is free from making any payment towards the loan.

Attrition

Tyagi claims that due to REC's various employee-friendly policies, the company has a very low attrition rate. "In the last five years, hardly 20 of our employees have left," he said.

Talent

According to Tyagi, best talent in the market gets attracted by two things. One is the pay perks, which is most important. Second is the work culture, which mostly spreads by words of mouth. A good work culture includes good facilities and freedom to do good work etc.

Employee value proposition (EVP)

REC was set-up in 1969. Initially, the company was in power sector, but today it is as well present in non-power sectors like roads, bridges, airports, ports etc. "So, here people get unique opportunities to work across power and non-power sector projects. This gives the employees an advantage that if some of them decide to move on, they can get selected at a very good CTC (cost to company). Also, our offices are located in state capitals. So, good talent – people from PSUs, private banks – come to join us," said Tyagi.

According to Tyagi, on an average, REC gets about 1000-1200 applications for 10 advertised job posts. For the company, critical traits of the potential employees include leadership and decision-making qualities.

Township

REC is currently developing a township for its employees where they will get a flat.

Retirees

REC has about 800 retired employees who have greatly contributed to make the company what it is today. “They are also a part of our family. So, we also make HR policies for them, like we give them Rs 12,500 on their birthdays; we send cake and bouquet on their birthdays. They have medical facilities, and REC bears their entire medical costs. It’s a healing touch. We take care of not just our current employees, but also our retired employees,” said Tyagi.

Challenges

For Tyagi, a major challenge is to bring the best talent in REC. Right now, the process to recruit 127 professionals is going on at the company. Second challenge is to implement the best possible new HR policies or revise the old ones as soon as possible so that the employees can get benefitted from them. In the last 3-4 months, since he took charge of the HR, the company has revised its 15 HR policies.

Role of HR

“The most important role of the HR is to place the right person at the right place in the right role. The second most important role is to groom the people, and provide them relevant training,” opined Tyagi.

Metrics to evaluate the performance of HR professionals

According to Tyagi, one important metric to evaluate the performance of the HR professionals is timely output. It's very important, he said.

Second is quality content, the note that they submit, whether it covers all the aspects or not, whether it includes all the relevant facts or not, if something important is missing. "If quality and timely outputs are not coming then it's of zero value to me. If things don't come in time, important board meetings would be missed; someone might miss his training," he reasoned.

How HR professionals can get into CXO role

Till recently, before he was asked by the REC Chairman and Managing Director to take up the role of Executive Director - Human Resources, Tyagi was serving the company as Executive Director - Finance.

An Engineer with MBA in Finance, Tyagi has experience of over three decades across complete power sector value chain: Generation, Transmission and Distribution segments comprising project execution & management, operation & maintenance, project monitoring and financing. He has also handled the Government of India's rural electrification and distribution modernisation programmes in Madhya Pradesh, Punjab and Haryana.

On being asked how the young and aspiring HR professionals can get into a CXO role, Tyagi said that the HR professionals should work in different divisions.

Tyagi explained, “I have worked in finance and technical departments, So, I know the requirements of each division. When I do job rotations, I know who can perform best and where. If I have to send a proposal to the Chairman, I would know who is best suited for which position.”

At REC, the HR department, which has currently 12 people, does not have only HR professionals. “We have a mix of different professionals, like there is a GM in HR who is an engineer. So, through interactions, we know who requires what; where is the need for additional talent; who should be posted where. Since I have come here from field posting, I know what are the requirements of the field offices; what all professionals are required there.”

Full Story Link - https://hr.economictimes.indiatimes.com/news/industry/rec-insights-into-the-hr-policies-of-a-maharatna-public-sector-enterprise/111500361?frmsrc=amp_news_other_click
